

**RULES of:** **Wiltshire Community Land Trust Limited**

*Registered under the Industrial &  
Provident Societies Act 1965*

**Register No.**

**31205R**

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**Based on the NHF Model Rules 2005**

## CONTENTS

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<b>Part A</b>	<b>Name and objects</b>
A1	Name
A2	Objects
A3-A4	Non-profit
<b>Part B</b>	<b>Powers of Trust, board, and shareholders</b>
B1-B3	Powers
B4-B6	Powers of the board
B7	Limited powers of shareholders in general meeting
B8-B9	General
<b>Part C</b>	<b>Shareholders and general meetings</b>
C1	Obligations of shareholders
C2-C4	Nature of shares
C5-C10	Nature of shareholders
C11-C13	Admission of shareholders
C14-C15	Ending of shareholding
C16-C17	Annual general meeting
C18-C19	Special general meeting
C20-C21	Calling a general meeting
C22-C26	Proceedings at general meeting
C27	Proxies
C28-C33	Voting
<b>Part D</b>	<b>The board</b>
D1	Functions
D2-D10	Composition of board
D11-D15	Election to the board
D16	Candidates for the board
D17	Quorum for the board
D18-D26	Board members' interests
D27-D28	Meetings of the board
D29-D32	Management and delegation
D33-D37	Miscellaneous provisions

<b>Part E</b>	<b>Chair, chief executive, secretary and other officers</b>
E1-E3	The chair
E4-E5	The chair's responsibilities
E6	The chief executive
E7	The secretary
E8	Other officers
E9-E10	Miscellaneous
<b>Part F</b>	<b>Financial control and audit</b>
F1-F6	Auditor
F7- F8	Auditor's duties
F9-F11	Accounting requirements
F12	Annual returns and balance sheets
F13-F15	Borrowing
F16-F17	Derivative Transactions
F18	Investment
<b>Part G</b>	<b>Miscellaneous and statutory</b>
G1-G2	Registered office and name
G3	Disputes
G4-G9	Minutes, seal, registers and books
G10-G11	Statutory applications to the Financial Services Authority
G12	Amendment of rules
G13-G14	Dissolution
G15	Interpretation of terms

**PART A NAME AND OBJECTS****Name**

A1 The name of the society shall be Wiltshire Community Land Trust Limited ("the Trust").

**Objects**

A2 The Trust is formed for the benefit of the community to operate as a Community Land Trust as defined in section 79 of the Housing and Regeneration Act 2008 in the County of Wiltshire including Swindon ("the area of benefit"). Its objects shall be to carry on for the benefit of the community:

- A2.1 the business of providing social housing, housing, accommodation, and assistance to help house people and associated infrastructure facilities and amenities for people in necessitous circumstances or for the relief of aged, disabled, handicapped (whether physically or mentally) or chronically sick people upon such terms as the board in its absolute discretion shall determine;
- A2.2 the maintenance, improvement or provision of public amenity and facilities;
- A2.3 the promotion and advancement for the public benefit of community development by the assistance and promotion of community land trusts (in the area of benefit);
- A2.4 the advancement of education;
- A2.5 the relief of poverty;
- A2.6 the advancement of environmental protection or improvement;
- A2.7 the promotion for the public benefit of rural regeneration in areas of social and economic deprivation as the Trust shall decide by all or any of the following means:
  - (a) the relief of poverty in such ways as may be thought fit;
  - (b) the relief of unemployment in such ways as may be thought fit, including assistance to find employment;
  - (c) the advancement of education, training or retraining, particularly amongst unemployed people, and providing unemployed people with work experience;
  - (d) the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:
    - (i) in setting up their own business; or
    - (ii) to existing businesses;
  - (e) the creation of training and employment opportunities by the provision of work space, buildings and/or land for use on favourable terms.

**Non-profit**

A3 The Trust shall not trade for profit.

A4 Nothing shall be paid or transferred by way of profit to shareholders of the Trust.

**PART B POWERS OF TRUST, BOARD, AND SHAREHOLDERS**

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**Powers**

- B1 The Trust shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient to achieve its objects, except as expressly prohibited in these rules.
- B2 Without limiting its general powers the Trust shall have power to:
- B2.1 take or grant any interest in land, or carry out works to buildings, land or other property;
  - B2.2 help any charity, community land trust or other body not trading for profit in relation to housing and other activities that would promote or support the Trust's objects;
  - B2.3 subject to rules F13, F14, and F15 borrow money or issue loan stock for the purposes of the Trust on such terms and on such security including floating charges as the Trust thinks fit; and
  - B2.4 subject to rule F18 invest the funds of the Trust;
  - B2.5 issue community bonds upon such terms as the law allows within its objects and as the board in its absolute discretion shall determine;
  - B2.6 create, make, draw, accept, endorse, execute, issue, discount, buy, sell, negotiate and deal in bills, notes, warrants, coupons, debentures and other negotiable or transferable instruments;
  - B2.7 guarantee, enter into any contract of indemnity or suretyship or provide security for the borrowings or performance of a third party as the Trust shall think fit PROVIDED THAT such actions are in accordance with the Trust's objects;
  - B2.8 to insure and arrange insurance cover for the Trust from and against all such risks as the board may think fit and to pay any premium in respect of such insurance;
  - B2.9 to insure and arrange insurance cover for and to indemnify its members, employees and voluntary workers from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its board members, co-optees or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Trust PROVIDED THAT such insurance shall not extend to any liability in respect of an act or omission which such board member or board members, co-optee or co-optees knew was a breach of duty or trust or which was committed by such board member or board members, co-optees or co-optees recklessly without due regard as to whether such act or omission might be a breach of duty or trust;
  - B2.10 to invest any monies of the Trust not immediately required for the furtherance of its objects in accordance with rule F18;

