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Form H

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CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

Acknowledgement of registration of a rule amendment

The FCA today acknowledges the registration of the amendment of the attached rules under the Co-operative and Community Benefit Societies Act 2014 for:

Society name: **ANCHO Limited**
Registration number: **2559 RS**

Date: **1 November 2018**



Registered as a Limited Company in England and Wales No. 1920623. Registered office as above.

These are the Rules

of

ANCHO Limited

Based upon
SFHA Charitable Model Rules (Scotland) 2013
(as amended 2015)

Registered under the
Co-Operative and Community Benefit Societies Act 2014
and the Housing (Scotland) Act 2010

Published by
the Scottish Federation of Housing Associations
in co-operation with The Scottish Housing Regulator

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INTRODUCTION

Name

1 The name of the Society shall be ANCHO Limited (hereinafter referred to as "the Association").

Objects

2 The objects of the Association are:

2.1 to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care; and

2.2 any other purpose or object permitted under Section 24 of the Housing (Scotland) Act 2010 which is charitable both for the purposes of Section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and also in relation to the application of the Taxes Acts.

3 The permitted activities and powers of the Association will include anything which is necessary or expedient to help the Association achieve these objects.

4.1 The Association shall not trade for profit and any surplus shall only be applied for the purpose of furthering the Association's objects and/or in accordance with these Rules.

4.2 Nothing shall be paid or transferred by way of profit to Members.

5 The registered office of the Association is at : Sovereign House, Academy Road, Irvine, KA12 8RL.

MEMBERSHIP

6 The Members of the Association shall (1) be those persons or organisations who hold a share in the Association and whose names are entered in the Register of Members and (2) the Parent.

Applying for Membership

7.1 The Board shall set, review and publish its membership policy for admitting new Members. In addition to the Parent and subject to the provisions of Rule 7.2 the following shall be eligible to become Members:-

7.1.1 Tenants of the Association;

7.1.2 Service users of the Association;

7.1.3 Other persons who support the objects of the Association.

7.1.4 Organisations sympathetic to the objects of the Association.

7.2 If you are applying for membership you must send a completed and signed application form and the sum of one pound (which will be returned to you if the application is not approved) to the Association's registered office. Whilst it is the Association's intention to encourage membership, the Board has absolute discretion in deciding on applications for membership and the following shall constitute grounds for refusal of an application for membership:-

7.2.1 Where membership would be contrary to the Association's Rules or policies;

7.2.2 Where a conflict of interest may exist which, even allowing for the disclosure of such an interest, may adversely affect the work of the Association;

7.2.3 Where the Board considers that accepting the application would not be in the best interests of the Association.

7.3 Your application shall be considered by the Board as soon as reasonably practicable after its receipt by the Association. An application for membership will not be considered by the Board within the period of fourteen days before the date of a general meeting. The Board has the power in its absolute discretion to accept or reject the application.

7.4 If the Board approve your application, you will immediately become a Member and your name and other necessary particulars will be included in the Register of Members within seven working days. You will then be issued one share in the Association.

7.5 The Parent shall apply for a share in terms of these Rules and shall make payment of the sum of one pound to the Association. The Parent shall then become a Member of the Association, its name and other necessary particulars will be included in the Register of Members within seven working days and it shall be issued with a share to the value of one pound in the Association ("the Parent Share").

7.6 The Parent and the Association, together with all other organisations in the Group will document, formally and in terms that are transparent and understandable, their constitutional and financial relationships through the Group Agreement or similar document. The role of the Association and its relationship with other organisations in the Group must be undertaken in a manner consistent with the Charities and Trustee Investment (Scotland) Act 2005.

8 You can apply for membership of the Association from the age of 16.

9 No Member can hold more than one share in the Association.

10 If you change your address, you must let the Association know by writing to the Secretary at the registered office within three months. This requirement does not apply (a) to the Parent or (b) if you are a tenant of the Association and have moved home by transferring your tenancy to another property owned and managed by the Association.

ENDING YOUR MEMBERSHIP

11.1 Your membership of the Association will end and the Board will cancel your share and record the ending of your membership in the Register of Members if:-

11.1.1 You resign your membership giving seven days notice in writing to the Secretary at the registered office.

11.1.2 Except in the case of the Parent, the Board reasonably believes that you have failed to tell the Association of a change of address as required by Rule 10 or;

11.1.3 For five annual general meetings in a row you have not attended, submitted apologies, exercised a postal vote or appointed a representative to attend and vote on your behalf by proxy;

11.1.4 Except in the case of the Parent, the Association receives a complaint about your behaviour and two-thirds of the Members voting at a special general meeting agree to end your membership. The following conditions apply to this procedure:

11.1.4.1 the complaint must be in writing and must relate to behaviour which could harm the interests of the Association.
11.1.4.2 the Secretary must notify the Member of the complaint in writing not less than one calendar month before the meeting takes place;
11.1.4.3 the notice for the special general meeting will give details of the business for which the meeting is being called;
11.1.4.4 you will be called to answer the complaint at the meeting. The Members present will consider the evidence supporting the complaint and any evidence you decide to introduce;
11.1.4.5 the Members can vote in person or through a representative by proxy;
11.1.4.6 if you receive proper notice but do not go to the meeting without providing a good reason, the meeting will go ahead without you and the Members will be entitled to vote to end your membership.

11.2 If your membership is ended in accordance with Rule 11.1.4, you will immediately cease to be a Member from the date that the resolution to end your membership was passed and any further application for membership by you will need to be approved by two-thirds of the Members voting at a general meeting.

REPRESENTING AN ORGANISATION

12.1 An organisation which is a Member is free to nominate any person it considers suitable as its representative to the Association. That person will represent all of the organisation's rights and powers at general meetings.

12.2 To confirm the identity of a representative, the organisation must send the Association a copy of the authorisation or appointment of an individual as a representative. This should be signed by a Director, Secretary or Authorised Signatory of the organisation which signature must be witnessed, or in the case of a local authority, by the Chief Executive, or properly authorised Officer of the local authority.

12.3 An organisation can change the identity of the person entitled to represent that organisation at any time by confirming the identity of the new representative in terms of Rule 12.2 and withdrawing the authority of the original representative.

12.4 If you are a representative in terms of Rule 12.2, of an organisation which is a Member, you cannot be a Member as an individual yourself. If you are already a Member as an individual when you start to represent an organisation which is a Member, the Association will suspend your membership as an individual, until such time as you are no longer a representative of an organisation which is a Member.

SHARE CAPITAL

Shares

13 The share capital of the Association will be raised by issuing one-pound shares to Members. Shares cannot be held jointly. Joint tenants of the Association may each become individual Members.

14 There is no interest, dividend or bonus payable on shares.

Transferring Shares

15.1 You shall not be entitled to any property of the Association in your capacity as Member and your share is not withdrawable or transferable save in the circumstances set out in Rules 16 and 17.

15.2 You cannot sell your share but you can transfer it if the Board agrees other than in respect of the Parent Share which may not be sold or transferred but which may be cancelled on the written request of the Parent.

16 If you die or end your membership or have your membership ended, or you are a representative of an organisation which no longer exists, the Board will cancel your share (except in those circumstances outlined in Rule 17.1) and the value of the share will then belong to the Association.

17.1 You can nominate the person to whom the Association must transfer your share in the Association when you die, as long as the person that you nominate is eligible for membership under these Rules and in terms of the Association's membership policies. On being notified of your death, the Board shall transfer or pay the full value of your share to the person you have identified. Your nomination must be in the terms required by the Co-Operative and Community Benefit Societies Act 2014.

17.2 If you die or become bankrupt and your personal representative or trustee in bankruptcy seeks to claim your share, the Board (to the extent that your personal representative or trustee in bankruptcy has right) will transfer or pay the value of your share in terms of your representative's or trustee's instructions.

