NATIONAL HOUSING FEDERATION

RULES of: **Moat Homes Limited**

A Registered Society under the Co-operative and Community Benefit Societies Act 2014

Register No. **17434R**

MODEL RULES 2015

National Housing Federation

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Part A Name and objects

Name

A1 The name of the society shall be Moat Homes Limited (the **Association**).

Objects

A2 The Association is formed for the benefit of the community. Its charitable objects shall be to carry on for the benefit of the community:

A2.1 the business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people; and

A2.2 any other charitable object that can be carried out from time to time by a registered society registered as a provider of Social Housing with the Regulator.

Non-profit

A3 The Association shall not trade for profit and any profits shall only be applied for the purpose of furthering the Association's objects or in accordance with these Rules.

A4 Nothing shall be paid or transferred by way of profit to Shareholders of the Association.

Corporate status

A5 The Association is not a subsidiary of another organisation and shall not become a subsidiary of another organisation without first amending these rules to state the name of the parent entity.

Part B Powers of Association, Board, and Shareholders

Powers

B1 The Association 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 under rule B1, and only so far as is necessary or expedient to achieve its objects, the Association shall have power to:

B2.1 purchase, acquire or dispose, take or grant any interest in property including any mortgage, charge, floating charge or other security whatsoever;

B2.2 construct or carry out works to buildings;

B2.3 help any charity or other body not trading for profit in relation to housing and related services;

B2.4 subject to rules F12, F13 and F14, borrow money or issue bonds, notes loan stock or any other debt instrument or enter into any transaction having the effect of borrowing;

B2.5 enter into and perform any Derivative Transaction on such terms as the Association thinks fit for the purpose of hedging or otherwise managing any treasury risk or other financial exposure of the Association;

B2.6 subject to rule F15, invest the funds of the Association;

B2.7 lend money on such terms as the Association shall think fit; and

B2.8 guarantee, enter into any contract of indemnity or suretyship in relation to, or provide security for, the borrowing or performance of the obligations of any other organisation, in each case on such terms as the Association shall think fit.

B3 The Association shall not have power to receive money on deposit in any way which would require authorisation under the Financial Services and Markets Act 2000 or any other authority required by statute unless it has such authorisation.

Powers of the Board

B4 The business of the Association shall be directed by the Board.

B5 Apart from those powers which must be exercised in General Meeting:

B5.1 by statute; or

B5.2 under these Rules;

all the powers of the Association may be exercised by the Board for and in the name of the Association.

B6 The Board shall have power to delegate, in writing, subject to rules D32-D36 the exercise of any of its powers. Such delegation may include any of the powers and discretions of the Board.

Limited powers of Shareholders in General Meetings

B7 The Association in General Meetings can only exercise the powers of the Association expressly reserved to it by these Rules or by statute.

General

B8 The certificate of an Officer of the Association that a power has been properly exercised shall be conclusive as between the Association and any third party acting in good faith.

B9 A person acting in good faith who does not have actual notice of these Rules or the Association's regulations shall not be concerned to see or enquire if the Board's powers are restricted by these Rules or such regulations.

Part C Shareholders and General Meetings

Obligations of Shareholders

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

Nature of shares

C2 The Association'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. Shares shall be non-withdrawable and, subject to Rule C28 non-transferrable.

C3 When a Shareholder ceases to be a Shareholder or is expelled from the Association, his or her share shall be cancelled. The amount paid up on that share shall become the property of the Association.

Nature of Shareholders

C4 A Shareholder of the Association is a person or body whose name and address is entered in the Register of Shareholders. Subject to rule C5, the Board Members from time to time shall be the Shareholders. Board Members shall become Shareholders on appointment as Board Members and shall cease to be Shareholders when they cease to be Board Members.

C5 The following cannot be Shareholders:

C5.1 a minor; or

C5.2 an employee of the Association or an employee of any other Group Member.

C6 No Shareholder shall hold more than one share and each share shall carry only one vote.

C7 Persons who become Shareholders under rule C4 shall pay the sum of one pound to the Association. The name of the person and the other necessary particulars shall be entered in to the register of Shareholders. One share in the Association shall be issued to the person.