- B2.11 to purchase or otherwise acquire or to encourage or promote or in any way support or aid the establishment and development of any subsidiary or associated society or company established for the purposes of carrying on any trade or business either for the purpose of raising funds for the Trust or for the furtherance of the objects of the Trust;
  - B2.12 to make donations, grants or loans or provide services or assistance to such persons and organisations and on such terms as the Trust shall think fit to further the objects of the Trust;
  - B2.13 to transfer land or other assets on such terms as the Trustees think fit to further the Trust's objects but always in accordance with the provisions of the Charities Act 1993;
  - B2.14 to do anything else within the law which promotes or helps to promote the objects.
- B3 The Trust shall not have power to receive money on deposit in any way which would require authorisation under the Banking Act 1987 or any other authority required by statute unless it has such authorisation

**Powers of the board**

- B4 The business of the Trust shall be directed by the board.
- B5 Apart from those powers which must be exercised in general meeting by statute; or under these rules all the powers of the Trust may be exercised by the board for and in the name of the Trust.
- B6 The board shall have power to delegate, in writing, the exercise of any of its powers to committees and to employees of the Trust on such terms as it determines. Such delegation may include any of the powers and discretions of the board.

**Limited powers of shareholders in general meeting**

- B7 The Trust in general meeting can only exercise the powers of the Trust expressly reserved to it by these rules or by statute.

**General**

- B8 The certificate of an officer of the Trust that a power has been properly exercised shall be conclusive as between the Trust and any third party acting in good faith.
- B9 A person acting in good faith who does not have actual notice of any regulations shall not be obliged to see or enquire if the board's powers are restricted by such regulations.

**PART C SHAREHOLDERS AND GENERAL MEETINGS**

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**Obligations of shareholders**

- C1 All shareholders agree to be bound by the obligations on them as set out in these rules. When acting as shareholders they shall act at all times in the interests of the Trust and, for the benefit of the community, as guardians of the objects of the Trust.

**Nature of shares**

- C2 The Trust's share capital shall be raised by the issue of shares. Each share has the nominal value of one pound which shall carry no right to interest, dividend or bonus.

- C3 Only shares held by the nominee of an unincorporated body (alone or jointly with other nominees) can be transferred and only to a new nominee (alone or jointly with other nominees).
- C4 When a shareholder ceases to be a shareholder or is expelled from the Trust, his or her share shall be cancelled. The amount paid up shall become the property of the Trust.

**Nature of shareholders**

- C5 A shareholder of the Trust is a person or body whose name and address is entered in the register of shareholders.
- C6 The following cannot be shareholders:
  - C6.1 a minor;
  - C6.2 a person who has been expelled as a shareholder, unless authorised by special resolution at a general meeting;
  - C6.3 an employee of the Trust or an employee of any other body whose accounts must be consolidated with those of the Trust.
- C7 A shareholder can be the nominee of an unincorporated body. In such cases the register shall contain the name and address of the shareholder, and shall designate the shareholder as the nominee of a named unincorporated body. The address of the unincorporated body shall also be entered in the register if it differs from the address of the shareholder nominee.
- C8 A corporate body can be a shareholder. It can appoint an individual to exercise its rights at general meetings. Any such appointment shall be in writing, and given to the secretary.
- C9 No shareholder shall hold more than one share and each share shall carry only one vote.
- C10 A share cannot be held jointly unless by nominees of an unincorporated body.

**Admission of shareholders**

- C11 The board shall set review and publish its policies and objectives for admitting new shareholders. The board shall only admit new shareholders in accordance with such policies.
- C12 An applicant for a share shall apply in writing to the Trust's registered office:
  - C12.1 setting out their reasons for applying and their qualifications in accordance with the Trust's policies; and
  - C12.2 pay the sum of one pound (which shall be returned to them if the application is not approved).
- C13 Every application shall be considered by the board in accordance with rule C11. The board has the power in its absolute discretion to accept or reject the application. If the application is approved the name of the applicant and the other necessary particulars shall be entered in the register of shareholders. One share in the Trust shall be issued to the applicant.

