FINANCIAL CONDUCT AUTHORITY

12 Endeavour Square
London
E20 1JN

Tel: +44 (0)20 7066 1000
Fax: +44 (0)20 7066 1099
www.fca.org.uk

The attached model rules sponsored by **Co-operative UK Limited** described as:

Fully Mutual Housing Co-op Model

is confirmed as acceptable for use, for the time being, as a model set of rules under Co-operative and Community Benefit Societies Act 2014, for a Co-operative Society.

Date: **05 August 2026**

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

OPEN SOURCE COPYRIGHT STATEMENT

These model rules are jointly copyright to and the intellectual property of the Confederation of Co-operative Housing and Co-operatives UK.

They may be used as model rules freely and without charge by any not-for-profit group of persons wishing to establish a housing co-operative but may not be used or photocopied or otherwise reproduced either in part or in full for commercial gain without the express written permission of the copyright holders, application for which should be made to Co-operatives UK and for which a fee may be charged.

Not for profit groups wishing to establish a housing co-operative using these model rules should do so through Co-operatives UK which is recognised by the Financial Conduct Authority as a sponsoring body.

Co-operatives UK, Holyoake House, Hanover Street, Manchester M60 0AS
www.uk.coop

These rules contain options that must be used if a housing co-op is registered or intends to register as a Registered Provider with the Homes and Communities Agency (in England) or as a Registered Social Landlord with the Welsh Government (in Wales)

Co-operative and Community Benefit Societies Act 2014

Rules of

…….

NAME AND STATUS

1. The name of the Co-operative shall be …… ……Housing Co-operative Limited [the "Co-operative"].

2. The Co-operative is registered under the provisions of the Co-operative and Community Benefit Societies Act [“the Act”] and is a “co-operative housing association” as defined by Section 5 (2) of the Housing Act 1985 because these rules:

   (a) restrict membership to persons who are tenants or prospective tenants of the Co-operative; and

   (b) preclude the granting or assignment of tenancies to persons other than members.

OBJECTS

OPTION 1:

Choose this option if the co-operative *<u>is registered or intends to register</u>* as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government (or any statutory successor carrying out similar regulatory or supervisory functions)

3. The objects of the Co-operative shall be:

   (a) the business of providing and managing social housing on not for profit Co-operative Principles as set out in the appendix 1 to these rules [the "Co-operative Principles"] exclusively for occupation by members of the Co-operative under the terms of a tenancy granted to them by the Co-operative solely or jointly with another member or members which shall:

      (i) exclude all rights for a member to purchase the housing they occupy; and

      (ii) exclude any right to dispose of or assign the tenancy to any person other than, with the prior written consent of the Co-operative, to a person who is a member or prospective member of the Co-operative; and

      (iii) require the member to surrender the tenancy to the Co-operative or, at the Co-operative's direction, to a member or prospective member of the Co-operative on ceasing to be a member; and/or

(b) any other object which is connected with or incidental to the provision of housing which can be carried out by a co-operative housing association registered as a provider of social housing with the Regulator.

OPTION 2:

Choose this option if the co-operative *is not registered and does not intend to register* as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government (or any statutory successor carrying out similar regulatory or supervisory functions)

4. The objects of the Co-operative shall be:

(a) the provision, construction, conversion, improvement, or management on not for profit Co-operative Principles as set out in the appendix 1 to these rules [the "Co-operative Principles"] of housing exclusively for occupation by members of the Co-operative under the terms of a tenancy granted to them by the Co-operative solely or jointly with another member or members which shall:

(i) exclude all rights for a member to purchase the housing they occupy; and

(ii) exclude any right to dispose of or assign the tenancy to any person other than, with the prior written consent of the Co-operative, to a person who is a member or prospective member of the Co-operative; and

(iii) require the member to surrender the tenancy to the Co-operative or, at the Co-operative's direction, to a member or prospective member of the Co-operative on ceasing to be a member, and/or

(b) the provision and improvement on not for profit Co-operative Principles of land, buildings, amenities, or services for the benefit of the members, either exclusively or in conjunction with other persons; and/or

(c) the provision of housing management services to members of the Co-operative and to the occupants of housing which is subject to a management agreement under which the Co-operative acts as managing agent for the housing owner which remains the landlord; and/or

(d) the promotion of the sustainable not for profit social, environmental and economic development of the Co-operative and the community of which the Co-operative is part; and/or

(e) the provision of support and assistance to other organisations with like objects or whose objects are to provide support and/or assistance in the finance, development, management, promotion, education or administration of housing co-operatives or the promotion of the application of the Co-operative Principles to other areas of social, economic and environmental sustainability.

POWERS

5. The Co-operative shall have the power to do all things necessary or expedient for the fulfilment of its objects, except as expressly prohibited in these rules.

COMMITMENT TO DIVERSITY, EQUALITY AND RESPECT

6. In fulfilment of its commitment to apply the 1st Co-operative Principle to achieving its objectives the Co-operative shall actively seek to eliminate discrimination, ensure equality of opportunity, value the diversity of human society and treat every individual with dignity and respect. No member or person or groups of people wishing to become members or to use the services provided by the Co-operative shall be treated less favourably because of any matter which causes them to be treated unfairly or with injustice. The Co-operative shall maintain and implement an equality and diversity policy which complies with all relevant legislation and accords with current equality and diversity codes and best practice.

TRADING

7. The Co-operative shall not trade for profit. Any surpluses from the Co-operative's activities shall not be treated as profit and may be used to further the Co-operative's objects and/or in accordance with these rules and in accordance with the Co-operative Principles.

NON-SUBSIDIARY STATUS

8. In accordance with the 4th Co-operative principle, the Co-operative is not a subsidiary of another organisation and may not become a subsidiary of another organisation.

REGISTERED OFFICE

9. The Co-operative's registered office is: [.....……]
Notice of any change of address of the registered office shall be sent to the Registrar within fourteen days of such change or within such other time as may be required by the Registrar.

SHARE CAPITAL AND MEMBERSHIP

10. The share capital of the Co-operative shall be raised by the issue of shares. Each share has the nominal value of £1. A share shall be issued to each member upon admission to membership of the Co-operative. A member of the Co-operative shall be a person who holds a share in the Co-operative and whose name is entered in the register of members. Shares shall not be withdrawable or transferable, and shall carry no right to interest, dividend or bonus. When a member ceases to be a member or is expelled from the Co-operative, their share shall be cancelled. The amount paid up shall become the property of the Co-operative.

11. The register of members shall include the name and address of each member. It shall be the responsibility of the member to advise the Co-operative of any change to their address. Any requirement in the Act or in these rules that a notice be served on the member shall be satisfied if notice has been delivered to the address recorded in the register of members. Each notice or communication sent by the Co-operative to a member by post addressed to the member at the address for that member in the register of members shall be deemed to have been duly served on the member 48 hours after having been posted or sent to the member by electronic means.

12. Every member shall take up and hold only one share in the Co-operative. Shares shall not be held jointly.

APPLICATION FOR MEMBERSHIP

13. The committee may within their absolute discretion and in accordance with the procedure which may be laid down from time to time by the Co-operative in general meeting admit or refuse to admit any person to membership of the Co-operative save that such person must be a tenant or prospective tenant of the Co-operative.

14. Every application for membership shall be made to the committee at the registered office of the Co-operative. The committee shall consider any membership application and, if it is approved, the applicant shall be required to forward the sum of £1. On receipt of such sum by the Co-operative, the name of the applicant and other necessary particulars shall be entered into the register of members as a member. One share in the Co-operative shall be issued to the applicant.