General Meetings

C8 A General Meeting shall be convened either:

C8.1 upon an order of the Board; or

C8.2 upon a written requisition signed by one-tenth of the Shareholders or three Shareholders (whichever is greater) stating the business for which the meeting is to be convened; or

C8.3 if within twenty-eight days after delivery of a requisition to the Secretary a meeting is not convened, the Shareholders who have signed the requisition may convene a meeting.

C9 A General Meeting shall not transact any business that is not set out in the notice convening the meeting.

Calling a General Meeting

C10 Subject to rule C12, General Meetings shall be convened by at least fourteen Clear Days' written notice posted or delivered by hand or sent by Electronic Communication to every Shareholder at the address or Electronic Communication address given in the share register. A Shareholder whose registered address is not within the United Kingdom and who gives the Association an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Shareholder shall be entitled to receive any notice from the Association. The notice shall state the time, date and place of the meeting, and the business for which it is convened.

C11 Any accidental failure to get any notice to any Shareholder shall not invalidate the proceedings at that General Meeting. A notice or communication delivered by hand or sent by post to a Shareholder at their address or Electronic Communication address shown in the register of Shareholders shall be deemed to have arrived as specified in rule G14.14.

C12 Seventy-five per cent of Shareholders may agree, by consenting in writing or by confirming through Electronic Communication, to a General Meeting being held with less notice than required by rule C10.

Proceedings at General Meetings

C13 Before any General Meeting can start its business there must be a quorum present. A quorum is three Shareholders of which two must be present in person (either physically or through electronic means) and the provisions of rule D30 which cover electronic meetings shall apply similarly to General Meetings.

C14 A meeting held as a result of a Shareholder requisition will be dissolved if too few Shareholders are present half an hour after the meeting is scheduled to begin.

C15 All other General Meetings with too few Shareholders will be adjourned to the same day, at the same time and at the registered office in the following week. If less than the number of Shareholders set out in rule C13 are present within half an hour of the time the adjourned meeting is scheduled to have started, those Shareholders present shall carry out the business of the meeting.

C16 The chair of any General Meeting can:

C16.1 take the business of the meeting in any order that the chair of the meeting may decide; and

C16.2 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.

C17 At all General Meetings of the Association the Chair of the Board shall preside. If there is no such Chair or if the Chair is not present or is unwilling or unable to act, the Senior Independent Director (if any) shall chair the meeting, failing which the Shareholders present shall elect a Shareholder to chair the meeting.

Proxies

C18 Any Shareholder entitled to attend and vote at a General Meeting may appoint another person, who must be a Shareholder, as their proxy to attend and vote on their behalf. A proxy can be appointed by delivering a written appointment, which may be by way of Electronic Communication, to the registered office, or such other place as may be selected by the Board and stated in the meeting notice, at least 48 hours before the date of the meeting at which the proxy is authorised to vote. It must be signed or confirmed by Electronic Communication and sent 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.

Voting

C19 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.

C20 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.

C21 Unless a ballot is demanded (either before or immediately after the vote), a declaration by the chair of the meeting 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 Association shall be conclusive evidence of that fact.

C22 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.

C23 A ballot on a resolution may be demanded by any two Shareholders at a meeting (in person or by proxy) or directed by the chair of the meeting (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.

C24 A ballot shall be taken at the meeting at such time and in such manner as the chair of the meeting shall direct. The result of such a ballot shall be deemed to be the resolution of the Association in General Meeting.

C25 Subject to the Act a resolution in writing signed or confirmed by letter or by Electronic Communication by or on behalf of the requisite majority of the Shareholders, for the time being, entitled to vote on the relevant resolution shall be as valid and effective as a resolution passed at a properly called and constituted meeting of Shareholders provided that a copy of the proposed resolution has been delivered in accordance with these Rules to all Shareholders and the requisite majority of Shareholders referred to in rule C26 has delivered their

agreement in accordance with these Rules. Such resolution when signed or approved may comprise more than one document in the same form, each signed or approved, by one or more Shareholders.