**Ending of shareholding**

- C14 A shareholder shall cease to be a shareholder if:
  - C14.1 they die; or
  - C14.2 they are expelled under rule C15; or
  - C14.3 they withdraw from the Trust by giving one month's notice to the secretary; or
  - C14.4 they do not participate in, nor deliver written apologies in advance to, a general meeting of the Trust in the period starting with one annual general meeting up to and including the next annual general meeting; or

- C14.5 in the case of a body corporate it ceases to be a body corporate; or
- C14.6 in the case of the nominee of an unincorporated body, they transfer their share to another nominee of that body.
- C15 A shareholder may only be expelled by a special resolution at a special general meeting called by the board.
- C15.1 The board must give the shareholder at least one month's notice in writing of the general meeting. The notice to the shareholders must set out the particulars of the complaint of conduct detrimental to the Trust, and must request the shareholder to attend the meeting to answer the complaint.
- C15.2 At the general meeting called for this purpose the shareholders shall consider the evidence presented by the board and by the shareholder (if any). The meeting may take place even if the shareholder does not attend.
- C15.3 If the resolution to expel the shareholder is passed in accordance with this rule, the shareholder shall immediately cease to be a shareholder.

**Annual general meeting**

- C16 The Trust shall hold a general meeting called the annual general meeting within six calendar months after the close of each of its financial years.
- C17 The functions of the annual general meeting shall be:
- C17.1 to receive the annual report which shall contain:
- the revenue accounts and balance sheets for the last accounting period
  - the auditor's report (if one is required by law) on those accounts and balance sheets
  - the board's report on the affairs of the Trust
  - the board's statement of the values and objectives of the Trust
  - the policy for admitting new shareholders
- C17.2 to appoint the auditor (if one is required by law);
- C17.3 to elect board member if applicable;
- C17.4 to transact any other general business of the Trust set out in the notice convening the meeting including any business that requires a special resolution.

**Special general meetings**

- C18 All general meetings other than annual general meetings shall be special general meetings and shall be convened either:
- C18.1 upon an order of the board; or
- C18.2 upon a written requisition signed by one-tenth of the shareholders (to a maximum of twenty-five but not less than three) stating the business for which the meeting is to be convened;
- C18.3 if within twenty-eight days after delivery of a requisition to the secretary a meeting is not convened, the members who have signed the requisition may convene a meeting.
- C19 A special general meeting shall not transact any business that is not set out in the notice convening the meeting.

**Calling a general meeting**



- C20 All general meetings shall be convened by at least fourteen clear days' written notice (or with the consent of three quarters of all shareholders, such other period of written notice as the shareholders agree) posted or delivered or sent by fax or email to every member at the address fax number or email address given in the share register. The notice shall state whether the meeting is an annual or special general meeting, the time, date and place of the meeting, and the business for which it is convened. Notice shall be sent to all shareholders.
- C21 Any accidental failure to get any notice to any shareholder, shall not invalidate the proceedings at that general meeting. A notice or communication sent by post to a shareholder at their address shown in the register of shareholders shall be deemed to have arrived two days after being posted.

#### **Proceedings at general meetings**

- C22 Before any general meeting can start its business there must be a quorum present. A quorum is one-tenth of all shareholders with a minimum number of six and a maximum number of 25. As part of the quorum at least two shareholders must be present in person.
- C23 A meeting held as a result of a shareholder's requisition will be dissolved if too few shareholders are present half an hour after the meeting should begin.
- C24 All other general meetings with too few shareholders will be adjourned to the same day, at the same time and place in the following week. If too few shareholders are present within half an hour of the time the adjourned meeting should have started, those shareholders present shall carry out the business of the meeting.
- C25 The chair of any general meeting can:
- C25.1 take the business of the meeting in any order that the chair may decide; and
  - C25.2 adjourn the meeting if the majority of the shareholders present in person or by proxy agree. An adjourned meeting can only deal with matters adjourned from the original meeting. An adjourned meeting is a continuation of the original meeting. The date of all resolutions passed is the date they were passed (as opposed to the date of the original meeting). There is no need to give notice of an adjournment or to give notice of the business to be transacted.
- C26 At all general meetings of the Trust the chair of the board shall preside. If there is no such chair or if the chair is not present or is unwilling to act, the deputy chair (if any) shall chair the meeting, failing which the shareholders present shall elect a shareholder to chair the meeting. The person elected shall be a member of the board if one is present and willing to act.

#### **Proxies**

- C27 A proxy can be appointed by delivering a written appointment to the registered office at least two days before the date of the meeting at which the proxy is authorised to vote. It must be signed by the shareholder or a duly authorised attorney. Any proxy form delivered late shall be invalid. Any question as to the validity of a proxy shall be determined by the chair of the meeting whose decision shall be final. A proxy need not be a shareholder of the Trust.

#### **Voting**

- C28 Subject to the provisions of these rules or of any statute, a resolution put to the vote at a general meeting shall, except where a ballot is demanded or directed, be decided upon a show of hands.