15. A person shall not be admitted to membership if they are under the age of 16 years.

TERMINATION OF MEMBERSHIP

16. A member shall cease to be a member if:

    (a) they die; or
    (b) the member resigns from the Co-operative by giving one month's notice in writing to the secretary of their intention to resign. Such notice shall constitute conclusive evidence of notice to terminate a member's tenancy agreement with the Co-operative, where such an agreement exists; or
    (c) they are expelled from membership by a general meeting in accordance with the rules titled 'Expulsion from Membership' in these rules; or
    (d) being resident in housing provided or managed by the Co-operative the member ceases permanently to occupy that housing as their principal home; or
    (e) they are a resident in housing provided or managed by the Co-operative and in the opinion of the committee are in material or serious breach of their tenancy agreement;
    (f) they cease to be eligible to be a member in accordance with the rules titled 'Application for Membership' in these rules; or
    (g) the member is a prospective tenant and has either:

        (i) notified the Co-operative that they no longer require the accommodation; or
        (ii) failed to respond in writing within 28 clear days to a written notice, sent to their address in the register of members offering a tenancy or requesting them to confirm that they still require accommodation; or
        (iii) is reasonably deemed by the committee to have no real and present prospect of being offered a tenancy of a home in a property owned or managed by the Co-operative within the following twelve months.

17. The date on which any member ceases to be a member shall be entered in the register of members.

EXPULSION FROM MEMBERSHIP

18. Where the Co-operative is in receipt of a complaint against a member pertaining to their conduct potentially being detrimental to the interest of the Co-operative, that member may be expelled by a resolution carried by the votes of two-thirds of the members present and voting at a general meeting of the Co-operative of which due notice has been given and provided that the following rules apply to the process:

    (a) The committee must give the member at least one month's notice in writing of the general meeting. The notice to the member must set out the particulars of the complaint and must call upon the member to answer the complaint and attend the meeting.

    (b) At the meeting the members present shall consider the evidence in support of the complaint and such evidence as the member facing expulsion may wish to place before them (if any). The meeting may take place even if the member does not attend.

    (c) If a resolution to expel the member is passed in accordance with this rule, the member shall immediately cease to be a member of the Co-operative and the Co-operative shall immediately take such steps as may be required to lawfully terminate the expelled member's tenancy.

19. No person who has been expelled from membership shall be readmitted except by a resolution by the votes of at least two-thirds of the members present and voting at a general meeting of which due notice has been given.

DEATH OR BANKRUPTCY OF A MEMBER

20. A member may, in accordance with the Act, nominate a person or persons to whom any of their property held by the Co-operative, other than share capital, shall be transferred at their death.

21. Upon a claim being made to any property held by the Co-operative by the personal representatives of a deceased member or the trustees in bankruptcy of a bankrupt member, the Co-operative shall, on receiving satisfactory proof of the death of the member who has made a nomination or satisfactory proof of bankruptcy, pay or transfer any property to which the representative or trustee has become entitled.

GENERAL MEETINGS

22. The Co-operative shall meet in general meetings, which shall be either an annual general meeting or an ordinary general meeting.

CONVENING GENERAL MEETINGS

23. Each general meeting shall be convened by the secretary by at least 14 clear days' written notice posted to or delivered by hand or sent by electronic means to every member at the address (which shall include an address provided by the member to the Co-operative for the receipt of correspondence from the Co-operative by electronic means) given in the register of members. Two-thirds of members may agree, in writing

or by confirming through electronic means, to a general meeting being held with less than fourteen clear days' notice.

24. Each notice convening a general meeting shall state which type of general meeting is being convened, the date, time and place of the meeting and the business to be transacted at the meeting.

25. Proceedings at a general meeting shall not be invalidated by reason of accidental omission to send notice of the meeting to a member, or by non-receipt of such notice by a member.

26. Each member shall be entitled to attend and vote at a general meeting on production of such evidence of membership as the committee may from time to time determine.

27. The time, date and place of each general meeting shall be determined by the committee. However, if the Secretary fails to convene an ordinary general meeting having been served with a members' requisition to do so under the rules titled 'Provisions applicable to convening ordinary general meetings,' the date and place of that meeting shall be determined by the members convening the meeting.

PROVISIONS APPLICABLE TO ANNUAL GENERAL MEETINGS

28. An annual general meeting shall be held within six months of the end of each financial year of the Co-operative or such later date as may be permitted by law.

29. The functions of the annual general meeting shall be to:

    (a) receive the accounts and balance sheet together with the auditor's report (if one is required by law or regulation) for the preceding financial year; and

    (b) receive a report by the committee on the state of affairs of the Co-operative, signed by the chair of the committee meeting at which the report was adopted for presentation to the annual general meeting; and

    (c) elect the committee for the coming year; and

    (d) decide the frequency of ordinary general meetings to be held during the coming year; and

    (e) appoint the auditor (if required by law or regulation) or organise the alternative arrangements for the review of the Co-operative's affairs;

    (f) consider any other resolutions relating to the business of the Co-operative which have been included in the notice convening the meeting.

PROVISIONS APPLICABLE TO ORDINARY GENERAL MEETINGS

30. Ordinary general meetings shall be held at such times as may be decided by the Co-operative at its annual general meeting or convened as provided for under the rules titled 'Provisions applicable to convening ordinary general meetings,'

31. The functions of ordinary general meetings shall be to:

(a) receive reports on the state of affairs of the Co-operative from the Committee which the Co-operative may from time to time in general meeting determine should be considered; and

(b) consider any business which the Committee considers to be a policy matter that should be referred to the members in general meeting for decision; and/or

(c) consider any other resolutions relating to the business of the Co-operative which have been included in the notice convening the meeting.

PROVISIONS APPLICABLE TO CONVENING ORDINARY GENERAL MEETINGS

32. An ordinary general meeting shall be convened at such a time as may be decided by the Co-operative at its annual general meeting, or by order of the committee, or upon a written requisition to the secretary signed by not fewer than six members of the Co-operative or one tenth of the members of the Co-operative, whichever shall be the greater number. Such requisition from members shall state the business for which the meeting is to be convened.

33. The secretary shall convene the meeting at the time required by the general meeting or, if the general meeting is a meeting requisitioned by members, the meeting shall be convened by the secretary within five clear days of receipt of the requisition and the date of the meeting shall be within 28 clear days of the date of receipt by the secretary of the requisition from members.

34. In the event of the secretary's failing to convene an ordinary general meeting requisitioned by members, the committee or requisitioners may themselves give notice of and convene the meeting and any reasonable expenditure incurred by them in convening the meeting shall be reimbursed to them by the Co-operative.

35. The only business which shall be transacted at a general meeting is that mentioned in the notice convening the meeting.

QUORUM FOR GENERAL MEETINGS

36. No business shall be transacted at any general meeting unless a quorum of members is present [either in person or by telephone, video conferencing or by other communications equipment such that the person can hear, comment and vote on proceedings] at the time the meeting proceeds to business. Six members, or if the number of members at any time exceeds 60 members, one tenth of the total number of members [present in person or by proxy] shall form a quorum.

37. If no quorum is present within half an hour of the time appointed for the meeting, the meeting shall stand adjourned until reconvened in accordance with the provisions of the rule titled ‘Adjourning General Meetings.’

ADJOURNING GENERAL MEETINGS

38. The chair of the meeting may, with the consent of a majority of the members present evidenced by a show of hands or a secret ballot, adjourn any meeting but no business

shall be transacted at any adjourned meeting other than the business not received or left unfinished at the meeting from which the adjournment took place.

39. If a meeting is adjourned for the want of a quorum, the secretary shall make such arrangements as may be necessary for the adjourned meeting to be reconvened within ten clear days of the original date of meeting. The place, date and time at which such an adjourned meeting shall be reconvened shall be communicated to each member by notice in writing, such notice being duly served not less than 48 hours before the time at which the reconvened meeting shall commence.

40. Every adjourned meeting shall be deemed a continuation of the original meeting and any resolution passed at the adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

41. If at an adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the members present shall be a quorum.

42. If the meeting is an ordinary general meeting convened on receipt of a written requisition from members and no quorum is present within half an hour of the time appointed for the meeting then the meeting shall not be adjourned and the business for which the meeting was called shall not be considered unless it is included in the notice by which another general meeting is convened in accordance with these rules.