BORROWING POWERS

18.1 The Association can borrow money as long as the total borrowing at any time is not more than £100million.

18.2 In respect of any proposed borrowing for the purposes of Rule 18.1, the amount remaining undischarged of any index-linked loan previously borrowed by the Association or any deep discounted security shall be deemed to be the amount needed to repay such borrowing in full if the pre-existing borrowing became repayable in full at the time of the proposed borrowing.

18.3 For the purposes of Rule 18.1 in respect of any proposed borrowing intended to be index-linked or on any deep discounted security the amount of borrowings shall be deemed to be the proceeds of such proposed borrowings that would be receivable by the Association at the time of the proposed borrowing.

18.4 The Association will not pay more than the market rate of interest as determined by the Board having regard to the terms of the loan on any money borrowed.

18.5 The Association will not accept money on deposit.

18.6 The Association can lend money to an organisation which is a subsidiary of the Association within the meaning of the Companies Act 2006 or the Co-Operative and Community Benefit Societies Act 2014 at a market rate of interest as determined by the Board having regard to the terms of the loan. Where the Association is using a loan facility to on lend it must comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.

18.7 The Association may borrow money from such lawful sources as is permitted by its Treasury Management Policy subject always to the requirement that the Association will comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.

18.8 Subject to the foregoing provisions the Board can determine and change the conditions under which the Association borrows or lends money.

19 The Association shall not lend money to Members.

GENERAL MEETINGS

Annual General Meeting

20. The Association will hold a general meeting known as the annual general meeting within six months of the end of each financial year of the Association. The functions of the annual general meeting are to:

20.1 present the Chairperson's report on the Association's activities for the previous year;
20.2 present the accounts, balance sheet and auditor's report;
20.3 elect Board Members.
20.4 appoint the auditor for the following year; and
20.5 consider any other general business included in the notice calling the meeting.

Special General Meeting

21.1 All general meetings other than annual general meetings are known as special general meetings. The Secretary will call a special general meeting if:

21.1.1 the Board requests one;
21.1.2 the Parent requests one in writing; or
21.1.3 at least four Members other than the Parent request one in writing. If there are more than 40 Members, at least one tenth of all the Members must ask for the meeting.

21.2 Whoever asks for the meeting must give the Secretary details of the business to be discussed at the meeting.

21.3 If a special general meeting is requested, the Secretary must within 10 days of having received the request give all Members notice calling the meeting. The meeting must take place within 28 days of the Secretary receiving the Members' request. The Secretary should decide on a time, date and place for the meeting in consultation with the Board or the Chairperson, but if such consultation is not practicable the Secretary can on his/her own decide the time, date and place for the meeting.

21.4 If the Secretary fails to call the meeting within ten days, the Board or the Members who requested the meeting can arrange the meeting themselves.

21.5 A special general meeting must not discuss any business other than the business mentioned in the notice calling the meeting.

Notice for Meetings

22.1 The Secretary will call all general meetings by written notice posted or sent by fax or email to every Member, including the Parent, at the address, fax number or email address given in the Register of Members at least 14 days before the date of the meeting. This notice will give details of:

22.1.1 the time, date and place of the meeting;
22.1.2 whether the meeting is an annual or special general meeting;
22.1.3 the business for which the meeting is being called.

22.2 The Board may ask the Secretary to include with the letter or send separately to Members any relevant papers or accounts. If a Member, other than the Parent, does not receive notice of a meeting or papers relating to the meeting, this will not stop the meeting going ahead as planned. If the Parent does not receive notice of a meeting or papers relating to the meeting, the meeting cannot go ahead as planned. Each communication sent to a Member by post, addressed to his or her registered address, shall be deemed to have arrived forty eight hours after being posted. Each communication sent to a Member by fax or email shall be deemed to have arrived on the day it is sent.

23 The proceedings of a meeting shall not be invalidated by the inadvertent failure of the Association to send a notice calling the meeting to any Member, other than the Parent. Failure of the Association to send notice calling the meeting to the Parent will invalidate the proceedings of that meeting.

PROCEDURE AT GENERAL MEETINGS

24.1 For a meeting to take place the Parent and at least seven Members must either be present at the venue or represented at the venue by a representative approved in terms of Rule 27.1. If there are more than 70 Members, at least one-tenth including the Parent must either be present or represented at the venue by a representative in terms of Rule 27.1.

24.2 If the Parent is not present in person or represented at the venue and/or not enough other Members are present in person or by representative within half an hour of the time the meeting was scheduled to start, the meeting shall be rescheduled to the same day the following week at the same time and at such place as may be fixed by the Chairperson of the meeting and announced at the meeting. There is no need to give notice to Members of the rescheduled meeting. If at that meeting there are not enough Members present in person or by representative at the scheduled starting time the meeting can still go ahead.

24.3 The Parent shall be deemed to be present in person at any general meeting if it is represented in person by an individual (who need not be a Member) who is appointed to act as such by written notice signed by or on behalf of the Parent.

25 If a majority of Members present agree, the Chairperson of a meeting can adjourn the meeting. No business can be discussed at the adjourned meeting other than the business not reached or left unfinished at the original meeting. There is no need to give notice to Members of the adjourned meeting.

26.1 The Chairperson of the Board will be Chairperson at all meetings of the Association. If there is no Chairperson or he/she is not present or willing to act, the Members present must elect a Member of the Board to be Chairperson of the meeting. If no Board Members are present, the Members present must elect a Member to be Chairperson of the meeting.

26.2 If the Chairperson arrives later, after the meeting has commenced, s/he will take over as Chairperson of the meeting as soon as the current agenda item is concluded.

Proxies/Representatives/Postal Votes

27.1 To appoint a representative to vote on your behalf by proxy, you must let the Association have a properly completed document in the form shown in Appendix 1. Your representative does not need to be a Member. The document must reach the Association at least five days before the meeting at which you want to be represented.

27.2 If there is any doubt about whether your representative has authority to vote, the Chairperson will decide and his/her decision will be final.

27.3 The maximum number of proxy votes that may be cast by any one person is 10.

27.4 To reverse your appointment of a representative, you must let the Association have a properly completed document in the form shown in Appendix 2. The document must be presented to the Association before the meeting at which you no longer want to be represented convenes. Alternatively, if you declare yourself present before the meeting convenes, the appointment of a representative to vote on your behalf will automatically fall.

27.5 The Chairperson will report to the meeting the details of any documents seeking to appoint a representative received but which are not valid. If you represent an organisation, your authorisation or appointment as a representative requires to be in accordance with the terms of Rule 12.2.

27.6 If there is to be an election of Board Members at an Annual General Meeting, you can vote by post. Not less than 14 days before a meeting is held at which one or more Board Members will be elected, you will receive a ballot paper for the election. You can vote in the election by returning the ballot paper to the Secretary at least 5 days before the day of the meeting, or by bringing your ballot paper along to the meeting.

Voting

28 If a decision of a meeting is put to the vote, the outcome will be determined by the majority of those Members voting. Voting will be by a show of hands except where a poll is requested or required. Votes cannot be taken on resolutions which conflict with any provisions of these Rules or the law.

29.1 Where a vote is by a show of hands every Member, including the Parent, present in person or who has appointed a representative has one vote (but that, subject in the case of the Parent to the provisions of Rule 29.3). Where a vote is by a poll every Member, including the Parent, present in person or who has appointed a representative has one vote (but that, subject in the case of the Parent to the provisions of Rule 29.3).

29.2 Where an appointed proxy is present, and he/she advises the Chairperson, the Chairperson shall direct that the vote is by a poll.

In relation to the election of Board Members, the vote is by a poll using the ballot paper issued to the Members prior to the meeting; votes received by post in advance of the meeting will be counted in the total number of votes at the meeting.