- C29 On a show of hands every shareholder present in person and on a ballot every shareholder present in person or by proxy shall have one vote. In the case of an equality of votes the chair of the meeting shall have a second or casting vote.
- C30 Unless a ballot is demanded (either before or immediately after the vote), a declaration by the chair that a resolution on a show of hands has been carried or lost, unanimously or by a particular majority, is conclusive. An entry made to that effect in the book containing the minutes of the proceedings of the Trust, shall be conclusive evidence of that fact.
- C31 Any question as to the acceptability of any vote whether tendered personally or by proxy, shall be determined by the chair of the meeting, whose decision shall be final.
- C32 A ballot on a resolution may be demanded by any three shareholders at a meeting (in person or by proxy) or directed by the chair (and such demand or direction may be withdrawn). A ballot may be demanded or directed after a vote on the show of hands, and in that case the resolution shall be decided by the ballot.
- C33 A ballot shall be taken at the meeting at such time and in such manner as the chair shall direct. The result of such a ballot shall be deemed to be the resolution of the Trust in general meeting.
- C34 A resolution in writing sent to all the shareholders by post, fax and/or email or delivered by hand and signed by at least three quarters of the shareholders shall be as valid and effective as if it had been passed at a general meeting duly convened and held and may consist of several documents in the like form each signed or sent by or on behalf of one or more shareholder.

## **PART D THE BOARD**

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### **Functions**

- D1 The Trust shall have a board (in these rules referred to as "the board") which shall direct the affairs of the Trust in accordance with its objects and rules and ensure that its functions are properly performed. Amongst its functions shall be to:
- D1.1 define and ensure compliance with the values and objectives of the Trust and ensure these are set out in each annual report;
  - D1.2 establish policies and plans to achieve those objectives;
  - D1.3 approve each year's accounts prior to publication and approve each year's budget;
  - D1.4 establish and oversee a framework of delegation and systems of control;
  - D1.5 agree policies and make decisions on all matters that create significant financial risk to the Trust or which affect material issues of principle;
  - D1.6 monitor the Trust's performance in relation to these plans, budget, controls and decisions;
  - D1.7 appoint (and if necessary remove) the chief executive (if any);
  - D1.8 satisfy itself that the Trust's affairs are conducted in accordance with generally accepted standards of performance and propriety;
  - D1.9 take appropriate advice; and
  - D1.10 at all times that the Trust is registered with the TSA as a registered provider the board shall ensure that the Trust takes account of any obligation imposed upon the Trust by the TSA in exercise of its powers.

### **Composition of the board**

- D2 The board shall consist of seven board members, or of such greater number not exceeding twelve (including co-optees) as may be determined by the first board members before the first annual general meeting and thereafter by the Trust in general meeting. A majority of board members shall always be capable of appointment or election by the shareholders.
- D3 Except for co-optees only shareholders can be board members.
- D4
- D4.1 The board shall in its annual report set out the obligations of every board member to the board and to the Trust. The board shall review and may amend the obligations of board members from time to time.
- D4.2 No board member may act as such until they have signed and delivered to the board a statement, confirming that they will meet their obligations to the board and to the Trust. The board may vary the form of statement from time to time.
- D4.3 Any board member who has not signed such statement without good cause within one month of election or appointment to the board shall immediately cease to be a board member.
- D5 The board may appoint co-optees to serve on the board on such terms as the board resolves and may remove such co-optees. A co-optee may act in all respects as a board member, but they shall not have a vote.
- D6 For the purposes of these rules and of the Act a co-optee is not included in the expression "board member" or "member of the board".
- D7 Not more than three co-optees can be appointed to the board or to any committee at any one time.
- D8 No one can become or remain a board member at any time if:
- D8.1 they are disqualified from acting as a director of a company for any reason; or
- D8.2 they have been convicted of an indictable offence within the last five years; or
- D8.3 they are not a shareholder (unless they are a co-optee or employee of the Trust or any other body whose accounts must be consolidated with those of the Trust); or
- D8.4 they have absented themselves from four consecutive meetings of the board without special leave of absence from the board;
- and any board member who at any time ceases to qualify under this rule shall immediately cease to be a board member.
- D9 A board member may be removed from the board
- D9.1 by a special resolution at a general meeting; or
- D9.2 by a resolution passed by three quarters of the board present where at least fourteen days advance notice of the proposed resolution has been given to all board members including the board member in question and that the board member in question is allowed to attend the board meeting and speak thereon if they wish.
- D10 Whenever the number of board members and co-optees is less than permitted by these rules, the board may appoint a further board member in addition to the board's power to co-opt. Any board member so appointed shall retire at the next annual general meeting.

**Election to the board**

- D11 In every notice for an annual general meeting the board shall set out its requirements for the skills, qualities and experience which it needs from its board members. The notice shall state

the extent to which those requirements are met by those board members continuing in office, and those retiring and intending to re-offer themselves for election.

**D12**

D12.1 At every annual general meeting not less than one third of the board members shall retire from office.

D12.2 Board members forming the retiring third shall be those who have been longest in office since they were last elected or re-elected to the board. If the choice is between people who became board members on the same day those to retire shall be chosen by lot if not agreed.