PROCEEDINGS AT GENERAL MEETINGS

43. Conduct of general meetings shall be in accordance with such standing orders as may from time to time exist, subject to, and in so far as any such standing orders do not conflict with these rules.

44. At all general meetings of the Co-operative the chair of the Co-operative shall preside as chair or if they are not present or is unwilling to act, the members present shall elect a member to be the chair of the meeting. If no committee member is present or willing to act the members present at the meeting shall elect a member from among themselves to chair the meeting. The chair's responsibilities will be set out in a written document and agreed by the committee at general meeting.

VOTING AT GENERAL MEETINGS

45. Every member present in person at a general meeting shall have one vote. Except where otherwise specified in these rules or by the Act, resolutions at general meetings shall be decided by a majority vote of members present and voting or voting by proxy. At any general meeting no member may act as a proxy voter for more than two other members.

46. A member may exercise their vote at a general meeting by proxy by nominating another member to cast their vote at the meeting on their behalf. Such nomination must be:

    (a) in writing; and
    (b) give the name and address of the member authorised to exercise the proxy vote; and

(c) be signed by the nominating member; and
(d) be delivered to the secretary, which may be by way of electronic means, no later than three clear days before the date of the meeting.

47. Votes shall be taken openly by a show of hands from members present and by the raising of a copy of a duly signed proxy voting form by members voting by proxy on behalf of absent members unless, before a resolution is put to the vote, a secret ballot is demanded by not less than one tenth of the members present at the meeting. Voting shall be conducted under the direction of the chair in accordance with such standing orders as may have been agreed by the Co-operative in general meeting. A resolution on which voting is tied shall be deemed to have fallen. Because voting on tied resolutions are deemed to have fallen, the chair shall not have a second or casting vote.

48. Any question as to the acceptability of any votes shall be determined by the chair. The chair's decision as to the acceptability of any votes shall be final unless a member challenges the decision of the chair. If a challenge is made to the chair's decision about the acceptability of any vote the matter shall immediately be put to the meeting and the acceptability or unacceptability of the chair's decision shall be decided by majority vote for or against the chair's decision on a show of hands by those members present. Proxy votes shall not be counted in deciding the acceptability or unacceptability of the chair's decision.

MANAGEMENT COMMITTEE

OPTION 1: Choose this option if you are seeking registration as a new co-operative society.

49. The Co-operative shall have a management committee [called "the committee"] which shall control and direct the management of the day to day business of the Co-operative in accordance with its objects and these rules. The first committee members shall be the members who signed the application to register the Co-operative, which committee shall, as soon as may be practicable after the registration of the Co-operative under the Act, call an ordinary general meeting to elect a committee made up of Co-operative members to serve until the close of the following annual general meeting.

OPTION 2: Choose this option if you are adopting these rules as an amendment to your co-operative's existing rules.

50. The Co-operative shall have a management committee [called "the committee"] which shall control and direct the management of the day to day business of the Co-operative in accordance with its objects and these rules. The committee at the time of the registration of these rules as an amendment of rules shall remain in office until the next annual general meeting of the Co-operative at which it shall elect its committee in accordance with the 'Committee Nominations' and 'Committee Elections' provisions in these rules.

51. The committee shall consist of not less than five committee members, or of such greater number not more than twelve as may be decided by the Co-operative in general meeting.

52. The committee may from time to time co-opt for any period any suitable persons, whether members of the Co-operative or not, to serve on the committee and may remove such persons. A person co-opted under this rule may take part in the deliberations of the committee and vote at any meeting of the committee. A person may not be co-opted to the committee if their co-option increases the size of the committee beyond the maximum number determined by these rules. Not more than three co-optees shall serve on the committee at any one time or if the maximum number of committee members determined under these rules is the minimum of five, only two persons may serve as co-optees.

ELECTION OF COMMITTEE AND OFFICERS

53. At every annual general meeting of the Co-operative all the committee members for the time being shall retire from office. A retiring committee member shall be eligible for re-election but must be duly nominated as provided for in rules entitled 'Committee Nominations.'

COMMITTEE NOMINATIONS

54. Nominations of members willing to stand for election to the committee shall:

    (a) be in writing; and
    (b) state the full name, address and occupation of the member nominated; and
    (c) be signed by the member making the nomination; and
    (d) contain a signed statement by the member nominated of their willingness to be elected to the committee; and
    (e) contain a statement by the member nominated of their willingness to accept the responsibilities of a member of the committee as required by the rule titled 'Responsibilities of Committee Members'; and
    (f) contain a statement that confirms that the member would not be ineligible for membership of the committee by virtue of sub rules (a) to (f) of the rule titled 'Termination of a Committee Member's Appointment' currently applying to the member; and
    (g) be left at the registered office of the Co-operative, or with the secretary of the Co-operative at the address specified on the nomination form issued with the notice of the meeting, not later than seven clear days before the date appointed for the general meeting at which elections are to take place.

55. Candidates standing for election may also make a statement, not longer than one hundred words, in support of their candidacy which, if made, shall be circulated by the secretary to all members of the Co-operative not later than three clear days before the meeting at which elections are to take place.

56. The committee shall at their first meeting after each annual general meeting, elect a chair who is a committee member and member of the Co-operative, and elect a secretary and a treasurer, who each may or may not be committee members or members of the Co-operative, to serve until the close of the next annual general meeting.

COMMITTEE ELECTIONS

57. The election of committee members shall be conducted in the following manner:

(a) if at any annual general meeting the committee members offering themselves for re-election together with any other of the members duly nominated for election to the committee do not exceed the number of committee members to be elected, and provided that the members in general meeting have not increased the maximum number of Committee members determined under these rules,

(i) the committee members standing for re-election and the members duly nominated shall be declared by the chair to have been duly elected or re-elected unopposed unless the election of one or more committee members is challenged and their election to the committee is not ratified under the provisions of sub-rule [b] of this rule; and

(ii) the meeting may, if the members present decide to do so by a majority vote on a show of hands, accept nominations from the floor to fill the vacancies which remain;

(b) if any member wishes to oppose any named and duly nominated member being returned unopposed to the committee the member opposing the person or persons election may request that the question may be put to a vote at the meeting, which vote shall be either by show of hands or by secret ballot as the meeting shall determine. The member or members opposed shall be declared elected or re-elected unopposed only if a majority of members voting in person or by proxy vote ratify their election;

(c) if the committee members standing for re-election and other members duly nominated to serve as committee members exceed the number of committee members to be elected, the secretary or in the absence of the secretary the chair of the Co-operative or other member of the committee nominated by the committee to act as Returning Officer for the election shall, prior to the general meeting at which the elections are to take place and after the date for the close of nominations, prepare or cause to be prepared a ballot paper for the election of committee members: the ballot paper shall state that it is for the election of committee members, give the full names of the members nominated for election to the committee and make provision for a member to record their vote on the ballot paper;

(d) each member present in person shall be entitled to one vote for each vacancy to be filled but shall not give more than one vote to any one candidate;

(e) the votes cast for each candidate shall then be counted and the candidates placed in order according to the number of votes cast for each of them;

(f) the member with the highest number of votes shall be declared elected to the committee followed by the member with the second highest number of votes and so forth until all the available places on the committee are filled. If, however, there is a tie of votes among the lowest scoring candidates for the last available place or places on the committee those to be elected from the lowest scoring candidates shall be chosen by the drawing of lots.

CASUAL VACANCIES ON THE COMMITTEE

58. If a vacancy on the committee is not filled by election at the annual general meeting, or if a casual vacancy occurs because of the death, resignation or removal of a committee member and this vacancy is not filled at the meeting, it may be filled by the committee.

