

SHAREHOLDING MEMBERSHIP POLICY

1. Aims

The Lune Valley Rural Housing Association Shareholding Membership Policy aims to contribute towards the Association's mission statement, and specifically; *'to be an integral part of the communities in which we operate', working with tenants, parish councils and the wider community'*. The Shareholding Membership Policy promotes the involvement in tenant, parish councils and interested other people/bodies within the communities that Lune Valley operates within.

2. Rules

Lune Valley Rural Housing Association has adopted the National Housing Federation Model Rules 2015 and this policy takes into account Rules C1 – C15, summarised in the following paragraphs.

The Rules allow for the Board to set, review and publish its policies for admitting new Shareholders and shall only admit new Shareholders in accordance with such policies.

3. Obligations of shareholders

All shareholders must agree to the obligations set out in the Rules and, when acting as shareholders, must act at all times in the interests of Lune Valley Rural Housing Association and, for the benefit of the community, as guardians of the objects of Lune Valley Rural Housing Association.

4. Admission of new shareholders

Tenants of Lune Valley Rural Housing Association, residents, stakeholders and those living and working in the communities that Lune Valley operates within are eligible to apply to become shareholder members. The admissions policy is subject to the provisions within the Equalities Act 2010, ensuring equal access to the nine protected characteristics.

Shareholders are expected to contribute to the Association's long-term constitutional and financial stability. Shareholders will be informed of their role:

- acting in the long-term best interest of the Association and its tenants
- attending and voting at General Meetings on key issues e.g. election and dismissal of directors
- transferring ownership
- receiving reports and announcements

All applications for shareholding membership will be considered by the Board, which has the discretion to accept or reject applications. The applicant shall as part of their application for Board membership:

- apply in writing (including by email)
- give reasons for applying

- state their qualifications; and
- pay £1 (refundable if the application is unsuccessful).

If approved, the new shareholder will be sent one share and a copy of the Rules. If for any reason an application is rejected the Chair will write setting out the reasons for the Board's decision.

5. Issuing a share

The share has a nominal value of £1. If a shareholder dies, decides to give up the share or Lune Valley Rural Housing Association expels the shareholder, then the share and the £1 is not redeemable.

6. Ending of shareholding

Shareholding membership can be ended in accordance with the Rules, including but not limited to; if shareholders cease to be a Board Member and where shareholders do not attend in person nor appoint a proxy or deliver apologies for two consecutive annual General Meetings. A comprehensive list of reasons to end shareholding is contained within the Rules (C14). This applies to all shareholders, regardless of when they became shareholders.

The Chair will write to shareholders to advise of the reason for ending their shareholding membership.

7. Publication

The Shareholding Membership Policy is available on the Lune Valley Rural Housing Association website. A summary of which is published within the Association's Annual Report. This policy is also available on request.

8. Policy review

It may be reviewed at any time by the Board and shall be reviewed at least once every three years.

Nature of Shareholders

C5 A Shareholder of the association is a person or body whose name and address is entered in the register of Shareholders.

C6 The Following cannot be Shareholders:

C6.1 a minor,

C6.2 a person who has been expelled as a Shareholder, unless authorised by special resolution at a General Meeting.

C6.3 an employee of the Association or an employee of any other group Member;

C6.4 a person who has been removed by the Board in accordance with rule D8;

C6.5 a person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the Association stating that the person has become physically or mentally incapable of exercising their rights as a Shareholder and may remain so for more than three months.

C7 A Shareholder can be the nominee of an unincorporated body. In such cases the register shall contain the name and address of the Shareholder and shall designate the Shareholder as the nominee of a named unincorporated body. The address of the unincorporated body shall also be entered in the register if it differs from the address of the Shareholder nominee.

C8 A Corporate body can be a Shareholder. It can appoint an individual to exercise its rights at General Meetings. Any such appointment shall be in writing and given to the Secretary.

C9 No Shareholder shall hold more than one share and each share shall carry only one vote.

C10 A share cannot be held jointly unless by nominees of an unincorporated body.

Admission of Shareholders

C11 The Board shall set, review and publish its policies and objectives for admitting new Shareholders. The Board shall only admit new Shareholders in accordance with such policies.

C12 An applicant for a Share shall apply in writing to the Associations registered office;

C12.1 setting out their reasons for applying and how they meet any criteria set by the Associations policies under rule C11; and

C12.2 pay the sum of one pound (which shall be returned to them if the application is not approved)

C13 Every application shall be considered by the Board in accordance with the rule C11. The Board has the power in its absolute discretion to accept or reject the application. If the application is approved, the name of the applicant and other necessary particulars shall be entered in the register of Shareholders. One share in the register shall be issued to the applicant.

Ending of Shareholding

C14 a Shareholder shall immediately cease to be a Shareholder if:

C14.1 they die, or

C14.2 they are expelled under rule 15; or

C14.3 they withdraw from the Association by giving notice to the Secretary, which shall be effective on receipt, unless they are one of the last three remaining Shareholders, in which case they must provide at least one month's written notice or the withdrawal to the Secretary; or

C14.4 they do not attend in person or appoint a proxy in respect of nor deliver written apologies in advance for two consecutive Annual General Meetings of the Association; or

- C14.5** in the case of a body corporate it ceases to be a body corporate; or
 - C14.6** in the case of a nominee in an unincorporated body, they transfer their share to another nominee of that body; or
 - C14.7** they cease to be eligible to be a Shareholder under rule C6; or
 - C14.8** having been a Board Member or member of a Committee; they cease to be a Board Member or member of a Committee (unless the Board in its absolute discretion resolves that they may remain as a Shareholder); or
 - C14.9** in circumstances where they were a Shareholder and a Resident, they cease to be a Resident; or
 - C14.10** they are a Resident and in the opinion of the Board in material or serious breach of their tenancy agreement or lease or are subject to a possession order or in breach of a suspended possession order, or are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy, or closure order; or
 - C14.11** they are a Resident and the Association has obtained an order of a competent Court or tribunal against them for the recovery of monies due from them to the Association provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Shareholder upon failing to meet the terms of the order.
- C15** A Shareholder may only be expelled by a Special Resolution at a special General Meeting called by the Board provided that the following rules apply to the process;
- C15.1** The Board must give the Shareholder at least one month's notice in writing of the General Meeting. The notice to the Shareholder must set out the particulars of the complaint of conduct detrimental to the Association and must request the Shareholder to attend the meeting to answer the complaint.
 - C15.2** At the General Meeting called for this purpose the Shareholders shall consider the evidence presented by the Board and by the Shareholder (if any). The meeting may take place even if the Shareholder does not attend.
 - C15.3** If the resolution to expel the Shareholder is passed in accordance with this rule, the Shareholder shall immediately cease to be a Shareholder.