D12.3 Anybody appointed to fill a casual vacancy under rule D10 during the year and who retires for that reason shall not count towards the one third to retire.

D13 If at an annual general meeting, the candidates for election as board members do not exceed the number of vacancies on the board the chair shall declare those candidates to have been duly elected. If the number of candidates exceed the number of vacancies the meeting shall elect the board members by ballot in such a manner as the chair directs.

D14 In an election at a general meeting every shareholder present in person or by proxy shall have one vote for every vacancy but shall not give more than one vote to any one candidate.

D15 In casting their votes in an election, shareholders shall endeavour to ensure that the board possesses the quality, skills and experience which the Trust has from time to time determined that it requires.

**Candidates for the board****D16**

D16.1 Any candidate for election to the board shall submit a written statement to the Trust in such form as the board from time to time determines. It shall set out the candidate's full name, address, and occupation, and the reasons for their suitability to be a board member.

D16.2 In addition a candidate who is not retiring as a board member must be nominated in writing by another shareholder.

D16.3 The statement and nomination shall be delivered to the registered office at least three days before the meeting at which the vacancies on the board are to be filled.

**Quorum for the board****D17**

D17.1 Three board members, or half of the board (whichever is lower) shall form a quorum. The board may determine a higher number.

D17.2 If the number and make up of board members falls below the number and make up necessary for a quorum, the remaining board members may continue to act as the board for a maximum period of six months and the provisions of D17.2 shall be suspended for that time. At the end of that time the only power that the board may exercise shall be to call a general meeting of the Trust to bring the number and make up of board members up to that required by these rules.

**Board members' interests**

D18 No board member, co-optee or member of a committee shall have any financial interest:

D18.1 personally; or

- D18.2 as a member of a firm; or
- D18.3 as a director or other officer of a business trading for profit; or
- D18.4 in any other way whatsoever
- in any contract or other transaction with the Trust, unless it is expressly permitted by these rules unless it is either:
- (i) expressly permitted by these rules; or
  - (ii) not prohibited under any relevant legislation; and
  - (iii) at the relevant time, is made in accordance with the Trust's code of governance and any policy relating thereto.
- D19 The Trust shall not pay or grant any benefit to anyone who is a board member or a co-optee or a member of a committee, unless it is expressly permitted by these rules.
- D20 Any board member, co-optee or member of a committee, having an interest in any arrangement between the Trust and someone else shall disclose their interest, before the matter is discussed by the board or any committee. Unless it is expressly permitted by these rules they shall not remain present unless requested to do so by the board or committee, and they shall not have any vote on the matter in question. Any decision of the board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.
- D21 Every board member, co-optee and member of a committee shall ensure that the secretary at all times has a list of all other bodies in which they have an interest as:
- D21.1 a director or officer; or
  - D21.2 as a member of a firm; or
  - D21.3 as an official or elected member of any statutory body; or
  - D21.4 as the owner or controller of more than 2% of a company the shares in which are publicly quoted or more than 10% of any other company; or
  - D21.5 as the occupier of any property owned or managed by the Trust; or
  - D21.6 any other significant or material interest.
- D22 If requested by a majority of the board or members of a committee at a meeting convened specially for the purpose, a board member, co-optee or member of a committee failing to disclose an interest as required by these rules shall vacate their office either permanently or for a period of time.
- D23 The Trust may pay:
- D23.1 properly authorised expenses when actually incurred on the Trust's business and any remuneration as shall be approved by the board from time to time to board members, co-optees and members of committees;
  - D23.2 insurance premia in respect of insurance taken out to insure board members, officers and/or employees against any claim brought against them in respect of any act or omission which is or is alleged to be in breach of trust or in breach of duty.
- D24 A board member, co-optee or member of a committee shall not have an interest for the purpose of rules D18 to D20 as a board member, director, or officer of any other body whose accounts are or ought to be consolidated with the Trust's accounts.
- D25 Board members, co-optees or members of committees who are tenants of the Trust shall not have an interest for the purpose of rule D2 in any decision affecting all or a substantial group of tenants.

- D26 The grant of a tenancy by the Trust at the direction of another body to a board member, co-optee or member of a committee or as permitted by the Housing and Regeneration Act 2008 is not the grant of a benefit for the purpose of rule D19.

**Meetings of the board**

- D27 The board shall meet at least three times every calendar year. Unless all the board members agree otherwise at least seven days written notice of the date and place of every board meeting shall be given by the secretary to all board members and co-optees.
- D28 Meetings of the board may be called by the secretary, or by the chair, or by two board members who give written notice to the secretary specifying the business to be carried out. The secretary shall send a written notice to all board members and co-optees to the board as soon as possible after receipt of such a request. The secretary shall call a meeting on at least seven but not more than fourteen days' notice to discuss the specified business. If the secretary fails to call such a meeting then the chair or two board members, whichever is the case, shall call such a meeting.