REMOVAL OF COMMITTEE MEMBERS

59. A committee member may be removed from office either:

    (a) by a resolution stating the intention to remove the committee member and the reason for doing so carried by a majority of the votes given in person or by proxy in favour of the resolution to remove the committee member at a general meeting at which the resolution to remove the named committee member appeared on the notice convening the meeting. If the general meeting votes to remove the committee member, such general meeting shall also determine by majority vote, dependent on the severity of the behaviour that has led to the vote being taken, the length of time, which may be permanent, for which the member shall not be eligible to stand for election to the committee; or

    (b) by a resolution to remove the committee member from office passed by a majority two-thirds of the members of the committee present and voting at a duly convened meeting of the committee if the committee member is, in the opinion of the committee, in breach of:

        (i) their tenancy and has, within a reasonable time of being notified of it, failed to rectify the breach or has had legal proceedings for the termination of their tenancy commenced against them; or

        (ii) their obligations as committee members, the co-operative's rules, policies or procedures, the Co-operative's Code of Conduct or the Code of Governance for housing co-operatives published from time to time by the Confederation of Co-operative Housing or similar corporate governance code approved by the Co-operative as its code of conduct and governance, or if they are guilty of conduct detrimental to the interests of the co-operative and the committee member fails to give an undertaking that they will, in future, comply with such code, remedy the breach or having given such an undertaking fails to comply with the undertaking so given; or

        (iii) any other reason deemed by the committee as material or serious enough to warrant removal of the member from the committee.

60. If the committee meeting votes to remove the committee member, such committee meeting shall also determine by majority vote of those present, dependent on the severity of the behaviour that has led to the vote being taken, the length of time, which may be permanent, for which the member shall not be eligible to stand for election to the committee.

61. The general meeting at which a committee member is removed may proceed to fill the vacancy in accordance with the election procedures set out in rule titled 'Committee

Elections‘, save that nominations for the vacancy created may be made from the floor of the meeting and the ballot papers for the election may be provided in the manner the chair of the meeting directs.

TERMINATION OF A COMMITTEE MEMBER’S APPOINTMENT

62. A committee member shall be deemed to have vacated their office if:

(a) they become bankrupt or enters into an individual voluntary arrangement with creditors; or

(b) they cease to be a member under (save where the committee member is a non-member co-opted under these rules); or

(c) they are disqualified from acting as a director of a company under the provisions of the Company Directors Disqualification Act 1986, the Companies Act 2006, the Insolvency Act 1986 or any other legislation that disqualifies a person from serving as a director of a company, a charity or a co-operative or a community benefit society for any reason; or

(d) they are convicted of an indictable offence, which is not, or cannot be, spent; or

(e) they are convicted of any violent offence, such as:

(i) an offence against a person under the provisions of the Offences Against the Person Act 1861; or
(ii) common assault; or
(iii) assault on a police officer in the course of carrying out their duty; or
(iv) any other violent act; or

(f) a registered medical practitioner who is treating the committee member gives a written opinion to the Co-operative stating that the person has become mentally incapable of acting as a committee member and may remain so for more than three months; or

(g) they absent themself from three consecutive meetings of the Committee in one rolling 12-month period without special leave of absence from the committee; or

(h) they fail to sign the statement of committee members responsibilities within one month of being required to do so unless the committee agree that there is reasonable cause for the delay.

AVOIDANCE AND DECLARATION OF CONFLICTS OF INTEREST

63. Committee members shall at all times seek to avoid conflicts of interest between their personal activities and their role as a committee member of the Co-operative. Each committee member shall be required to declare their interests as they arise and once a year, each committee member shall be required to complete a declaration of interest form on which any known or potential conflict of interest shall be disclosed. Any conflict or potential conflict of interest disclosed shall be recorded by the secretary in a conflict of interest register which shall be open for inspection at the Co-operative’s registered office.

64. Where a conflict of interest cannot be avoided, any committee member who is interested or has a member of their household or a close relative who is interested either:

    (a) personally; or
    (b) as a member of a firm; or
    (c) owner, director or officer of a company or business; or
    (d) in any way whatsoever;

    in any decision, contract, arrangement, transaction or any other matter about to be discussed by the committee that committee member shall disclose their interest to the meeting of the committee before the matter is discussed. Any committee member who has disclosed a conflict of interest shall withdraw from the meeting while the matter is discussed by the committee and shall not vote on the matter. Any decision by the committee shall not be invalid because of the subsequent discovery of an interest which should have been declared. Any committee member so conflicted shall vacate their office, either for a period or permanently, if requested to do so by the remaining members of the committee. Any act done in good faith by a committee member, whether or not their office is vacated under the terms of this rule shall be valid unless prior to the doing of such act written notice has been served on the committee and an entry has been made in the committee's minute book stating that such committee member has ceased to be a member of the committee.

    Committee members who are tenants of property owned or managed by the Co-operative shall be deemed not to have an interest in any decision affecting all or a substantial group of tenants.

65. The example provided in the rule immediately above is for the purpose of illustrating the intention of these rules to ensure that interests and conflicts of interest are declared and avoided and are not exclusive of other matters which may create a conflict of interest that needs to be declared and avoided.

PROCEEDINGS OF COMMITTEE

66. The committee shall meet at least four times in every calendar year at such times and places as the committee shall decide. Seven clear days' notice of the date and place of such meetings shall be given in writing or by email or other electronic means acceptable to committee members and noted in the committee’s minutes and which creates a record of sending by the secretary to all committee members.

67. Special meetings of the committee may be called either by the secretary, or by a notice in writing given to the secretary by the chair of the committee, or by two committee members, specifying the business to be transacted at the special committee meeting. The secretary shall communicate every such notice to all committee members and persons co-opted to the committee as soon as possible after receipt. The special meeting shall be held at the ordinary place for meetings of the committee or such other place as may be specified in the notice convening the meeting. The special meeting shall be held not earlier than three clear days and not later than ten clear days after the receipt by the secretary of the notice requesting it. If the secretary fails to convene the special meeting as required by this rule, the chair of the committee, or the two committee members who have given the notice in writing,

may call the meeting. No other business shall be done at the meeting other than the business named in the notice convening the special committee meeting.

QUORUM FOR COMMITTEE MEETINGS

68. No business shall be transacted at committee meeting unless a quorum of members is present either in person or by telephone, video conferencing or by other communications equipment such that the person can hear, comment and vote on proceedings at the time the meeting proceeds to business The quorum of the committee shall be one-third of its total number subject to a minimum of three.

69. Notwithstanding any vacancies on the committee, the remaining committee members may continue to act. If at any time the number of committee members falls below the number necessary for a quorum, the remaining committee members may act as the committee for a maximum period of six months. If, after this six month period has expired, the committee has not appointed committee members to make up their number to that which is necessary for a quorum, the only power which the committee may exercise shall be to convene a general meeting of the Co-operative to elect, in accordance with these rules, such number of committee members as is required to bring the number of members of the committee to the number necessary to comply with the quorum required for Committee Meetings.

SPECIAL MANAGER PROVISIONS

70. If the general meeting referred to in the preceding clause is unable to elect such committee members because there are an insufficient number of members willing to take responsibility for the democratic governance of the Co-operative, the general meeting shall appoint a special manager to manage the Co-operative's business in the absence of a duly elected committee. The special manager shall not be a member of the Co-operative but shall be either a co-opted member of the Co-operative's committee, an employee, a consultant, or a body corporate. The special manager may exercise all the powers of the committee under these rules that are necessary for the continuing day to day management of the Co-operative's established business but shall not have the power to expand the scope or nature of the Co-operative's business activities. The special manager shall, as soon as may be practicable after appointment, call a general meeting to present to the members proposals for rejuvenation and re-establishment of the Co-operative's democratic governance. If such proposals are not accepted by the Co-operative, the special manager shall put to the members at the same or subsequent general meeting to be held within six months proposals for the amalgamation, transfer of engagements, or dissolution of the Co-operative under the provisions set out in these rules. A special manager appointed under this rule may be removed by resolution of a general meeting called to elect a committee with sufficient members to form the required quorum for Committee meetings as required by these rules.