C26 For the purposes of rule C25 the requisite majorities are:

- in the case of an ordinary resolution, a simple majority of Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted General Meeting;
- in the case of a resolution requiring a two-thirds majority of Shareholders, at least two-thirds of the Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted General Meeting; or
- in the case of a resolution requiring a three-quarters majority of Shareholders, at least three-quarters of the Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted General Meeting.

Representatives and nominees

C27 Under the provisions of these Rules (including rules A3, A4, C2 and C4) no Shareholder is entitled to property of the Association in that capacity, and in the event of the death a person shall cease to be a Shareholder, their share shall be cancelled and the amount paid up on that share shall become the property of the Association. The following make provisions for representatives and nominees taking into account the provisions of these Rules:

C27.1 The Act provides that a Shareholder may nominate a person or persons to whom property in the Association at the time of his/ her death shall be transferred. As any such share will have been cancelled, no person so nominated under the Act shall be entitled to any property of that Shareholder on their death.

C27.2 No property shall be capable of transfer to any personal representative of a deceased Shareholder.

C28 Upon a claim being made by a trustee in bankruptcy of a bankrupt Shareholder to the share held by that Shareholder, the Association shall transfer such share to which the trustee in bankruptcy is entitled and as the trustee in bankruptcy may direct them.

Part D The Board

Functions

D1 The Association shall have a Board who shall direct the affairs of the Association in accordance with its objects and these Rules and ensure that its functions are properly performed. These functions will be agreed by the Board and set out separately in a code of governance or otherwise in writing.

Composition of the Board

D2 The Board shall consist of between five and twelve Board Members (including co-optees).

D3 The balance of employee and non-employee Board members must be in alignment with the Association's code of governance. If the code is silent on this matter, and in any event, there must always be a majority of non-employee Board members.

D4 The Board shall set, review and may amend the obligations of Board Members from time to time.

D5 Every Board Member shall sign a statement, confirming that they will meet their obligations to the Board and to the Association. The Board may vary the form of statement from time to time.

D6 Any Board Member who has not signed such statement without good cause within one month of election or appointment to the Board may be removed from office by a resolution of a majority of the remaining Board Members.

D7 The Board may appoint co-optees to serve on the Board on such terms as the Board resolves and may remove such co-optees. Not more than two co-optees can be appointed to the Board or to any committee at any one time. A co-optee may act in all respects as a Board Member, but they cannot take part in the deliberations nor vote on the election of Officers nor any matter directly affecting Shareholders.

D8 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". For the purposes of the Housing and Regeneration Act 2008, Board Members and co-optees are officers.

D9 No one can become or remain a Board Member, a committee member or co-optee at any time if:

D9.1 they are disqualified from acting as a director of a company, as a Board Member of another registered society or as a charity trustee for any reason; or

D9.2 they have been convicted of an indictable offence which is not, or cannot be, spent; or

D9.3 a composition is made with that person's creditors generally in satisfaction of that person's debts; or

D9.4 they are not a Shareholder (unless they are a co-optee or employee of the Association or any other Group Member); or

D9.5 they have absented themselves from three consecutive meetings of the Board or committee (as the case may be) in one rolling twelve-month period without special leave of absence from the Board; or

D9.6 a registered medical practitioner who is treating that person gives a written opinion to the Association stating that that person has become physically or mentally incapable of acting as a Board Member, co-optee or committee member and may remain so for more than three months; or

D9.7 they are an employee of the Association or of any other Group Member and their employment with the Association or that Group Member is terminated for any reason; or

D9.8 they are a Resident and in the opinion of the Board are in material or serious breach of their tenancy agreement or lease (PROVIDED THAT this rule shall not apply in respect of a Resident temporarily ceasing to be a Resident as a result of the demolition of, or works carried out to, the Resident's home) or are subject to a possession order or are in breach of a suspended possession order, or are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy, or closure order; or

D9.9 they are a Resident and the Association has obtained an order of a competent court or tribunal against them for recovery of monies due from them to the Association provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Board Member, co-optee or committee member upon failing to meet the terms of the order; or

D9.10 they resign from office by giving notice to the Association; or

D9.11 they have completed nine years' continuous service on the Board save that this rule shall not apply to Board Members who are employees of the Association or of any Group Member; or

D9.12 any service agreement they have with the Association is terminated;

and any Board Member, co-optee or committee member who at any time ceases to qualify under this rule shall immediately cease to be a Board Member, co-optee or committee member (as appropriate).