29.3 At any special general meeting called in accordance with these Rules for the purpose of considering and, if appropriate, approving:

29.3.1 any amendments, additions or deletions to any of these Rules; and/or
29.3.2 any change of name of the Association,

the Parent shall be allocated and shall be entitled to cast three quarters of the votes available to be cast at the relevant special general meeting and the other Members of the Association (collectively the "Other Members") shall among them be entitled to cast one quarter of the votes available to be cast at the relevant special general meeting. Votes exercisable by the Other Members in terms of this Rule 29.3 shall be counted for and against the relevant resolution(s) in the proportions for and against actually cast by each of the Other Members who are present and voting at the meeting in person or by proxy respectively. The Secretary shall make arrangements for such Other Members to vote on the resolution(s) separately and shall count the number of votes in favour and against the resolution(s) and shall notify the special general meeting of the totals and accordingly the manner in which the one quarter of votes available to be cast at the relevant special general meeting and exercisable by the Other Members have been cast. The Secretary shall notify the meeting of the decision of the vote having regard to the votes cast by the Parent. The Parent shall not be entitled to cast any votes in terms of this Rule 29.3 unless and until the Board and the Parent Board (both acting reasonably and in good faith) have agreed the proposed amendments, additions or deletions to any of these Rules and / or change of name of the Association to be considered at the relevant special general meeting.

30 Except where a resolution is passed in accordance with the provisions of Rule 29.3, if there is an equal number of votes for and against a resolution, or in relation to the election of Board Members, the Chairperson will have a second and deciding vote. The Chairperson's announcement of the decision of a vote will be final and conclusive. The decision is then recorded in the minutes of the meeting. There is no need to record the number of votes for or against the decision.

31.1 A poll can be required before or immediately after a vote by a show of hands, if at least one-tenth of the Members present at the meeting (in person or by proxy through a representative appointed in accordance with Rule 27.1) request this.

31.2 A poll must take place as soon as the Chairperson has agreed to it, in line with the Chairperson's instructions. The result of the poll will stand as the decision of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

32 All speakers must direct their words to the Chairperson. All Members must remain quiet and orderly while this is happening.

33 You will not be allowed to speak more than once on any individual matter unless it is to explain something or ask for an explanation until every other Member has had the chance to speak. You will then have the opportunity to speak a second time on a matter but only if the Chairperson agrees. Where the Chairperson raised the matter for discussion initially, she/he shall be permitted to make a final reply on the matter.

34 The Chairperson will decide how long each speaker is allowed to speak, allowing equal time to each speaker.

35 If any point arises which is not covered in these Rules, the Chairperson will give his/her ruling. If the Chairperson's ruling is challenged by more than one person, the Chairperson will step down and those present will decide the point raised on a majority vote. If the vote is tied, the Chairperson's original ruling is carried.

36 Meetings must not last longer than two hours unless at least two-thirds of the Members present agree after the end of that time to continue the meeting.

THE BOARD OF MANAGEMENT

Composition of the Board

37.1 The Association shall have a Board of Management which shall have a minimum of 7 and a maximum (including co-optees but excluding the Parent Appointee (if appointed) of 15 persons. The Association shall keep up to date a register of the names of the Board Members which shall be made available to any person at no cost. The names of Board Members will also be published by the Association on its website, and in its annual reports and other similar documentation.

37.2 The first Board Members will be the Members who have signed the application to register the Association. The first Members and all subsequent Members who are eligible shall be Board Members until there are more than seven Members. Once there are more than seven Members of the Association, at the end of the next annual general meeting, all of the Board Members shall retire.

37.3 A person must be aged 18 or over and a Member to become a Board Member (including any person appointed to fill a casual vacancy) other than a person appointed as a co-optee, or appointed by the Parent, or appointed by The Scottish Housing Regulator who must be aged 18 or over but need not be a Member.

37.4 An employee of the Association, or a Close Relative of an employee, may not be a Board Member.

37.5 No Board Member may take office until they have agreed to and signed the Association's code of conduct for Board Members and their appointment has been approved by the Parent.

37.6 The Parent may from time to time and at any time by written notice to the registered office of the Association appoint up to one person as a Board Member (the "Parent Appointee") and by like notice remove or replace the Parent Appointee and in each case, such appointment or removal shall take effect upon the date of lodgement of such written notice at the registered office of the Association or such later date as may be specified in the notice.

37.7 The Board shall assess annually the skills, knowledge, diversity and objectivity that it needs for its decision making and what is contributed by the Board Members by way of annual performance reviews. The Board must be assured that any Board Member who has continuous service on the Committee of nine years or more and who is seeking re-election is able to demonstrate his/her continued effectiveness as a Board Member before he/she may stand for re-election.

37.8 Notwithstanding any other provision of these Rules:

37.8.1 the Parent is the parent body of the Association and shall be entitled to appoint any number of Board Members and remove from office any and all Board Members as it may in its sole discretion determine;

37.8.2 any appointments and removals from office in terms of Rule 37.8.1 may be made from time to time and at any time by written notice signed on behalf of the Parent and served on the Association and, in each case, shall take effect upon the date of lodgement of written notice at the Association's registered office or such later date as may be specified in the notice;

37.8.3 all candidates for election, re-election, appointment, or re-appointment as Board Members in terms of these Rules shall first be approved in writing by the Parent and any such election, re-election, appointment or re-appointment of a Board Member shall not take effect unless and until such approval has been given; and

37.8.4 subject and without prejudice to the other terms of this Rule 37.8, the Parent shall exercise its powers of appointment and removal of any Board Members under this Rule 37.8 in accordance with the terms of any Group Agreement.

37.9 Each of the Board Members shall, in exercising his/her role as a Board Member, act in the best interests of the Association, its tenants and service users and will not place any personal or other interests ahead of his/her primary duty to the Association; and, in particular, must:-

37.9.1 seek, in good faith, to ensure that the Association acts in a manner which is in accordance with its objects.

37.9.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person.

37.9.3 in circumstances giving rise to the possibility of a conflict of interest between the Association and any other party:-

37.9.3.1 put the interests of the Association before that of the other party, in taking decisions as a Board Member;

37.9.3.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the Association and refrain from participating in any discussions or decisions involving the other Board Members with regard to the matter in question

37.9.4 ensure that the Association complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

Interests

38.1 The Board shall set and periodically review its policy on payments and benefits. If a person is a Member, employee of the Association or serves on the Board or any sub-committee he/she must not receive any payment or benefit unless it is permitted by the policy. In making any payment or conferring any benefit the Association shall act at all times with transparency, honesty and propriety.

38.2 If a person serves on the Board or any sub-committee he/she must declare any personal or other external interests on an annual basis in accordance with the Association's Code of Conduct for Board Members. If while serving on the Board that person has any conflict of interest in any contract or other matter about to be discussed at a meeting, he/she must tell the Board. He/she will be required to leave the meeting while the matter is discussed and will not be allowed to vote on the matter or to stay in the meeting while any vote on the matter is being held. If that person is inadvertently allowed to stay in the meeting and vote on the matter, his/hervote will not be counted.

38.3 If a person serves on the Board or any sub-committee he/she must not receive any payment or benefit unless it is permitted by the Charities and Trustee Investment (Scotland) Act 2005 and as set out in the Association's policy referred to in Rule 38.1. He/she shall also comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 in respect of any conflict of interest that might arise.

ELECTING BOARD MEMBERS

39.1 At the end of the first annual general meeting after the total membership of the Association has risen to seven or more, all Board Members, except in the case of the Parent Appointee, must retire. From then on at the end of every annual general meeting, at least one-third of the Board Members, except in the case of the Parent Appointee, or the nearest whole number thereto, must retire. Anybody appointed as a co-optee under Rule 42.1 or to fill a casual vacancy under Rule 41 and who retires for that reason, shall not count towards the one third provision. The retiring Board Members should be selected in accordance with Rule 39.2.