POWERS OF THE COMMITTEE

71. The business of the Co-operative shall be conducted by the committee which may exercise all such powers as may be exercised by the Co-operative in accordance with its objects and these rules and are not by these rules or by statute required to be exercised by the Co-operative in general meeting. The committee shall in all things act for and in the name of the Co-operative. Without prejudice to the general powers

conferred on the committee by these rules, the committee may exercise the following powers to:

(a) purchase, sell, build upon, lease, mortgage or exchange any property or land and to enter into any contracts and settle the terms of such contracts;

(b) 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 Co-operative;

(c) determine from time to time the terms and conditions upon which the property of the Co-operative is to be let, leased or sold, and to make, revoke, and alter and at all times enforce as it thinks fit, such terms and conditions;

(d) appoint and remove all solicitors, architects, surveyors and employees;

(e) appoint and remove managing agents and to determine from time to time their remuneration and the terms and conditions upon which the managing agents are to act on behalf of the Co-operative;

(f) pay all such expenses, including travelling expenses, as are properly incurred by any committee members or persons co-opted to the committee or sub-committee in the execution of their duties;

(g) take up corporate membership of any secondary co-operative from which the Co-operative purchases services;

(h) become a member, affiliate or subscribe to the International Co-operative Alliance, Co-operatives UK, the Confederation of Co-operative Housing, Cwmpas, Community Housing Cymru, and/or the National Housing Federation; or

(i) affiliate or subscribe to any other organisation that will assist the Co-operative achieve its objects in such manner as the members voting at a general meeting of the Co-operative may from time to time determine.

72. A receiver appointed by a mortgagee may exercise such powers of the committee as they deem to be necessary to carry out their duties.

DELEGATION OF POWERS BY THE COMMITTEE

73. The committee may delegate any of its powers to sub-committees consisting of such committee members and other persons as it thinks fit under written terms of reference. Any sub-committee shall, in carrying out the powers entrusted to it, conform to the written instructions given to it by the committee and shall be governed by the provisions in these rules for regulating the meetings and proceedings of the committee or by any terms of reference or standing orders for the sub-committee imposed by the committee. Members of any sub-committee set-up under these rules shall be bound by the same obligations as set out in provisions titled ‘Avoidance and Declaration of Conflicts of Interest’ in these rules.

74. The committee may also delegate such of its powers as may be necessary or expedient to managing agents appointed under the rule titled 'Powers of the Committee' rule in these rules or the rule titled 'Officers' in these rules.

75. All acts done in good faith by any meetings of the committee or of any sub-committee shall, notwithstanding that it shall be afterwards discovered that there was any defect in the appointment of any committee member or committee members or that any one or more of them were disqualified, be as valid as if every committee member had been duly appointed and was duly qualified to serve.

76. A resolution in writing signed by all committee members or by all members of a sub-committee shall be as valid and effectual as if it had been passed at a meeting of the committee or sub-committee duly called and constituted.

RESPONSIBILITIES OF COMMITTEE MEMBERS

77. The responsibility of all committee members, whether elected or co-opted, is to act only and at all times in the best interests of the Co-operative and not for personal benefit or gain or on behalf of any constituency or special or partisan interest group. Without prejudice to this general responsibility each and every committee member shall:

    (a) abide by the Code of Conduct for committee members as agreed from time to time by the Co-operative;

    (b) attend all committee meetings, unless it is genuinely not possible to do so, and make a positive and constructive contribution to committee proceedings, debate and decision making;

    (c) participate in appropriate training to ensure that they have sufficient knowledge and understanding of the Co-operative's affairs in order properly to exercise the responsibilities and powers of a committee member;

    (d) avoid and declare any conflict of interest as set out in the provisions 'Avoidance and Declaration of Conflicts of Interest' in these rules;

    (e) comply with the Data Protection Act 1998 and treat all personal information about members and their households and applicants to the Co-operative as confidential and not disclose any data held on any person by the Co-operative to any other person or organisation unless required to do so by law; and

    (f) accept and fulfil the detailed statement of committee members' responsibilities which may be agreed from time to time by the committee and contained in the letter of committee member's responsibilities which shall be sent by the chair to each committee member as soon as may be practicable after each committee member's election or appointment or at such other times as the committee may direct. Any committee member who fails to sign the statement of committee member's responsibilities within one month of being required to do so shall cease to be a member of the committee.

OFFICERS

78. In addition to the three Co-operative officers of chair, secretary and treasurer, the Co-operative shall have such other officers as the committee may from time to time determine. Officers shall be appointed and may be removed by the committee to carry out such tasks and fulfil such functions as the committee shall from time to time determine. The Co-operative officers and other officers appointed by the committee shall, if they are members of the Co-operative, not receive any remuneration for carrying out the duties of their office. Officers who are employees of the Co-operative but not members shall receive such remuneration [if any] under their contracts of employment as the committee shall determine is fair and reasonable.

79. The Co-operative officers and other officers, if any, shall act under the supervision control and direction of the committee and shall discharge their powers and responsibilities in accordance with these rules and with such regulations, standing orders, written terms of reference, policies and procedures as may be established from time to time by the Co-operative which are consistent with these rules.

80. The secretary shall ensure that:

(a) meetings are properly called; and

(b) the names of those present are recorded; and

(c) minutes of meetings are kept; and

(d) the register of members and officers is maintained; and

(e) the use of the Co-operative's official seal (or the execution of documents as if under seal) is properly recorded; and

OPTION: Choose this option if the co-operative is registered or intends to register as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government (or any statutory successor carrying out similar regulatory or supervisory functions).

(f) all returns required to be made to the Registrar are sent

81. The Co-operative officers and any other officer of the Co-operative shall produce or give up all books, papers, documents and records of the Co-operative whenever required to do so by resolution of the committee or the Co-operative in general meeting.

SECURITY BY OFFICERS AND INDEMNITY

82. The committee shall require every officer or employee having receipt or charge of money to provide to the Co-operative an assurance of their honesty and integrity. This shall be done by the officer or employee becoming either bound with or without a surety as the committee may determine in a bond according to one of the forms set

out in Schedule 1 of the Act or to give the security of a society or insurer of repute in such sum as the committee shall direct, commonly called 'fidelity guarantee insurance'. Every officer having receipt or charge of money shall, when required to do so by the committee or Co-operative in general meeting, give a just and true account of all monies received by him or her on account of the Co-operative and shall, as and when required to do so, pay all sums due from him or her to the Co-operative.

83. Every officer shall be indemnified by the Co-operative against all costs, losses and expenses which they may reasonably incur in the discharge of their duties including travelling and other out of pocket expenses and the amount for which such indemnity is provided shall immediately attach as a charge on the property of the Co-operative.

84. No officer shall be liable for any loss happening to the Co-operative through the execution of the duties of their office unless the loss is the consequence of their own dishonesty or gross negligence.

PAYMENTS TO OFFICERS AND COMMITTEE

85. The Co-operative shall not remunerate any member of the Co-operative or any member of any sub-committee established by the Co-operative in respect of service as a member of any such sub-committee or as an officer. This rule shall not prevent the reimbursement of expenses properly incurred by any person on behalf of the Co-operative.

BORROWING

86. The Co-operative shall have the power to borrow money for the purpose of the Co-operative provided that at the time of borrowing the sum of the amount remaining undischarged of monies previously borrowed and the amount of the proposed borrowing shall not exceed £20,000,000 (twenty million pounds) and that for this purpose:

    (a) the amount remaining undischarged of any deferred-interest or index-linked monies previously borrowed by the Co-operative or on any deep discounted security shall be deemed to be the amount required to repay such borrowing in full if such borrowing became repayable at the time of the proposed borrowing; and

    (b) the amount of any proposed borrowing intended to be on index-linked or on any deep discounted security shall be deemed to be the proceeds of such proposed borrowing receivable by the Co-operative at the time of the proposed borrowing

87. The rate of interest payable at the time terms of borrowing are agreed on any money borrowed shall not exceed the rate of interest which, in the opinion of the committee, having taken advice from a suitably qualified independent financial advisor, is reasonable having regard to the terms of the loan. The committee may delegate the determination of the said interest rate within specified limits to an officer, committee member or to a sub-committee.