D10 A Board Member may be removed from the Board:

D10.1 by a resolution passed by two-thirds of the Board Members, excluding the Board Member subject of the proposed removal and excluding co-optees and employees, provided the following conditions are satisfied:

- at least fourteen day's notice of the proposed resolution has been given to all Board Members; and
- the notice sets out in writing the reasons for the removal; and
- the Board is satisfied that the reasons justify the removal.

Terms of office and appointment to the Board

D11 Board Members will be appointed by the Board in accordance with a policy relating to the recruitment and selection of Board Members set by the Board from time to time.

D12 Each Board Member shall be appointed for a fixed term of three years unless the Board has set a shorter term prior to the appointment. No fixed term shall be set which would cause the relevant Board Member to serve beyond nine years continuous service unless authorised in accordance with rule D9.11 (and for this purpose time served on the board of another Group Member or on the board of any predecessor of the Association of another Group Member shall be counted), save where the Board agrees that circumstances exist where it would be in the best interest of the Association for a Board Member to serve for a longer period.

D13 Subject to rule D3, the Board may appoint employees of the Association and/or employees of other groups as Board Members. Such Board Members shall be

appointed for such period as the Board may determine and shall not be subject to the provisions of rule D12.

D14 In relation to persons who are Board Members on the date of registration of these rules with the Registrar, time for the purpose of rule D12 shall start to run from the date on which they were last elected or appointed to the Board.

Quorum for the Board

D15

D15.1 Subject to the provisions of rule D15.2 three Board Members shall form a quorum. The Board may determine a higher number or impose additional requirements.

D15.2 The Board will not be quorate unless Board Members who are employees of the Association are in a minority.

D15.3 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 rule D15.1 shall be suspended for that time. At the end of that time the only power that the Board may exercise shall be to bring the number and make up of Board Members up to that required by these Rules.

Board Members' interests

D16 No Board Member, co-optee or member of a committee shall have any financial interest in any contract or other transaction with the Association or with any other Group Member, or be granted a benefit by the Association, unless such interest or benefit:

D16.1 is expressly permitted by these Rules; or

D16.2 would not be in breach of, and would not be inconsistent with, any guidance, standard or code published by the Regulator, section 122 of the Housing and Regeneration Act 2008 or any code of conduct and/or governance adopted by the Board.

D17 Any Board Member, co-optee or member of a committee, having an interest in any arrangement with the Association, or in any arrangement between the Association and someone else shall disclose their interest before the matter is discussed by the Board or any committee. Such disclosure must comply with any code of conduct and/or governance adopted by the Board from time to time. 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. For these purposes an individual Board Member, committee member or co-optee shall be deemed not to have an interest in relation to permitted benefits applying to the whole Board or the whole committee as appropriate. 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.

D18 If a potential or actual conflict of interest arises for a Board Member, co-optee or committee member because of a duty of loyalty owed to another organisation or person, and it is not otherwise permitted by these rules, the unconflicted Board

Members and co-optees, or committee members, as appropriate, may authorise that conflict PROVIDED THAT no conflicted individual shall count in the quorum for such a decision. Such authorisation shall be on such terms or conditions as the Board or committee (excluding any conflicted individuals) may determine, provided that such conditions shall include compliance with rule D17 when the authorised matter is discussed at any subsequent meetings.

D19 Subject to rule D20, if a question arises at a meeting of Board Members or of a committee of the Board as to the right of a Board Member, co optee or member of a committee to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair or chair of the committee in the case of a member of a committee, whose ruling in relation to any Board Member, co optee or member of a committee (other than the Chair or chair of the committee) is to be final and conclusive.

D20 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair or chair of the committee, the question is to be decided by a decision of the Board Members or members of that committee at that meeting, for which purpose the Chair or chair of the committee is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

D21 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.