39.2 The retiring Board Members should be those who have served the longest on the Board since the date of their last election. If two or more Board Members have served equally long and cannot agree who should retire, they must draw lots.

39.3 Board Members must also retire if they have been co-opted onto the Board under Rule 42.1 or have filled casual vacancies under Rule 41.

39.4 If a Board Member retires from the Board in terms of Rule 39 before or on the date of the next annual general meeting, that Board Member can stand for re-election without being nominated.

40.1 If, at the annual general meeting the number of Members standing for election is less than or equal to the number of vacant places, the Chairperson will declare them elected without a vote. If there are more Members standing for election than there are vacant places, those present at the general meeting or those exercising a postal vote in accordance with Rule 27.6 will elect Members onto the Board, in accordance with Rule 29.2. Each Member present or who has appointed a representative will have one vote for each place to be filled on the Board. A Member must not give more than one vote to any one candidate.

40.2 The Association will post or send by fax or email intimation of the intended date of the annual general meeting and information on the nomination procedure to each Member at the address, fax number or email address given in the Register of Members of the Association not less than 28 days before the date of the meeting. Nominations for election to the Board must be in writing and in the form specified by the Association and must give the full name, address and occupation of the Member being nominated. A Member cannot nominate himself/herself for election to the Board. Nominations must be signed by and include a signed statement from the Member being nominated to show that they are eligible to join the Board in accordance with Rules 37.4 and 43, and that they are willing to be elected. Nomination forms can be obtained from the Association and must be completed fully and returned by hand or by post to the Association's registered office at least 21 days before the general meeting.

41.1 If an elected Board Member leaves the Board between the annual general meetings, this creates a casual vacancy and the Board can appoint a Member to take their place on the Board until the next annual general meeting.

41.2 If a Parent Appointee leaves the Board for whatever reason between annual general meetings, his/her place may be filled by another person to be appointed by the Parent to fill the vacancy in accordance with the terms of Rule 37.6.

Co-optees

42.1 The Board can co-opt to the Board anyone the Board consider is suitable to become a Board Member. Co-optees do not need to be Members, but they can only serve as co-optees on the Board until the next annual general meeting or until removed by the Board. A person co-opted to the Board can also serve on any sub-committees.

42.2 A person appointed as a co-optee shall undertake the role of Board Member and accordingly will be subject to the duties and responsibilities of a Board Member. Co-optees can take part in discussions at the Board or any sub-committees and vote at Board and sub-committee meetings on all matters except those which directly affect the Rules, the membership of the Association or the election of the Association's Office Bearers. Co-optees may not stand for election, nor be elected as one of the Office Bearers of the Board.

42.3 Board Members co-opted in this way must not make up more than one-third of the total number of the Board or sub-committee members at any one time. The presence of co-optees at Board Meetings will not be counted when establishing whether the minimum number of Board Members are present to allow the meeting to take place as required by Rule 48 and the presence of co-optees will not count towards the quorum for sub-committee meetings.

Eligibility for the Board

43 A person will not be eligible to be a Board Member and cannot be appointed or elected as such if:-

43.1 he/she has been adjudged bankrupt, has granted a trust deed for or entered into an arrangement with creditors or his/her estate has been sequestrated and has not been discharged; or

43.2 he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005; or

43.3 he/she is a party to any legal proceedings in any Court of Law by or against the Association; or

43.4 he/she is or will be unable to attend the Board Meetings for a period of 12 months; or

43.5 he/she has been removed from the Board of another registered social landlord within the previous five years; or

43.6 he/she has resigned from the Board in the previous five years in circumstances where the resignation was submitted after the date of his/her receipt of notice of a special board meeting convened to consider a resolution for his/her removal from the Board in terms of Rule 44.5; or

43.7 he/she has been removed from the Board in terms of Rules 44.4 or 44.5 within the previous five years; or

43.8 he/she has been removed, disqualified or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005; or

43.9 he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated; or

43.10 a disqualification order or disqualification undertaking has been made against that person under the Company Directors' Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company); or

43.11 if the Board is not satisfied under Rule 37.7 of the individual's continued effectiveness as a Board Member. In these circumstances the Board must not allow the individual to stand for re-election.

44 A Board Member will cease to be a Board Member if:

44.1 he/she resigns his/her position as a Board Member in writing; or

44.2 he/she ceases to be a Member unless he/she is a co-optee in terms of Rule 42.1 or an appointee of The Scottish Housing Regulator; or

44.3 he/she misses four Management Board meetings in a row without special leave of absence previously being granted by the Board either at his/her request or by exercise of the Board's discretion; or

44.4 except in the case of the Parent Appointee, the majority of Members voting at a general meeting decide this. (The Members at the meeting may then elect someone to take his/her place. If a replacement is not elected at the meeting, the Board may appoint a Board Member in terms of Rule 41); or.

44.5 except in the case of the Parent Appointee, the majority of those remaining Board Members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board Member. The resolution to remove him/her as a Board Member must relate to one of the following issues:

44.5.1 failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or The Scottish Housing Regulator adopted and operated by the Association;

44.5.2 failure to sign or failure to comply with the Association's Code of Conduct for Board Members; or

44.5.3 a breach of the Association's Rules, standing orders or other policy requirements;

44.6 he/she becomes ineligible as a Board Member in terms of Rule 43; or

44.7 he/she is a co-optee whose period of office is ended in accordance with Rules 39.1 or 42.2; or

44.8 he/she is a Board Member retiring in accordance with Rule 39.1; or

44.9 he/she is a Parent Appointee and the Parent removes him/her from the Board.

POWERS OF THE BOARD OF MANAGEMENT

45 The Board is responsible for directing the affairs of the Association and its business and may do anything lawful which is necessary or expedient to achieve the objects of the Association. The Board is not permitted to exercise any powers which are reserved to the Association in general meetings either by these Rules or by statute. The Board is responsible for the leadership, strategic direction and control of the Association with the aim of achieving good outcomes for its tenants and other service users in accordance with Regulatory Standards and Guidance issued by The Scottish Housing Regulator from time to time.

46 The Board acts in the name of the Association in everything it does. A third party acting in good faith and without prior notice does not need to check if the powers of the Board have been restricted, unless they are already aware that such a restriction may exist.

47 Amongst its most important powers, the Board can:-

47.1 buy, sell, build upon, lease or exchange any land and accept responsibility for any related contracts and expenses.

47.2 agree the terms of engagement and remuneration of anyone employed in connection with the business of the Association and act as employer for anyone employed by the Association.

47.3 grant heritable securities over land owned by the Association and floating charges over all or any part of property and assets both present and in future owned by the Association. This includes accepting responsibility for any related expenses.

47.4 decide, monitor and vary the terms and conditions under which property owned by the Association is to be let, managed, used or disposed of.

47.5 appoint and remove solicitors, surveyors, consultants, managing agents and employees, as required by the Association's business.

47.6 refund any necessary expenses as are wholly necessary incurred by Board Members and sub committee members in connection with their duties.

47.7 compromise, settle, conduct, enforce or resist either in a Court of Law or by arbitration any suit, debt, liability or claim by or against the Association.

47.8 accept donations in support of the activities of the Association.

BOARD PROCEDURE

48 It is up to the Board to decide when and where to hold its ordinary meetings, but it must meet at least six times a year. There must be at least four Board Members present including the Parent Appointee (unless the Parent Appointee has presented apologies in advance in writing of the meeting) for the meeting to take place.

49 The Board will continue to act while it has vacancies for Members. However, if at any time the number of Board Members falls below seven, the Board can continue to act only for another two months. If at the end of that period the Board has not found new Members to bring the number of Board Members up to seven, the only power it will have is to act to bring the number of Board Members up to seven.