88. Where the Co-operative intends to borrow monies on a deferred interest, index linked, fixed interest rate arrangement, interest rate cap or any basis other than on standard repayment terms the committee shall take advice from a suitably qualified

independent financial advisor to ensure that the terms and conditions of the loan are prudent and reasonable, and from its auditors to ensure that the borrowing limit in these rules will not be exceeded.

89. The Co-operative shall not receive money on deposit. For the avoidance of doubt the Co-operative shall not engage in any activity by virtue of any of these rules that would require a permission from the Financial Conduct Authority (or any body that succeeds its functions) to carry on that activity without first having applied for and obtained such permission.

90. The Co-operative may receive donations towards the work of the Co-operative from any lawful source which the Committee considers does not compromise the Co-operative's ethical commitment to the Co-operative Principles and Values.

INVESTMENT

91. The funds of or monies borrowed by the Co-operative may, to the extent permitted by the law for the time being in force, be invested (and not otherwise):

    (a) in any manner expressly authorised by the Act;

    (b) in any investments covered by Parts I, II and III of the First Schedule to the Trustee Investments Act 1961 or in stocks or shares or debentures of any body corporate but subject in the case of any investments under paragraphs 1 and 3 of Part III or of any body incorporated overseas to the taking of advice in accordance with the provisions of section 6 of the Trustee Investments Act 1961;

    (c) in shares, loan stock or on the security of any co-operative or community benefit society or credit union registered under the Act;

    (d) in any freehold, or leasehold property whatsoever in the United Kingdom.

92. The Co-operative may, to the extent permitted by the law for the time being in force, delegate in writing to a suitable person the exercise of the management or investment of the property for the time being forming part of the property of the Co-operative. A suitable person shall be a person whom the Co-operative reasonably believes to be qualified by ability and experience in the matters delegated, and who is an exempted person for the purposes of Part I of the Financial Services and Markets Act 2000 as amended or re-enacted from time to time.

93. The Co-operative may appoint any member or members to vote on its behalf at meetings of any other body corporate in which the Co-operative has invested any part of its funds.

BAN ON PAYMENTS OF PROFIT TO MEMBERS

94. No portion of the income or the property of the Co-operative shall be transferred either directly or indirectly by way of bonus or otherwise by way of profit, to members of the Co-operative except in so far as the tenancy or lease may provide upon surrender to the Co-operative for payments to be made to the member.

SURPLUSES

95. The Co-operative may apply any surpluses towards furthering the objects of the Co-operative.

96. A general meeting may set aside any part of the surpluses arising in any year to be donated or loaned for any purposes determined by the members in general meeting.

97. Any surpluses not applied or set aside shall be carried forward.

AUDIT

98. The Co-operative, if required to do so by law, shall appoint in each financial year an auditor to whom the accounts of the Co-operative for that year shall be submitted for audit as required by the Act. They must be qualified as provided by Section 91 of the Act. The auditor shall have all such rights in relation to notice of and audience at general meetings, access to books, the supply of information and otherwise as are provided by the Act. The first appointment of an auditor shall be made within three months of the registration of the Co-operative and shall be made by the committee if no general meeting of the Co-operative is held within that time. Thereafter, every appointment of an auditor shall be made by resolution of the Co-operative at a general meeting.

99. In accordance with section 84 of the 2014 Act, the Co-operative shall be exempt from the obligation to appoint a qualified auditor if during the preceding financial year it met such criteria regarding low levels of income and/or expenditure or other factors as to qualify for statutory exemption from the need to appoint qualified auditors.

100. The members of the Co-operative shall, in general meeting, vote every year to allow the Co-operative to apply any audit exemption permitted by statute. Such a resolution shall not be considered to have been passed if more than twenty per cent of the total number of votes cast are against the resolution and if more than ten percent of the members of the Co-operative cast their votes against the resolution.

101. If lay auditors are appointed to carry out an audit they shall be chosen by the Committee from the general membership and/or others.

102. If the membership vote for unaudited accounts and these are permitted by statute, the Co-operative's income/expenditure ledger shall be scrutinised by the secretary and committee members only and signed, as a true record, by the secretary and two committee members or such other number as may be required by legislation. An income/expenditure report will be prepared to present to the Co-operative's members at each annual general meeting.

103. The following persons are prohibited from appointment as auditor of the Co-operative:

    (a) a member, officer or employee of the Co-operative;

    (b) a person who has any of the following relationships to a committee member, officer or employee of the Co-operative:

        (i) a close relative [by blood or marriage];

(ii) a partner of or a member of the person's family;
(iii) an employer;
(iv) a business partner.

104. An auditor appointed to audit the accounts and balance sheet of the Co-operative for the previous financial year shall be re-appointed as auditor of the Co-operative for the current year of account, whether or not any resolution expressly re-appointing the auditor has been passed; unless:

(a) A general meeting has appointed someone else to act or has resolved that the auditor cannot act; or

(b) the auditor has given to the Co-operative notice in writing that the auditor is unwilling to be re-appointed; or

(c) the auditor is not a qualified auditor or is prohibited from appointment as auditor of the Co-operative; or

(d) the auditor has ceased to act as auditor of the Co-operative by reason of incapacity; or

(e) if the Co-operative‘s committee has given notice in writing to the auditor of its intention to tender the audit in order to comply with guidance on audit best practice; or

provided that a retiring auditor shall not be automatically re-appointed if notice of an intended resolution to appoint another person in that auditor's place has been given in accordance with this rule and the resolution cannot be proceeded with because of the death or incapacity of that other person or because that other person is not a qualified auditor or is prohibited from appointment as auditor.

105. A resolution at a general meeting of the Co-operative appointing another person as auditor in place of a retiring auditor or providing expressly that a retiring auditor shall not be re-appointed shall not be effective unless notice of the intention to move it has been given to the Co-operative not less than 28 clear days before the meeting at which it is to be moved. On receipt by the Co-operative of notice of such an intended resolution the Co-operative shall immediately send a copy of the notice to the retiring auditor. If it is practical to do so the Co-operative shall give notice to its members of the intended resolution at the same time and in the same manner as it gives notice in accordance with these rules of the meeting at which the resolution is to be moved. Where the retiring auditor makes any representations in writing to the Co-operative with respect to the intended resolution or notifies the Co-operative that they intends to make such representations, the Co-operative shall notify the members accordingly as required by the Act.

ACCOUNTS

106. The Co-operative shall keep proper books and other records of account with respect to all its financial transactions and to its assets and liabilities in accordance with the requirements of the Act, and shall establish and maintain a satisfactory system of control of its accounting records, its cash holdings and all its receipts and payments.

107. Unless the Co-operative is entitled to and has applied the exemption to appoint a qualified auditor the committee shall ensure that the Co-operative's accounts and balance sheet are submitted for audit to the Co-operative's auditor and the auditor shall in accordance with the requirements of the Act make a report to the Co-operative on the accounts examined by the auditor and on the revenue account or accounts and the balance sheet for the year of account in respect of which the auditor has been appointed.

ANNUAL RETURNS

108. Every year not later than 7 (seven) months after the Co-operative's financial year end the secretary shall send to the Registrar in the form prescribed the Co-operative's annual return relating to its affairs for the period required by the Act together with:

    (a) a copy of the report of the auditor (if any) on the Co-operative's accounts for the period included in the return; and

    (b) a copy of each balance sheet made during the period and of the report of the auditor (if any) on that balance sheet.

109. The Co-operative shall supply free of charge to every member or person interested in the funds of the Co-operative on application a copy of the latest annual return of the Co-operative together with a copy of the accounts and balance sheet and the report of the auditor (if any) contained in the return and on the accounts and balance sheet.

110. The Co-operative shall keep a copy of the latest balance sheet for the time being and auditor's report (if any) available for inspection by members at its registered office.