**Management and delegation**

- D29 The board may delegate any of its powers as set out in rule B6.
- D30 The membership of any committee shall be determined by the board. Every committee shall include one board member or co-optee to the board. The board will appoint the chair of any committee and specify the quorum and provide it with written terms of reference. The board may also provide further written instructions to any such committee from time to time.
- D31 All acts and proceedings of any committee shall be reported to the board.
- D32 No committee can incur expenditure on behalf of the Trust unless at least one board member or co-optee of the board on the committee has voted in favour of the resolution and the board has previously approved a budget for the relevant expenditure.

**Miscellaneous provisions**

- D33 All decisions taken at a board or any committee meeting in good faith shall be valid even if it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of the members at a meeting.
- D34 A resolution in writing sent to all board members or all members of a committee and signed by three quarters of the board members or three quarters of the members of a committee shall be as valid and effective as if it had been passed at a properly called and constituted meeting of the board or committee.
- D35 Meetings of the board can take place in any manner which permits those attending to hear and comment on the proceedings.
- D36 A board member acting in good faith shall not be liable to the Trust for any loss.
- D37 Notice may be given to board members by post or fax or email at the last address for such communication given to the secretary. The accidental failure to give notice to a board member or the failure of the board member to receive such notice shall not invalidate the proceedings of the board.

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**PART E CHAIR, CHIEF EXECUTIVE, SECRETARY AND OTHER OFFICERS**

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**The chair**

- E1 The Trust shall have a chair, who shall also chair board meetings, and shall be elected by the board.
- E2 The chair on election shall hold office until the commencement of the first board meeting after the next annual general meeting of the Trust (or until the chair resigns as chair). The first item of business for any board meeting when there is no chair or the chair is not present shall be to elect the chair. The chair shall at all times be a shareholder and a board member and cannot be an employee. In the case of any equality of votes, the Chair shall have a casting vote.
- E3 The chair of the Trust may be removed at a board meeting called for the purpose provided the resolution is passed by at least two thirds of the members of the board at the meeting.

**The chair's responsibilities**

- E4 The chair shall seek to ensure that:
- E4.1 the board's business and the Trust's general meetings are conducted efficiently;
  - E4.2 all board members are given the opportunity to express their views;
  - E4.3 a constructive working relationship is established with, and support provided for the chief executive (if any);
  - E4.4 the board delegates sufficient authority to its committees, the chair, the chief executive (if any), and others to enable the business of the Trust to be carried on effectively between board meetings;
  - E4.5 the board receives professional advice when it is needed;
  - E4.6 the Trust is represented as required; and
  - E4.7 the Trust's affairs are conducted in accordance with generally accepted codes of performance and propriety.
- E5 The chair shall seek to ensure that there is a written statement of the chair's responsibilities which shall be agreed with the board, and reviewed from time to time.

**The chief executive**

- E6 The Trust may have a chief executive appointed by the board. The chief executive shall be appointed on a written contract of employment, which shall include a clear statement of the duties of the chief executive

**The secretary**

- E7 The Trust shall have a secretary who shall be appointed by the board and who may be an employee. The secretary shall in particular:
- E7.1 summon and attend all meetings of the Trust and the board and keep the minutes of those meetings; and
  - E7.2 keep the registers and other books determined by the board; and
  - E7.3 make any returns on behalf of the Trust to the Financial Services Authority and the TSA (as appropriate);
  - E7.4 have charge of the seal of the Trust; and
  - E7.5 be responsible for ensuring the compliance of the Trust with these rules.

**Other officers**

- E8 The board may designate as officers such other executives, internal auditor and staff of the Trust on such terms (including pay) as it from time to time decides.

**Miscellaneous**

- E9 Every officer or employee shall be indemnified by the Trust for any amount reasonably incurred in the discharge of their duty.
- E10 Except for the consequences of their own dishonesty or gross negligence no officer or employee shall be liable for any losses suffered by the Trust.

**PART F FINANCIAL CONTROL AND AUDIT**

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**Auditor**

- F1 The Trust if required by law to do so shall appoint an auditor to act in each financial year. They must be qualified as provided by Section 7 of the Friendly and Industrial & Provident Societies Act 1968 as amended by the Companies Act 1989.
- F2 The following cannot act as auditor:
- F2.1 an officer or employee of the Trust ;
  - F2.2 a person employed by or employer of, or the partner of, an officer or employee of the Trust .
- F3 An auditor must be appointed by resolution at a general meeting.
- F4 The Trust's first auditor shall be appointed at a general meeting within three months of its registration or when first required by law to do so, whichever is the later. The board may make the appointment if no meeting is held within three months of the due date. The board may appoint an auditor to fill a casual vacancy.
- F5 Where an auditor is appointed to audit the accounts for the preceding year, they shall be re-appointed to audit the current year's as well unless:
- F5.1 a general meeting has appointed someone else to act or has resolved that the auditor cannot act; or
  - F5.2 the auditor does not want to act and has told the Trust so in writing; or
  - F5.3 the person is not qualified or falls within rule F2 (above); or
  - F5.4 the auditor has become incapable of acting; or
  - F5.5 notice to appoint another auditor has been given.
- F6
- F6.1 Not less than twenty eight days' notice shall be given for a resolution to appoint another person as auditor, or to forbid a retiring auditor being re-appointed.
  - F6.2 The Trust shall send a copy of the resolution to the retiring auditor and also give notice to its shareholders at the same time and in the same manner, if possible.
  - F6.3 If not, the Trust shall give notice by advertising in a local newspaper at least 14 days before the proposed meeting. The retiring auditor can make representations to the Trust which must be notified to its Shareholders under Section 6 of the Friendly and Industrial and Provident Societies Act 1968.