50 Board Members must be sent written notice of Board meetings posted, or delivered, by hand or sent by fax or email to the last such address for such communications given to the Secretary at least seven days before the date of the meeting. The accidental failure to give notice to a Board Member or the failure of the Board Member (other than the Parent Appointee) to receive such notice shall not invalidate the proceeding of the relevant meeting.

51. Meetings of the Board can take place in any manner which permits those attending to hear and comment on the proceedings.

52 All speakers must direct their words to the Chairperson. All Board Members must remain quiet and maintain order while this is happening. The Chairperson will decide who can speak and for how long.

53 If any point arises which is not covered in these Rules, the Chairperson will give his/her ruling which will be final.

54 All acts done in good faith as a result of a Board Meeting or sub-committee meeting will be valid even if it is discovered afterwards that a Board Member was not entitled to be on the Board.

55 A written resolution signed by not fewer than three quarters of the Board Members or three quarters of the members of a sub-committee will be as valid as if it had been passed at a Board Meeting or sub-committee meeting duly called and constituted.

Special Board Meetings

56.1 The Chairperson or two Board Members can request a special meeting of the Board by writing to the Secretary with details of the business to be discussed. The Secretary will send a copy of the request to all Board Members and to the Parent within three working days of receiving it. The meeting will take place at a place mutually convenient for the majority of Board Members, normally the usual place where Board Meetings are held, between 10 and 14 days after the Secretary receives the request.

56.2 No other business may be discussed at the meeting other than the business for which the meeting has been called.

56.3 If the Secretary does not call the special meeting as set out above, the Chairperson or the Board Members who request the meeting can call the meeting. In this case, they must write to all Board Members at least seven days before the date of the meeting.

57 If a Board Member (other than the Parent Appointee) does not receive notice of the meeting, this will not prevent the meeting going ahead.

Sub-committees

58.1 The Board can delegate its powers to sub-committees or to staff or to Office Bearers. The Board will establish the terms of reference for such delegation, which will be set down in writing and communicated to the recipient of the delegated powers. Such delegation will be set out down in writing in standing orders, schemes of delegated authority or other appropriate documentation. In the case of a sub-committee such delegation shall include the purposes of the sub-committee, its composition and quorum for meetings. A minimum number of members for a sub-committee shall be three. There must be at least three of the members of a sub-committee present for the meeting to take place. The Board shall be responsible for the on-going monitoring and evaluation of the use of delegated powers.

58.2 The meetings and procedures of sub-committees or otherwise must comply with the relevant terms of reference.

58.3 Any decision made by sub-committee must be reported to the next Board Meeting.

58.4 The Board can establish and delegate powers to sub committees, designated as Area Committees, to take decisions relating to the management and maintenance of properties within a particular geographical area. The Board will determine the membership and delegated responsibility of an Area Committee in its terms of reference. An Area Committee shall exercise such delegated powers notwithstanding the provisions of Rules 42.1 and 42.3 which provisions shall not apply to Area Committees.

THE SECRETARY AND OFFICE BEARERS

59.1 The Association must have a Secretary, a Chairperson and any other Office Bearers the Board considers necessary. The Office Bearers, except for the Secretary, must be elected Board Members and cannot be co-optees. An employee of the Parent or of the Association may hold the office of Secretary although not be a Board Member. The Board will appoint these Office Bearers. If the Secretary cannot carry out his/her duties, the Board, or in an emergency the Chairperson, can ask another Office Bearer or employee to carry out the Secretary's duties until the Secretary returns. The appointment of an Office Bearer in terms of these Rules is subject to the prior approval of the Parent.

59.2 The Secretary and the other Office Bearers will be controlled, supervised and instructed by the Board.

59.3 The Secretary' s duties include the following (these duties can be delegated to an appropriate employee with the Secretary assuming responsibility for ensuring that they are carried out in an effective manner):

59.3.1 calling and going to all meetings of the Association and all the Board Meetings;
59.3.2 keeping the minutes for all meetings of the Association and Board;
59.3.3 sending out letters, notices calling meetings and relevant documents to Members before a meeting;
59.3.4 preparing and sending all the necessary reports to the Financial Conduct Authority and The Scottish Housing Regulator;
59.3.5 ensuring compliance with these Rules;
59.3.6 keeping the Register of Members and other registers required under these Rules; and

59.3.7 supervision of the Association's seal.

59.4 The Secretary must produce or give up all the Association's books, registers, documents and property whenever requested by a resolution of the Board, or of a general meeting.

59.5 At its first meeting after registration of the Association, the Board will elect the Chairperson of the Association. Thereafter a Chairperson will be appointed on an annual basis at the next scheduled Board Meeting held after each annual general meeting.

Role of the Chair

The Chairperson is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of the Board's role and to ensure that the Board properly discharges its responsibilities as required by law, the Rules and the standing orders of the Association. The Chairperson will be delegated such powers as is required to allow the Chairperson to properly discharge the responsibilities of the office. Among the responsibilities of the Chairperson are that:-

59.5.1 the Board works effectively with the senior staff;

59.5.2 an overview of business of the Association is maintained;

59.5.3 the Agenda for each meeting is set;

59.5.4 meetings are conducted effectively;

59.5.5 minutes are approved and decisions and actions arising from meetings are implemented;

59.5.6 the standing orders, code of conduct for Board Members and other relevant policies and procedures affecting the governance of the Association are complied with;

59.5.7 where necessary, decisions are made under delegated authority for the effective operation of the Association between meetings;

59.5.8 the Board monitors the use of delegated powers;

59.5.9 the Board receives professional advice when it is needed;

59.5.10 the Association is represented at external events appropriately;

59.5.11 appraisal of the performance of Board Members is undertaken, and that the senior staff officer's appraisal is carried out in accordance with the agreed policies and procedures of the Association; and

59.5.12 the training requirements of Board Members, and the recruitment and induction of new Board Members is undertaken.

59.6 The Chairperson must be elected from the Board Members (excluding co-optees) which election is subject to the prior approval of the Parent. The Chairperson must be prepared to act as Chairperson until the end of the next annual general meeting (unless s/he resigns the post). The Chairperson can only be required to resign if a majority of the remaining Board Members present at a special meeting agree to this.

59.7 If the Chairperson is not present at a Board meeting or is not willing to act, the Board Members present will elect another Board Member to be Chairperson for the Board Meeting. If the Chairperson arrives at the meeting late, s/he will take over as Chairperson of the Board meeting as soon as the current agenda item is concluded.

59.8 If the votes of the Board Members are divided equally for and against an issue, the Chairperson will have a second and deciding vote.

59.9 The Chairperson can resign his/her office in writing to the Secretary and must resign if s/he leaves the Board or is prevented from standing, for or being elected to the Board under Rule 43. The Board will then elect another Board Member as Chairperson.

59.10 The Chairperson can be re-elected but must not hold office continuously for more than five years.

FINANCIAL GUARANTEES FOR OFFICERS

60.1 The Board shall take out fidelity guarantee insurance to cover all Office Bearers and employees who receive or are responsible for the Association's money, or, these office bearers and employees must be covered by a bond as set out in Schedule 1 of the Co-Operative and Community Benefit Societies Act 2014, or a guarantee under which they promise to account for and repay money due to the Association accurately.

60.2 The Board shall have the power to purchase and maintain indemnity insurance for, or for the benefit of, persons who are, or were at any time, Board Members, officers or employees of the Association. A Board Member may form part of a quorum and vote at a meeting where such insurance is under consideration notwithstanding the terms of Rules 38.1 and 38.2.

61 Office Bearers and employees will not be responsible for the Association's loss while they are carrying out their duties unless there has been gross negligence or dishonesty. If an Office Bearer or employee is dishonest, the Association will try to recover any loss that it has suffered and may alert the police or other relevant authority.