INSPECTION OF BOOKS

111. Any member or person having an interest in the funds of the Co-operative shall be allowed to inspect their own account and the books containing the names of the members, including the details contained in the duplicate register of members between the hours of 9.30am and 5.30pm on any day excepting Saturdays, Sundays and Bank Holidays or at any other place where the same records are kept, subject to this right of inspection being carried out in accordance with the arrangements for inspection of records as may be made from time to time by the Co-operative in general meeting. If the member or person wishing to carry out such an inspection is reasonably unable to do so between the times stated above, the Co-operative shall make alternative arrangements for the inspection if it is reasonably practical to do so.

MINUTES AND RECORDS

112. Minutes of every general meeting and of every committee meeting and of every sub-committee shall be kept and presented for approval as an accurate record at the next respective meeting and signed by the chair of the meeting at which they are presented and approved. All minutes signed as an accurate record shall, subject to any amendments which may be recorded in the following meeting, be conclusive evidence of any facts stated in the minutes or decisions made at the meeting the minutes record.

REGISTER OF MEMBERS

113. The Co-operative shall keep at its registered office a register of members in which the secretary shall enter or cause to be entered the following particulars;

    (a) the names and addresses of the members;

    (b) a statement of the share held by each member and the amount paid for the share;*

    (c) a statement of other property in the Co-operative whether in loans or loan stock, held by each member;*

    (d) the date at which each person was entered in the register as a member, and the date at which any persons cease to be a member;

    (e) the names and addresses of the officers of the Co-operative with the offices held by them and the dates on which they assumed office.

114. The Co-operative shall also keep at its registered office a duplicate register of members in which the secretary shall enter all the particulars in the original register of members omitting those details marked with an * [asterisk] set out in the rule immediately above this rule.

115. The inclusion or omission of the name of any person in or from the register of members shall, in the absence of evidence to the contrary, be conclusive evidence that such person is or is not a member of the Co-operative.

116. The registered name of the Co-operative shall be kept painted or fixed in a conspicuous position in an easily legible form on the outside of every office or place in which the business of the Co-operative is carried on, and the registered name of the Co-operative shall be engraved in legible characters on its seal, and shall be mentioned in all business letters of the Co-operative, notices, advertisements, electronic communications and other official publications of the Co-operative and in all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the Co-operative and in all bills, invoices, receipts and letters of credit of the Co-operative.

SEAL

117. If the Co-operative has a seal it shall be kept in the custody of the secretary and used only by the authority of the Co-operative. Sealing shall be attested by the signatures of the two committee members or the secretary and one committee member. If the Co-operative does not have a seal, a document which would have previously required to be sealed should be signed by two committee members or a committee member and the secretary and accompanied by a written statement that the document has been executed by the Co-operative as if under common seal.

DISPUTES

OPTION 1: Choose this option if you are seeking registration in England and Wales.

118. Any dispute concerning matters governed by these rules between a member, or any person aggrieved who has not for more than six months ceased to be a member, and the Co-operative or an officer thereof shall be considered in accordance with the Co-operative's disputes procedure agreed from time to time by the Co-operative in General Meeting. The secretary shall, on request, provide any member or person interested in the Co-operative with a copy of the Co-operative's current dispute procedure. Provided that any internal disputes procedure established by the Co-operative has been exhausted without the dispute being resolved, either party may request the dispute to be submitted to the County Court whose decision shall be binding and conclusive, and application for the enforcement thereof may be made by either party to the County Court.

119. The costs of referring the dispute to the County Court shall be borne as the County Court directs

OPTION 2: Choose this option if you are seeking registration in Scotland.

120. Any dispute concerning matters governed by these rules between a member, or any person aggrieved who has not for more than six months ceased to be a member, and the Co-operative or an officer thereof shall be considered in accordance with the Co-operative's disputes procedure agreed from time to time by the Co-operative in General Meeting. The secretary shall, on request, provide any member or person interested in the Co-operative with a copy of the Co-operative's current dispute procedure. Provided that any internal disputes procedure established by the Co-operative has been exhausted without the dispute being resolved, either party may request the dispute to be submitted to the Sheriff's Court whose decision shall be binding and conclusive, and application for the enforcement thereof may be made by either party to the Sheriff's Court, if the Co-operative's registered office is in Scotland.

121. The costs of referring the dispute to the Sheriff's Court shall be borne as the Sheriff's Court directs

STATUTORY APPLICATIONS TO THE REGISTRAR

122. Any ten members each of whom has been a member of the Co-operative for not less than 12 months immediately preceding the date of the application may apply to the Registrar in the form prescribed by the Act to appoint an accountant or actuary to inspect the books and other financial records of the Co-operative and to report on them.

123. [One tenth of the whole number of members, or if the number shall at any time exceed 1000, 100 members may apply to the Registrar in the form prescribed by the Act:

    (a) for the appointment of an inspector or inspectors to examine the affairs of the Co-operative and to report on the Co-operative's affairs; or

    (b) for the calling of a special general meeting of the Co-operative.

COPIES OF THE RULES TO BE SUPPLIED

124. The secretary shall provide a copy of these rules of the Co-operative to each member free of charge and to any other person on demand on the payment of a charge to meet the reasonable cost of providing them but not exceeding any maximum charge as may from time to time be specified under the provisions of the Act.

AMENDMENT OF RULES

125. Any rule of the Co-operative contained in these rules may be rescinded or amended or a new rule may be made by a resolution carried by two-thirds of the votes given on the resolution to amend these rules at any general meeting of which notice has been given specifying the intention to propose such a rescission, amendment or new rule.

126. Application for the registration of every amendment of rules shall be made to the Registrar in the manner and form required by the Act as soon as practical after the general meeting at which the decision to rescind or amend or make a new rule has been taken. Once an amendment has been registered, a copy of it shall be issued to every member and supplied with every copy of the rules issued after the amendment of rules has been registered. No amendment of rules is valid until registered by the Registrar. When submitting rule amendments for registration the secretary may at their sole discretion accept any textual alterations to the wording of the amendment which do not change the substance or effect of the amendment that may be required or suggested by the Registrar without reference back to a further general meeting of the Co-operative.

***OPTION: Choose this option if the co-operative <u>is registered or intends to register</u> as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government* (or any statutory successor carrying out similar regulatory or supervisory functions).**

127. Any amendment of these rules that alters the Co-operative's objects, or makes provision about the distribution of assets to members, or amends the dissolution terms, shall be effective with the prior consent of the Regulator where such consent is required under relevant legislation; or, where such consent is not required, the Co-operative has obtained appropriate independent advice that the proposed changes do not conflict with legislative registration requirements.

128. Any other amendment to these rules shall be notified to the Regulator as required by the Regulator from time to time.

AMALGAMATION AND TRANSFER OF ENGAGEMENTS

129. The Co-operative may, by special resolution passed at a general meeting in the manner prescribed in the Act, amalgamate with or transfer its engagements to any other co-operative or community benefit society that has similar objects and is registered under the Act.

DISSOLUTION

***OPTION: Omit this rule if the co-operative is registered or intends to register as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government* (or any statutory successor carrying out similar regulatory or supervisory functions).**

130. The Co-operative may enter into a company arrangement or administration provision as defined in section 118 of the Act.

131. The Co-operative may be dissolved in accordance with section 119 of the Act:

    (a) by an instrument of dissolution;

    (b) in accordance with section 123 of the Act in pursuance of a winding up order or by a resolution made or passed as directed in regard to companies by the Insolvency Act 1986.

132. If on the winding up or dissolution of the Co-operative there remains after satisfaction of all its debts and liabilities, any assets or other property whatsoever, the assets or other property shall be disposed of by way of a gift to:

    (a) another Co-operative; or
    (b) a Community Benefit Society having similar objects to the Co-operative; or
    (c) a Credit Union; or
    (d) a charity which has, among its objects, the provision of housing or relief of homelessness.

