

Title
Shareholder Membership Policy

1. Purpose

- 1.1 To establish a shareholder membership policy that is fair, objective and ensures that the association remains accountable.
- 1.2 The policy seeks to strengthen the association's ability to achieve its objectives through constitutional links with organisations and individuals who are likely to have an ongoing interest in promoting the association's work.

2. Scope

- 2.1 The policy is the responsibility of the Board. Administration of the policy will be through the Chief Executive.

3. References

- 3.1 The NHF's Code of Governance 2020, which was adopted by the Association in XX recommends that an association with shareholders, should publish their policy for the admission of shareholders and also ensure the role of shareholders in the governance of the organisation is documented and understood.
- 3.2 Section C of the rules of the Association detail the obligations and nature of shareholders and in particular state:

"The Board shall set, review and publish its policies and objectives for admitting new shareholders"

- 3.3 The association has a range of ways of reporting to tenants and other stakeholders with whom it works. The membership base will form a way of adding to this accountability requirement.

4. Definitions

- 4.1 A shareholder of the Association is a person or body whose name and address is entered in the register of shareholders. The Association's share capital is raised by the issue of shares. Each share has the nominal value of one pound. A share carries no right to interest, dividend, or bonus.

5. Policy

5.1 Objectives

- 5.1.1 Arawak Walton HA is an association that has a culture of wide and active relationships with a significant number of organisations in the course of its work of providing housing and associated amenities for primarily Black and other minority ethnic groups.
- 5.1.2 The objective of this policy is to strengthen the Association's ability to achieve its aims and objectives through constitutional links with organisations and individuals who are likely to have an ongoing interest in promoting the association's work.

5.2 Rules of the Association

- 5.2.1 All shareholders shall agree to be bound by the obligations on them as set out in these rules. When acting as shareholders they shall act at all times in the interests of the Association and, for the benefit of the community, as guardians of the objects of the Association.
- 5.2.2 Shareholding membership is organised on the basis that is considered a good way of involving people in the Association's work. However, it is not regarded as the central element of the Association's systems of governance. The Association has adopted the NHF's Code of Governance that specifies a number of elements that constitute good governance.

5.3 Criteria for admission

- 5.3.1 The Association will admit to membership, individuals and organisations who have an ongoing interest in promoting the Association's work. No individuals or organisations will be admitted into membership in circumstances where an individual might derive personal gain, financial or otherwise.
- 5.3.2 The following cannot be shareholders:
 - a) a minor;
 - b) a person who has been expelled as a shareholder, unless by special resolution at a general meeting;
 - c) an employee of the Association.
 - d) a person who has been removed by the Board in accordance with Rule D9
 - e) by reason of a person's mental, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have.
- 5.3.3 A shareholder can be a nominee of an unincorporated body.

- 5.3.4 A corporate body can be a shareholder.
- 5.3.5 No shareholder shall hold more than one share.
- 5.3.6 A share cannot be held jointly unless by nominees of an unincorporated body.
- 5.3.7 Membership shall be governed by the rules of the Association. Nothing within this policy may override those rules.

5.4 Procedures for admission

- 5.4.1 The Board shall review and publish its policies for admitting new shareholders on an annual basis. For this purpose the policy will be published within its annual report. Anyone seeking membership will be given a copy of the policy on request.
- 5.4.2 An applicant for a share shall apply in writing to the Association's registered office.
 - 5.4.2i) The applicant should set out their reasons for applying and their qualifications in accordance with the Association's policies.
 - 5.4.2ii) The applicant should pay the sum of one pound. This will be returned to them if the application is not approved.
- 5.4.3 The Company Secretary will acknowledge receipt of the application within 10 working days of receipt. The acknowledgement will note the next available Board meeting at which the application can be considered.
- 5.4.4 The Board may ask the applicant to attend the next Remuneration & Appointments Committee meeting for an informal discussion. Alternatively, the Board may ask the applicant to attend an informal meeting with the Chair of the Board and the Chief Executive
- 5.4.5 Each application will be considered by the Board in accordance with 5.4.1. The Board have the power in their absolute discretion to accept or reject the application. If the application is approved the name of the applicant and the other necessary particulars shall be entered in the register of shareholders. One share in the association and a copy of its rules shall be issued to the applicant.

5.5 Ending of a shareholding

- 5.5.1 A shareholder shall cease to be a shareholder if:
 - a) they die;
 - b) they are expelled under the rules;

- c) they withdraw from the association by giving one month's notice to the Company Secretary;
- d) they do not participate in any general meeting of the Association for two consecutive annual general meetings, nor deliver written apologies in advance;
- e) in the case of a corporate body, if that corporate body ceases to exist.
- f) in the case of a nominee of an unincorporated body they transfer their share to another nominee of that body
- g) they cease to be a shareholder under Rule C6 (see 5.5.1 above)
- h) they cease to be a Board member (unless the Board in its absolute discretion resolves that they remain a shareholder).
- i) They are a resident of the Association and are subject to a possession order, or a breach of a suspended possession order, or any other type of court order.
- j) the Association has obtained an order of a competent court or tribunal against them for recovery of monies due to the association.
- k) they are a resident of the Association and are in material or serious breach of their tenancy agreement or lease.

5.6.1 A shareholder may be expelled by a special resolution at a special general meeting called by the Board.

- a) The Board must give the shareholder at least one month's notice in writing of the meeting, setting out the particulars of the complaint of conduct detrimental to the association and request that the shareholder attend the meeting.
- b) At the general meeting, shareholders shall consider the evidence presented by the Board and by the shareholder (if any). The shareholder need not be in attendance.
- c) If the resolution to expel the shareholder is passed in accordance with this rule, the shareholder shall immediately cease to be a shareholder.