THE BOARD'S MINUTES, SEAL, REGISTERS AND BOOKS

Minutes

62 Minutes of every general meeting, Board Meeting and sub-committee meeting must be kept. Those minutes must be presented at the next appropriate meeting and if accepted as a true record, signed by the Chairperson of the meeting at which they are presented. All minutes signed by the Chairperson of the meeting shall be conclusive evidence that the minutes are a true record of the proceedings at the relevant meeting.

Execution of Documents and Seal

63 The Association shall execute deeds and documents in accordance with the provisions of the Requirements of Writing (Scotland) Act 1995 and record the execution in the register. The use of a common seal is not required. The Association may have a seal which the Secretary must keep in a secure place unless the Board decides that someone else should look after it. The seal must only be used if the Board decides this. When the seal is used, the deed or document must be signed by the Secretary or a Member of the Board or another person duly authorised to subscribe the deed or document on the Association's behalf and recorded in the register.

Registers

64 The Association must keep at its registered office a Register containing:

64.1 the names and addresses of the Members and where provided for the purposes of electronic communication, fax numbers and e-mail addresses;
64.2 a statement of the share held by each Member and the amount each Member paid for it;
64.3 the date each person was entered in the Register as a Member and the date at which any person ceased to be a Member of the Association;
64.4 a statement of other property in the Association, whether in loans or loan stock held by each Member; and
64.5 the names and addresses of the Office Bearers of the Association, their positions and the dates they took and left office.

65.1 The Association must also keep at its registered office:

65.1.1 a second copy of the Register showing the same details as above but not the statements of shares and property. This second register must be used to confirm the information recorded in the main Register.
65.1.2 a register of loans and to whom they are made.
65.1.3 a register showing details of all loans and charges on the Association's land.

65.2 The inclusion or omission of the name of any person from the original Register of Members shall, in the absence of evidence to the contrary, be conclusive that the person is or is not a Member of the Association.

Registered Name

66 The registered name of the Association must be clearly shown on the outside of every office or place where the Association's business is carried out. The name must also be engraved clearly on the Association's seal and printed on all its business letters, notices, adverts, official publications, website and legal and financial documents.

Documentation

67 The Association's books of account, registers, securities and other documents must be kept at the registered office or any other place the Board decides is secure.

68 At the last Board Meeting before the annual general meeting, the Secretary must confirm in writing to the Board that Rules 62 to 67 have been followed or, if they have not been followed, the reasons for this. The Secretary's confirmation or report must be recorded in the minutes of the Board Meeting.

ACCOUNTS

69 The Association must keep proper books of accounts to cover its income, expenditure transactions and its assets, liabilities and reserves in line with Part 7 of the Co-Operative and Community Benefit Societies Act 2014. It must also set up and maintain a suitable system for controlling its books of accounts, its cash and its receipts and invoices.

70 The Board must send the Association's accounts and balance sheet to the Association's auditor. The auditor must then report to the Association on the accounts it has examined. In doing this, the auditor must follow the conditions set out in Part 7 of the Co-Operative and Community Benefit Societies Act 2014 and Part 6 of the Housing (Scotland) Act 2010.

71 The Association must provide The Scottish Housing Regulator and the Financial Conduct Authority with a copy of its accounts and the auditor's report within six months of the end of the period to which they relate.

THE AUDITOR

72.1 Each year the Association must appoint, at a general meeting of the Association, a qualified auditor to audit the Association's accounts and balance sheet. In this Rule "qualified auditor" means someone who is a qualified auditor under Section 91 of the Co-Operative and Community Benefit Societies Act 2014.

72.2 None of the following can act as auditor to the Association:-

72.2.1 a Board Member or employee of the Association;
72.2.2 a person who is a partner of, or an employee or employer of a Board Member or employee of the Association;
72.2.3 an organisation which is a Member of the Association.

73 The Association must appoint an auditor within three months of being registered by the Financial Conduct Authority. The Board will appoint the auditor unless there is a meeting of the Association within that time. The Board may appoint an auditor to fill in a casual vacancy occurring between general meetings of the Association. The Board shall take such steps as it considers necessary to ensure the continuing independence of the Association's auditor including the periodic review of the need for audit rotation. The Association must send a copy of its accounts and the auditor's report to The Scottish Housing Regulator within six months of the end of the period to which they relate.

74.1 An auditor appointed to act for the Association one year will be re-appointed for the following year unless:-

74.1.1 a decision has been made at a general meeting to appoint someone else or specifically not to appoint them again; or
74.1.2 they have given the Association notice in writing that they do not want to be re-appointed; or
74.1.3 they are not a qualified Auditor or are excluded under Rule 72.2; or
74.1.4 they are no longer capable of acting as Auditor to the Association; or
74.1.5 notice to appoint another Auditor has been given.

74.2 To prevent an auditor being re-appointed or to appoint another person as auditor, not less than 28 days notice must be given to the Association that the matter requires to be discussed at the next meeting of the Association.

74.3 The Association shall give notice to the auditor who is to be asked to step down that the matter will be discussed at the next meeting of the Association. If possible the Association will also give proper notice of this matter to the Members but if this is not possible, the Association can give notice by advertising in the local newspaper at least 14 days before the meeting.

74.4 The retiring Auditor may make representations to the Association or give notice that he/she intends to make representations at the meeting and the Association must tell the Members of any representations made by the Auditor under Section 95 of the Co-Operative and Community Benefit Societies Act 2014.

ANNUAL RETURNS AND BALANCE SHEET

75.1 Every year, within the time allowed by the law, the Secretary shall send to the Financial Conduct Authority the annual return in the form required by the Financial Conduct Authority.

75.2 The Secretary must also send:

75.2.1 a copy of the auditor's report on the Association's accounts for the period covered by the return; and
75.2.2 a copy of each balance sheet made during that period and of the auditor's report on that balance sheet.

76 The Association must provide a free copy of the latest annual return and auditor's reports to Members or people with a financial interest in the Association.

77 The Association must always keep a copy of the latest balance sheet and auditor's report publicly displayed at its registered office.

78 The Association must comply with the requests of The Scottish Housing Regulator for annual returns.

SURPLUSES AND DONATIONS

79.1 The Association must not distribute its surpluses to Members.

79.2 The Board shall set and review periodically its policy for the donation of funds to charities. Such donations must further the objects of the Association and the Board shall report to the Members on such donations.

INVESTMENTS

80 The Association's funds may be invested by the Board in such manner as is permitted by its Investment Policy subject always to the requirement that the Association will comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.

INSPECTING THE REGISTER

81 Any Member or person having a financial interest in the Association can inspect their own account. They may also inspect the second copy of the Register of Members which shall be made available to them for inspection within 7 days of the request of a Member or eligible person. The books must be available for inspection at the place they are kept at all reasonable hours. The Board may set conditions for inspecting the books. The Association will also maintain a register of the names of those Members who have given consent for this purpose which shall be made available for inspection within 7 days of the request of any person.

DISPUTES

82 Every dispute between the Association or the Board and:-

82.1 a Member; or

82.2 a person aggrieved who has ceased to be a Member within the previous six months; or

82.3 a person claiming under the Rules of the Association

shall be dealt with in accordance with these Rules and any procedures determined by the Board from time to time but without prejudice to all rights which any person may have to raise an action on the matter in any court with competent jurisdiction, including without prejudice the Sheriff Court in the Sheriffdom in which the Association's registered office is located.

STATUTORY APPLICATIONS TO THE FINANCIAL CONDUCT AUTHORITY

83 Any 10 Members of the Association who have been Members for at least the 12 previous months can apply to the Financial Conduct Authority to appoint an accountant or actuary to inspect and report on the Association's books on payment to the Financial Conduct Authority of the costs required.

84.1 One-tenth of Members can apply to the Financial Conduct Authority to:

84.1.1 appoint an inspector to examine and report on the affairs of the Association; or

84.1.2 call a special general meeting of the Association.