133. Such disposal shall be decided by a general meeting of the Co-operative before dissolution. On the winding up or dissolution of the Co-operative, no member shall receive any property or sum beyond:

    (a) the repayment of any investment in the Co-operative to which the member is entitled and any interest due on such investment; and/or

    (b) any payment to the member provided for in the member's tenancy or lease on the surrender of that tenancy or lease.

***OPTION: Choose this option if the co-operative is registered or intends to register as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government* (or any statutory successor carrying out similar regulatory or supervisory functions).**

134. If the Co-operative is registered with the Regulator any resolution passed under rules titled 'Amalgamation and Transfer of Engagements' and 'Dissolution' shall be effective only if legislative registration requirements have been satisfied in relation to the rule amendments and may only be registered by the Registrar if the application to register the resolution required by the Act is accompanied either by the Regulator's consent, where such consent is required under relevant legislation, or by appropriate independent advice that the proposed changes do not conflict with the legislative registration requirements.

INTERPRETATIONS

135. In these rules, unless the subject matter or context is inconsistent with them, the following words and phrases shall have the following meanings:

words importing the singular or plural shall include the plural and singular respectively;

words importing gender shall include the male and female genders

"address" means a postal address or, for the purposes of electronic communication, a fax number, email address or telephone number for receiving text messages;

"the Act" refers to the Co-operative and Community Benefit Societies Act 2014, or any Act or Acts amending or in substitution for the Act for the time being in force;

"committee" shall mean a management committee of the Co-operative;

"committee member" shall include any person, whether a member of the Co-operative or not, who is elected, appointed, or co-opted to serve on the committee;

"Co-operative Principles" refers to the Co-operative Principles and Values adopted at the Centennial Congress of the International Co-operative Alliance on 23rd September 1995, a copy of which are appended to these rules;

"electronic means" shall have the meaning set out in section 148 of the Act;

"general meeting" shall mean any meeting of the Co-operative;

"the Registrar" shall mean the Financial Conduct Authority or any statutory successor body to or any assignee of any or all of its relevant functions from time to time;

***OPTION: Choose this option if the co-operative <u>is registered or intends to register</u> as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government* (or any statutory successor carrying out similar regulatory or supervisory functions).**

"social housing" shall mean low cost rental accommodation housing provided in accordance with relevant legislation and regulatory guidance in England and Wales.

***OPTION: Choose this option if the co-operative <u>is registered or intends to register</u> as a Registered Provider with the Regulator of Social Housing or as a Registered Social Landlord with the Welsh Government* (or any statutory successor carrying out similar regulatory or supervisory functions).**

"Regulator" shall mean:

• if the Co-operative is registered in England, means the Homes and Communities Agency acting through its Regulation Committee established pursuant to the Housing and Regeneration Act 2008 or any future body or authority (including any statutory successor) carrying out similar regulatory or supervisory functions; or

• if the Co-operative is registered in Wales as a registered social landlord under the provisions of Part I to the Housing Act 1996, the Welsh Government established by the Government of Wales Act 2006 or any successor body

"surpluses" shall mean any money remaining after the Co-operative's current expenses and obligations have been provided for and adequate allowance has been made for the Co-operative's reasonably foreseeable future requirements

"tenant" shall mean any person other than a body corporate who holds, either individually or jointly, a tenancy or lease entitling them to occupy residential property owned by the Co-operative

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

words importing the singular or plural shall include the plural or singular respectively.

Signatures of Founder Members	**Full Names of Founder Members in BLOCK CAPITALS (no initials)**
1.	
2.	
3.	
Signature of Secretary	**Full Name of Secretary in BLOCK CAPITALS (no initials)**

APPENDIX 1

CO-OPERATIVE PRINCIPLES

Co-operative Principles as defined by resolution of the Centennial Congress of the International Co-operative Alliance on 23 September 1995.

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

[1] **Voluntary and Open Membership:** Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

[2] **Democratic Member Control:** Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Women and men serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights [one member, one vote] and co-operatives at other levels are also organised in a democratic manner.

[3] **Member Economic Participation:** Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their co-operative, possibility by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

[4] **Autonomy and Independence:** Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensures democratic control by their members and maintain their co-operative autonomy.

[5] **Education, Training and Information:** Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

[6] **Co-operation among Co-operatives:** Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.

[7] **Concern for Community:** Co-operatives work for the sustainable development of their communities through policies approved by their members.

Docusign Envelope ID: D4A6D109-F4B2-8E1A-804E-735D34163388

BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY

Mutual Societies Application Form

New and Existing Model Rules

Important information you should read before completing this form

You must use this form if you are applying for acceptance of a new set of model rules or an amendment of existing model rules under the Co-operative and Community Benefits Societies Act 2014.

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

It is important you provide accurate and complete information and disclose all relevant information. If you do not, it may take us longer to assess your application.

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

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

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.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed.

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

4 **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

Docusign Envelope ID: D4A6D109-F4B2-8E1A-804E-735D34163388

1 Name of sponsoring body:

Co-operatives UK

2 Contact details of sponsoring body:

Contact name	Dane Pollard
Contact telephone	0161 214 1750
Contact email	dane.pollard@uk.coop
Contact address	Holyoake House Hanover Street Manchester M60 0AS
Date	11/06/2026

3 Are you applying to register a new set of model rules or to replace an existing set of model rules?

☐ New ▸ continue to question 4

☒ Replacement ▸ continue to question 5

4 New model rules:

4.1 Name of new model rules:

▸ continue to question 6

5 Replacement of existing models rules:

5.1 Please state name of those models being replaced

Fully Mutual Housing Co-op Model

5.2 Name of replacement model rules:

Docusign Envelope ID: D4A6D109-F4B2-8E1A-804E-735D34163388

Fully Mutual Housing Co-op Model

▸ continue to question 6

6 This model is for a:

☒ Co-operative society; or

☐ Community benefit society

7 Section 14 of the 2014 Act requires that a society's rulebook covers certain provisions. Please complete the table to show at what rule each provision is covered:

Matters to be provided for	Rule number
The society's name	1
The objects of the society	2
The place of the society's registered office, to which all communications and notice may be addressed	9
The terms of admission of the members, including any society or company investing funds in the society under the provision of the 2014 Act	10-15
The method of holding meetings, the scale and right of voting, and the method of making, altering or rescinding rules	22-48, 125-126
The appointment and removal of a committee, (by the name of……..) and of managers or other officers, and their respective powers and remuneration	48-85
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	10-12
Whether the society may contract loans or receive moneys on deposit subject to he provisions of the 2014 Act from members or others; and ,if so, under what conditions, under what security, and to what limits of amount	86-90
Whether any or all shares are transferable, and provision of the form of transfer and registration of the shares, and for the consent of the committee to transfer or registration	10-12
Whether any or all shares are withdrawable, and provision for the method of withdrawal, and the payment of the balance de thereon on withdrawing from the society	10-12
Provision for the audit of accounts in accordance with Part 7 of the 2014 Act	98-105
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	16-21
The way in which the society's profits are to be applied	95-97
If the society is to have a common seal, provision for its custody and use	117

Docusign Envelope ID: D4A6D109-F4B2-8E1A-804E-735D34163388

Whether any part of the society's funds may be invested, and if so by what authority and in what way	91-93

8 Please complete the table providing details of those officers authorised to endorse the use of the model by a society.

Name of officer	Signature of officer
Emma Laycock	Signed by: Emma Laycock 0074ZD821EBD41A...
Dane Pollard	Signed by: Dane Pollard DD86734FDF9B475...

9 Registration fee

9.1 Please tick the relevant box below to confirm the fee submitted with your application:

☐ £950 ▸ registration of a new set of model rules

☒ No fee ▸ amendment of an existing set of model rules

You must pay the registration fee by cheque. **It is not refundable**.

How to pay

a. Make the cheque payable to the Financial Conduct Authority. We cannot accept post-dated cheques.
b. Write the name of the sponsoring body on the back of the cheque.
c. Send the cheque with the application form.

End of form