**Auditor's duties**



- F7 The findings of the auditor shall be reported to the Trust, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968.
- F8 The board shall produce the revenue account and balance sheet audited by the auditor, if required, and the auditor's report, if required, at each annual general meeting. The board shall also produce its report on the affairs of the Trust which shall be signed by the person chairing the meeting which adopts the report.

**Accounting requirements**

- F9 The end of the accounting year must be a date allowed by the Financial Services Authority.
- F10 The Trust shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Sections 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968.
- F11 The Trust shall establish and maintain satisfactory systems of control of its books of account, its cash and all its receipts and payments.

**Annual returns and balance sheets**

- F12 Every year, within the time specified by legislation, the secretary shall send the Trust's annual return to the Financial Services Authority. The return shall be up-to-date to the time specified in the Act, or such other date allowed by the Financial Services Authority. The annual return shall be accompanied by the auditor's reports, if required, for the period of the return and the accounts and balance sheets to which it refers.

**Borrowing**

- F13 The total borrowings of the Trust at any time shall not exceed £100 million (one hundred million pounds) or such a larger sum as the Trust determines from time to time in general meeting.
- F14 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 board, is reasonable having regard to the terms of the loan. The board may delegate the determination of the said interest rate within specified limits to an officer, board member or a committee.
- F15
- F15.1 In respect of any proposed borrowing, for the purposes of rule F13, the amount remaining un-discharged of any deferred interest or index-linked monies previously borrowed by the Trust or on any deep discounted security shall be deemed to be the amount required to repay such borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing; and
- F15.2 For the purposes of rule F13 in respect of any proposed borrowing intended to be on index-linked or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of such proposed borrowing receivable by the Trust at the time of the proposed borrowing.

**Derivative Transactions**

- F16 In exercising its power under rule B2.4, the Trust shall comply with any regulatory requirements applicable to it at the relevant time, relating to the use of derivative transactions. A person entering into a derivative transaction with the Trust is entering into such transaction for the purpose specified in rule B2.4 and confirming the Trust's compliance with any regulatory requirements shall not be concerned to enquire further as to the purpose for which

the Trust is entering into the transaction, nor as to whether the Trust has complied with such requirements and such transaction shall be valid at the date that it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not it was entered into for the purpose specified in rule B2.4 and whether or not such regulatory requirements have been complied with.

- F17 For the purpose of rule B2.4 and this rule F16 “derivative transaction” means any transaction which is forward, swap, future, option or other derivative transaction on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value or other benchmarks against which payments or deliveries are to be made or any combination of these transactions.

### **Investment**

- F18 The funds of the Trust may be invested by the board in such manner as it determines.

## **PART G MISCELLANEOUS AND STATUTORY, REGISTERED OFFICE AND NAME**

- G1 The Trust's registered office is:

20 High Street  
Bromham  
Chippenham  
Wiltshire  
SN15 2EX

- G2 The Trust's registered name must:

- G2.1 be placed prominently outside every office or place of business; and  
G2.2 be engraved on its seal; and  
G2.3 be stated on its business letters, notices, adverts, official publications, cheques and invoices.

### **Disputes**

- G3

- G3.1 Any dispute on a matter covered by the rules shall be dealt with in the County Court if the dispute is between:
- the Trust and a board member; or
  - the Trust and a shareholder; or
  - the Trust and a person claiming to be a shareholder; or
  - the Trust and a person who was a shareholder in the last six months.
- G3.2 Alternatively, if the Trust and any other party agree such dispute can be resolved by an arbitrator appointed by them or by the National Housing Federation if both parties to the dispute agree. If they do not agree the dispute shall be dealt with in the County Court.
- G3.3 The arbitrator's decision is binding. No appeal is allowable. No court of law can alter it, but it can be enforced by a County Court.
- G3.4 The arbitrator's decision on the costs of the arbitration is binding.

