Admission of Shareholders Policy

Applies to: Board of Management
Executive Team
Governance Team

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Admission of Shareholders Policy

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1.0 Aim of Policy

1.1 The aim of the policy is to set out clearly the Board's policy on shareholding membership.

2.0 Policy Statement

2.1 A shareholder of the association is a person or body whose name and address is entered in the register of shareholders.

2.2 All shareholders agree to be bound by the obligations on them as set our in the adopted 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.

2.3 It is a requirement within the Taff Housing Association Limited Rules that "The Board shall make available its membership policies and objectives for admitting new shareholders." This policy addresses that requirement, setting the Board's position on shareholding, specifically with regard to admission of new shareholders, management of existing shareholders and the ending of shareholder membership.

2.4 This policy applies to shareholders, current and prospective.

3.0 PROCEDURE

3.1 An applicant to be a shareholder should apply to the Association in writing by completing the electronic form. The form can be obtained from our website or via email request to contact@taffhousing.co.uk. A paper version can be issued upon request.

3.2 Applications are welcome regardless of race, gender or gender reassignment, disability, religion or belief, sexual orientation, age, marriage, civil marriage and partnership, and pregnancy and maternity.

3.3 <u>Application to become a Shareholder</u>

3.3.1 All applications must be in writing, on a standard application form.

3.3.2 Payment of £1 must be received.

3.3.3 All applications for shareholding membership must be approved by the Board.

3.3.4 There will be a general presumption to approve shareholding applications from eligible individuals and organisations, but approval is at the absolute discretion of the Board.

3.3.5 The Board may decide to reject an application if there is evidence that the applicant would not promote the best interests of the Association, or would seek to undermine the aims and objects of the Association as set out in the Rules or current Business Plan. The Board must reject anyone not permitted under the Rules to become a shareholder.

3.3.6 Any applicant who is rejected will be given reasons in writing for the rejection.

3.3.7 An applicant whose shareholding application has been rejected has the right to appeal to a panel of the Board, unless the rejection is due to a rule which excludes the applicant. Such an appeal must be made within 7 days of being notified of a rejection. The panel will consider an appeal by the applicant either in writing or in person. The panel's decision will be final.

3.4 <u>Acceptance as a Shareholder</u>

3.4.1 Once accepted, one share and a copy of the Rules will be issued to the shareholder by the Governance Officer.

3.4.2 The following cannot be shareholders:

- A minor
- A person who has been expelled as a shareholder, unless authorised by a resolution at a General Meeting
- An employee of the Association or an employee of a group or subsidiary member
- A person who has been removed from the Board in accordance with the association rules
- A person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the effect that that person has become physically or mentally incapable of acting as a board member and may remain so for more than three months
- A person who is disqualified from acting as a Director of a company for any reason or has been convicted of an indictable offence

3.4.3 A shareholder can be a nominee of an unincorporated body.

3.4.4 A corporate body can also be a shareholder. It can appoint an individual to exercise its rights at general meetings. Any such appointment shall be in writing, electronically or other forms of communication in accordance with rule G16 and given to the Company Secretary.

3.4.5 No shareholder shall hold more than one share and each share shall carry only one vote.

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

3.5 <u>Ending of Shareholding Membership</u>

3.5.1 A shareholder shall cease to be a shareholder under the conditions set out at C14 of the Association's rules.

3.5.2 A shareholder can only be expelled in accordance with rule C15 of the Association.

3.5.3 When a shareholder ceases to be a shareholder or is expelled from the association, his or her share shall be cancelled. The amount paid up on that share shall become the property of the association.

3.5.4 Taff Housing Association has shareholders whose appointment predates this policy. These shares continue to be held and the shareholding interests managed in accordance with Taff's Rules.

3.5.5 Full details relating to shareholding membership can be found in the Rules of the Association, a copy is available by request.

4.0 Equality Impact Assessment

4.1 This Policy has been impact assessed using our standard format.