84.2 If there are more than 1000 Members in the Association, only 100 Members need to apply to the Financial Conduct Authority in terms of Rule 84.1.

COPIES OF RULES

85 The Secretary shall, on demand, provide a copy of the Rules of the Association free of charge to any Member who has not previously been given a copy and, upon payment of such fee as the Association may require, not exceeding the amount specified by law, to any other person.

CLOSING DOWN THE ASSOCIATION

86.1 The Association may be closed down in either of the following ways:

86.1.1 by an order or resolution to wind up the Association as set out in the Insolvency Act 1986 and/or Section 105 of the Housing (Scotland) Act 2010; or

86.1.2 In accordance with Section 119 of the Co-Operative and Community Benefit Societies Act 2014, by an instrument of dissolution to which not less than three-fourths of the Members have given their consent testified by their signatures to the instrument.

86.2 The prior approval of the Office of the Scottish Charity Regulator is required before the Association can be dissolved. The Association must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Association intends to dissolve.

87 If any property remains after the Association has paid its debts, this property will be transferred to such other charitable registered social landlord as determined by The Scottish Housing Regulator.

CHANGING THE RULES

88.1 Any changes to these Rules shall require the prior written consent signed by the Parent and, subject to such consent, these Rules can be changed or deleted and new Rules can be introduced if:

88.1.1 three-quarters of the votes at a special general meeting are in favour of the change(s); and

88.1.2 The Scottish Housing Regulator has approved the change(s).

88.2 Where an amendment of these Rules affects the purposes of the Association the prior approval of the Office of the Scottish Charity Regulator is required. The Association must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Association intends to amend its purposes. Any other amendment of these Rules requires to be notified to them within three months of the change having been made.

88.3 The Association must apply to the Financial Conduct Authority to register every rule change as set out in treasury regulations. Each Member must receive a copy of the change. No change is valid until it has been registered by the Financial Conduct Authority.

88.4 The Association can change its name if:

88.4.1 three-quarters of the votes at a special general meeting are in favour of the change;

88.4.2 the Financial Conduct Authority approves the change in writing;

88.4.3 the Office of the Scottish Charity Regulator has given its prior approval. The Association must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Association intends to change its name; and

88.4.4 the Parent approves the change in writing.

88.5 If the Association changes its name in terms of Rule 88.4 it must inform The Scottish Housing Regulator in writing within 14 days.

88.6 The Association can change its registered office but must:

88.6.1 notify The Scottish Housing Regulator and the Financial Conduct Authority of the change in registered office within seven working days of the decision having been made;

88.6.2 notify the Office of the Scottish Charity Regulator within three months of the change having been made; and

88.6.3 obtain prior written approval from the Parent.

INTERPRETING THESE RULES

89.1 In these Rules, the following words and phrases have the meanings given below:

89.1.1 "A person claiming through a Member":- includes an heir executor assignee or nominee. This heading would be used in connection with disputes about the transfer of a Member's share after his death. It would also cover executors of a former Member

89.1.2 "Association" means the registered social landlord referred to in Rule 1 whose Rules these are.

89.1.3 "Board" means the Board of Management referred to in Rule 37.1.

89.1.4 "Board Meeting" means a meeting of the Board.

89.1.5 "Board Member" means a member of the Board.

89.1.6 "Chairperson" means the Chairperson of the Association referred to in Rule 59.1.

89.1.7 "Close Relative" means someone who is the spouse or civil partner of a person, or (being either of the same or different sex) who cohabits with that person, or is that person's parent, grandparent, child, stepchild, grandchild, brother or sister.

89.1.8 "Financial Conduct Authority" means the registering authority for societies registered under the Co-Operative and Community Benefit Societies Act 2014 (IPSA65) and the Credit Unions Act 1979 set up in terms of the Financial Services Act 2012 or its successor body.

89.1.9 "Group" means the Association and any organisation which is its parent, its subsidiary or is a subsidiary of its parent.

89.1.10 "Group Agreement" means the written agreement from time to time between the Association and the Parent in relation to the relationship between them and the objectives and operation of the Group.

89.1.11 "Meeting" means a general meeting of the Association, whether special, general or annual referred to in Rules 20-23.

89.1.12 "Member" means a member of the Association whose name is entered in the Register of Members.

89.1.13 "Office Bearer" means the Chairperson, Secretary, and such other Officer Bearer appointed under Rule 59.1.

89.1.14 "Office of the Scottish Charity Regulator" means the body set up under the Charities and Trustee Investment (Scotland) Act 2005 to regulate charities in Scotland.

89.1.15 "organisation" means a legal body which exists separately and distinctly from its members and includes companies, building societies, community benefit societies, local authorities and so on and also for the purposes of these Rules includes unincorporated organisation such as social clubs, branches of political parties or trade unions and other voluntary bodies.

89.1.16 "Parent" means Cairn Housing Association Ltd, a registered society under the Co-operative and Community Benefit Societies Act 2014 with registered number 2335RS, a Scottish charity with registered number SC016647, a registered social landlord with registered number 218 and having its registered office at Bellevue House, 22 Hopetoun Street, Edinburgh, EH7 4GH.

89.1.17 "property" includes everything which can be passed on by inheritance (including loans, certificates, books and papers).

89.1.18 "Register of Members" means the register of members referred to in Rule 64.

89.1.19 "Rules" means the registered Rules of the Association.

89.1.20 "Taxes Acts" means Part 11 of the Corporation Tax Act 2010 as read with Schedule 6 of the Finance Act 2010 and any statute or statutory provision which amends, extends, consolidates or replaces the same.

89.1.21 "The Scottish Housing Regulator" means The Scottish Housing Regulator as established pursuant to Section 1 of the Housing (Scotland) Act 2010.

89.1.22 "Secretary" means the Office Bearer appointed by the Board to be the Secretary of the Association or anyone authorised by the Board to stand in for the Secretary.

89.1.23 Words in the singular also include the plural. Words in the plural also include the singular.

89.1.24 A reference to law or statute is a reference to that law or statute as re-enacted, amended or replaced.

89.2 In the event of Sterling joining the Euro any sums of money referred to in Sterling in these Rules shall be redenominated into Euros at the rate of exchange applying for such redenomination as at the date of joining the Euro.

APPENDIX 1

PROXY FORM

You must use the wording shown below to appoint a representative to vote at a meeting for you. Please see Rule 27.1 for more details.

I _____ (insert name) am a member of ANCHO Limited.

My address is: _____ (please insert).

I hereby appoint _____ (insert name) who lives at _____(insert address) to be my representative and vote for me at the Association's meeting on _____ (insert date) and any other dates that meeting continue on.

Your name _____

Your signature _____

Date _____

APPENDIX 2

CANCELLATION OF PROXY

You must use the wording shown below to reverse your application to send a representative to vote at a meeting for you. Please see Rule 27.4 for more details.

I _____ (insert name) am a member of ANCHO Limited.

My address is: _____ (please insert).

I hereby revoke the appointment of _____ (insert name) as my representative to vote for me at the Association's meeting on _____ (insert date) made by me on the _____ (insert date).

I no longer authorise the person referred to above to represent me at the meeting referred to above.

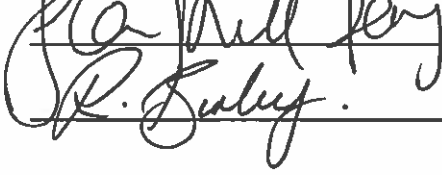
Your name _____

Your signature _____

Date _____

SIGNATURE OF BOARD MEMBERS

Date 16 AUGUST 2018

1. J Bruno
2. 
3. R. Bailey.
4. Members
5.
6.
7.

Secretary

BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY

FCA
FINANCIAL CONDUCT AUTHORITY

Mutual Societies Application Form

Amendment of rules for a society or credit union

Mutual Registration Department
29 AUG 2018

Full name of society or credit union:

ANCHO Limited

Important information you should read before completing this form

This form should be used to register a rule amendment by societies registered under:

- Co-operative and Community Benefit Societies Act 2014 (including credit unions)
- Friendly Societies Act 1974 (unless a branch of a friendly society)

This form should not be used by building societies or societies registered under the Friendly Societies Act 1992.