**Minutes, seal, registers and books**

- G4 The minutes of all general meetings and all board and committee meetings shall be recorded, agreed by the relevant subsequent meeting and signed by whoever chairs the meeting and kept safe.
- G5 The secretary shall keep the seal. It shall not be used except under the board's authority. It must be affixed by one board member signing and the secretary countersigning or in such other way as the board resolves. The board may in the alternative authorise the execution of deeds in any other way permitted. The Trust must keep at its registered office:
- G6.1 the register of shareholders showing:
- the names and addresses of all the shareholders; and
  - a statement of all the shares held by each board member and the amount paid for them; and
  - a statement of other property in the Trust held by the shareholder; and
  - the date that each shareholder was entered in the register of shareholders.
- G6.2 a duplicate register of shareholders showing the names and addresses of shareholders and the date they became shareholders
- G6.3 a register of the names and addresses of the officers, their offices and the dates on which they assumed those offices as well as a duplicate.
- G6.4 a register of holders of any loan.
- G6.5 a register of mortgages and charges on land.
- G6.6 a copy of the rules of the Trust.
- G7 The Trust must display a copy of its latest balance sheet and auditors report (if one is required by law) at its registered office
- G8 The Trust shall give to all shareholders on request copies of its last annual return with the auditor's report (if one is required by law) on the accounts contained in the return, free of charge.
- G9 The secretary shall give a copy of the rules of the Trust to any person on demand who pays such reasonable sum as permitted by law.

**Statutory applications to the FSA**

- G10 Ten shareholders can apply to the Financial Services Authority to appoint an accountant to inspect the books of the Trust, provided all ten have been shareholders of the Trust for a twelve month period immediately before their application.
- G11 The shareholders may apply to the Financial Services Authority in order to get the affairs of the Trust inspected or to call a special general meeting. One hundred shareholders, or one-tenth of the shareholders, whichever is the lesser, must make the application.

**Amendment of rules**

- G12
- G12.1 The rules of the Trust may be rescinded or amended but not so as to stop the Trust being a charity.
- G12.2 The rules may only be amended by a resolution put before the general meeting by the board and approved by at least two thirds of the board.

- G12.3 Rules can only be amended or rescinded by three fourths of the votes cast at a general meeting.
- G12.4 Amended rules shall be registered with the Financial Services Authority as soon as possible after the amendment has been made. An amended rule is not valid until it is registered.

**Dissolution**

- G13 The Trust may be dissolved by a three fourths majority of shareholders who sign an instrument of dissolution in the form prescribed by Treasury Regulations; or by winding-up under the Act.
- G14 Any property that remains, after the Trust is wound-up or dissolved and all debts and liabilities dealt with, the shareholders may resolve to give or transfer to another charitable body with objects similar to that of the Trust.

**Interpretation of terms**

- G15 In these rules, including this rule, unless the subject matter or context are inconsistent:-
- G15.1 words importing the singular or plural shall include the plural and singular respectively;
- G15.2 words importing gender shall include the male and female genders;
- G15.3 any reference to an Act shall include any amendment or re-enactment from time to time;
- G15.4 "amendment of rules" shall include the making of a new rule and the rescission of a rule, and "amended" in relation to rules shall be construed accordingly;
- G15.5 "board" shall mean the board appointed in accordance with Part D and "board member" or "member of the board" shall mean a member of the board for the time being but shall not include a person co-opted to the board under rule D5;
- G15.6 "community land trust" shall have the same meaning as contained in section 79 of the Housing and Regeneration Act 2008;
- G15.7 "officer" shall include the chair and secretary of the Trust and any board member for the time being and such other persons as the board may appoint under rule E8;
- G15.8 "persons claiming through a shareholder" shall include their personal representatives and also their nominees where a nomination has been made;
- G15.9 "property" shall include all real and personal estate (including loan stock certificates, books and papers);
- G15.10 "register of shareholders" means the register kept in accordance with rule G6.1;
- G15.11 "secretary" means the officer appointed by the board to be the secretary of the Trust or other person authorised by the board to act as the secretary's deputy;
- G15.12 "shareholder" shall mean one of the persons referred to in rule C5 and means "member" as defined by the Act;
- G15.13 "social housing" shall have the same meaning as sections 68-70 of the Housing and Regeneration Act 2008;
- G15.14 "tenant" means a person who alone or jointly with others hold a tenancy, lease or licence to occupy the Trust's premises for residential use or the premises of any body whose accounts must be consolidated with the Trust;
- G15.15 "TSA" means the Regulator of Social Housing pursuant to section 81 of the Housing and Regeneration Act 2008 and any successor body;

- G15.16 "the Act" shall mean the Industrial and Provident Societies Acts 1965 to 1975;
- G15.17 "these rules" shall mean the registered rules of the Trust for the time being;
- G15.18 "the Trust" shall mean the Wiltshire Community Land Trust Limited of which these are the registered rules;
- G15.19 references to any provision in any Act shall include reference to such provision as from time to time amended, varied, replaced, extended or re-enacted and to any orders or regulations made under such provision;
- G15.20 "special resolution" means a resolution at a general meeting passed by a two thirds majority of all shareholders who vote in person or by proxy.

**National Housing Federation**

**2005**

**INDUSTRIAL AND PROVIDENT SOCIETIES ACT 1965**

**Acknowledgement of Registration of Society**

Register No.....R

..... Limited

is this day registered under the Industrial and Provident Societies Act 1965.

Dated ..... (Seal of Central Office)

Copy kept

.....**Financial Services Authority**

1. .... Shareholder

2. .... Shareholder

3. .... Shareholder

..... Secretary