Please note:

- we have an information note that may assist you in completing this application.
- any personal details you give on the form will be placed on the society's file.
- it is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to assess your application.

Please keep a copy of the form and the supporting documents for future reference.

Terms in this form

'FCA' 'PRA', 'us' and 'we' refer to the Financial Conduct Authority or Prudential Regulation Authority.

'You' refers to the person signing the form on behalf of the society or credit union.

'The 2014 Act' refers to the Co-operative and Community Benefit Societies Act 2014

Mutual Registration Department
11 OCT 2018

BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY

FCA
FINANCIAL CONDUCT AUTHORITY

Mutual Societies Application Form

Amendment of rules for a society or credit union

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print out the completed form and arrange for it to be signed by all relevant individuals.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed and dated by all relevant individuals.

3 If you make a mistake, cross it out and initial the changes; do not use correction fluid.

4 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will treat the application as incomplete. This will increase the time taken to assess your application.

5 If there is not enough space on the form, you may use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number. Any separate sheets should be signed by the signatories to the form.

6 **Email a scanned copy of the signed form and supporting documents to**

mutual.societies@fca.org.uk

or

send it by post to:

Mutuals Team
Financial Conduct Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS

1 Details of rule changes

Society details

1.1 Society or credit union details

Register number	2559RS

1.1.2 Is the society registered with the Scottish Housing Regulator or the Welsh Ministers?

☐ No ▸ Continue to question 1.2

☒ Yes ▸ Please attach consent for the rule change from the Scottish Housing Regulator or the Welsh Ministers and confirm below:

☒ Consent attached.

Proposed changes – Partial or complete?

1.2 Are you applying for a partial or complete amendment of rules?

☐ Partial ▸ Continue to question 1.3

☒ Complete ▸ Continue to question 1.5

Partial amendment of rules

1.3 You must attach the following:

- Two printed copies of the amendment of rules, set out as per Annex A (see Notes),
  - each signed by three members and the secretary of the society or credit union (four signatures in total)
  - with one set of rules marked 'X'
- A printed copy of the existing set of rules showing tracked changes.

☐ Attached

1.4 Is your society either:

- **a registered society under the 2014 Act, or**
- **a credit union amending its membership qualification?**

☐ Yes ▸ Please confirm that you have completed the relevant appendix:

Registered society	▸ Appendix 1 Part 1	☐ Completed
Credit union	▸ Appendix 2 parts 2&3	☐ Completed

☐ No ▸ Continue to question 1.8.

Continue to question 1.8.

Complete amendment of rules

1.5 Please confirm that you have completed the relevant appendix:

Registered society	▸ Appendix 1 Parts 1 & 2	☒ Completed
Credit union	▸ Appendix 2	☐ Completed
Friendly society	▸ Appendix 3	☐ Completed

1.6 You must attach the following:

- Two printed copies of the amendment of rules, set out as per Annex A (see Notes),
  - each signed by three members and the secretary of the society or credit union (four signatures in total)
  - with one set of rules marked 'X'

☒ Attached

1.7 Have you used model rules provided by a sponsoring body?

☐ No ▸ Continue to question 1.8.

☒ Yes ▸ Enter the name of the model being used and the name of the sponsoring or trade body who provided the model.

Scottish Federation of Housing Associations	Scottish Federation of Housing Associations Sutherland House 3rd Floor, 149 St Vincent Street Glasgow G2 5NW Company Number: 59549

Continue to question 1.8.

Signature

1.8 The secretary of the society or credit union must sign and date below

Signature	
Contact telephone	07887 822063
Date	17/8/18

Continue to section 2.

2 Statutory declaration

2.1 An Officer of the society or credit union must sign below

I,

Name	MARGARET LIGHTBODY
Of	4 BALTA CRESCENT GLASGOW
Postcode	G72 8TJ
Signature	
Position	SECRETARY
Date	17 AUGUST 2018

do solemnly and sincerely declare that the amendment of the rules of the said society or credit union, a copy of which is attached marked 'X', has been duly made by the society or credit union in the manner provided in its rules for the making, altering or rescinding of rules.

I make this solemn declaration conscientiously believing it to be true, and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared before:

☒ a solicitor; or
☐ a commissioner for oaths; or
☒ notary public; or
☐ justice of the peace.

Name	EILEEN ELIZABETH BARR.
Declared at	GLASGOW.
Signature	Eileen Elizabeth Barr.
Date	17/08/2018.

End of form

1 Appendix 1 – Part 1

All societies registered under the Co-operative and Community Benefit Societies Act 2014 (2014 Act) must complete Part 1.

1.1 What business, industry or trade does the society carry out?

Registered housing association

1.2 Which condition of registration is the society meeting?

☐ **bona fide co-operative** society (go to question 1.3)

☒ conducts business for the **benefit of the community** (go to question 1.8)

Bona fide co-operative

1.3 How do members benefit from the business industry or trade of the society?

1.4 Is membership of the society required to obtain the benefits offered by it?

☐ Yes

☐ No

1.5 In what way do members participate in an ongoing basis in the society's primary business?

1.6 How do members democratically control the society?

1.7 How does the society use any surplus/profit?

If the society distributes the surplus/profit to members please explain how this is to be done.

Benefit of the community

1.8 Who are the community the society benefits?

The tenants and members of the society.

1.9 How does the society benefit that community?

The Society:-

(a) benefits the community by the provision of social housing to persons in housing need and

(b) prefers the membership structure of one member one vote

1.10 How does the society use any surplus/profit?

Suplus/profits are reinvested to benefit the community.

Complete the next page if applying for a complete rule amendment

1 Appendix 1 – Part 2

This part of this appendix must only be completed by societies registered under the 2014 Act applying for a complete amendment of rules.

2.1 Please complete the table below

Matters to be provided for	Rule number(s)
The society's name	1
The objects of the society	2
The place of the society's registered office, to which all communications and notices may be addressed	5
The terms of admission of the members, including any society or company investing funds in the society under the provision of the 2014 Act.	7, 8, 9
The method of holding meetings, the scale and right of voting, and the method of making, altering or rescinding rules.	20, 21, 22, 23 , 24, 27 , 28, 29, 30, 31, 88
The appointment and removal of a committee, (by the name of *The Management Board) and of managers or other officers, and their respective powers and remuneration.	37, 38, 39, 40, 41, 42, 44, 45, 46, 47
The maximum amount of interest in the shares of the society which may be held by any member otherwise than by virtue of section 24(2) 2014 Act.	9
Whether the society may contract loans or receive moneys on deposit subject to the provisions of the 2014 Act from members or others; and, if so, under what conditions, under what security, and to what limits of amount.	16, 17, 18
Whether any or all shares are transferable, and provision for the form of transfer and registration of the shares, and for the consent of the committee to transfer or registration. Whether any or all shares are withdrawable, and provision for the method of withdrawal, and the payment of the balance due thereon on withdrawing from the society.	11, 15, 16, 17
Provision for the audit of accounts in accordance with Part 7 of the 2014 Act.	69, 70
Whether members may withdraw from the society, and if so, how, and provision for the claims of the representatives of deceased members or the trustees of the property of bankrupt members)or, in Scotland, members whose estate has been sequestrated) and for the payment of nominees.	11, 15, 16, 17
The way in which the society's profits are to be applied.	79
If the society is to have a common seal, provision for its custody and use.	63

Whether any part of the society's funds may be invested, and if so by what authority and in what way.	80

End of Appendix