D22 Every Board Member, co-optee and member of a committee shall ensure that the Secretary at all times has a list of:

D22.1 all other bodies in which they have an interest as:

- a director or officer; or
- a member of a firm; or
- an official or elected member of any statutory body; or
- the owner or controller of more than two per cent of a company the shares in which are publicly quoted or more than ten per cent of any other company;

D22.2 any property owned or managed by the Association which they occupy; or

D22.3 any other significant or material interest.

D23 If requested by a majority of the Board Members or members of a committee (as appropriate) 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 as the Board directs.

D24 Notwithstanding rule D16, the Association may:

D24.1 pay properly authorised expenses to Board Members, co-optees and members of committees when actually incurred on the Association's business;

D24.2 pay insurance premiums in respect of insurance taken out to insure Officers and employees;

D24.3 pay reasonable and proper remuneration, fees, allowances or recompense for loss of earnings to Board Members, co-optees and members of committees following appropriate independent advice;

D24.4 subject to compliance with Section 122 of the Housing and Regeneration Act 2008, and subject to compliance with any code of conduct and/or governance adopted by the Board from time, to time grant reasonable and proper benefits to Board Members, co-optees and members of committees;

D24.5 pay Board Members, co-optees or committee members who are also employees of the Association or of another Group Member, other remuneration and other benefits for that employment; and

D24.6 grant benefits to Board Members, co-optees or members of committees who are beneficiaries which are granted on the same terms and in accordance with the same criteria as they would be granted to any other beneficiary of the Association.

D25 It is further permitted for a Board Member, co-optee or committee member to enter into a contract in writing with the Association to supply goods or services in return for payment or other material benefit, but only if:

D25.1 the goods or services are actually required by the Association and the Board decides that it is in the best interests of the Association to enter into such a contract;

D25.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services; and

D25.3 no more than half of the Board (including Board Members and co-optees), or half of the members of a committee, as the case may be, benefit from any such contract in any financial year.

D26 A Board Member, co-optee or member of a committee shall not have an interest for the purpose of rules D16 to D22 as a Board Member, director or Officer of any other Group Member.

D27 Board Members, co-optees or members of committees who are Residents shall be deemed not to have an interest for the purpose of rules D16 to D22 in any decision affecting all or a substantial group of Residents.

Meetings of the Board

D28 The Board shall meet at least three times every calendar year. At least seven days' written notice (delivered by hand, sent by post or Electronic Communication) of the date and place of every Board meeting shall be given by the Secretary to all Board Members and co-optees. The Board may meet on shorter notice where not less than seventy-five per cent of the Board Members so agree.

D29 Meetings of the Board may be called by the Secretary, or by the Chair, or by one third of the 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 within seven Business Days of receipt of such a request. Pursuant to the request, the Secretary shall call a meeting on at least five days' notice 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.

D30 Meetings of the Board or a committee can take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to be present at the meeting whether or not all are assembled in one place

D31 Questions arising at a Board meeting shall be decided by a majority of votes and each Board Member present in person shall be entitled to one vote. In the case of any equality of votes, the chair of the meeting shall have a second or casting vote.

Management and delegation

D32 The Board may delegate any powers under written terms of reference to any other Group Member or to committees, Officers or employees of the Association or of any other Group Member or to such other persons as the Board may determine. Those powers shall be exercised in accordance with any written instructions given by the Board.

D33 The Board may reserve to itself certain significant matters that cannot be delegated.

D34 The membership of any committee of the Association shall be determined by the Board. Every committee of the Association shall include at least one Board Member or co-optee to the Board. The Board will appoint the chair of any committee of the Association and shall specify the quorum.

D35 All acts and proceedings of any committee of the Association to which functions are delegated under rule D32 shall be reported to the Board.

D36 No committee of the Association can incur expenditure on behalf of the Association unless the Board has previously approved a budget for the relevant expenditure.

Miscellaneous provisions

D37 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.

D38 A resolution sent to all Board Members or all members of a committee and signed, or confirmed by Electronic Communication 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 and may consist of documents in the same form and signed or confirmed by Electronic Communication by one or more persons.

D39 Notice may be given to Board Members or members of a committee by hand, post or Electronic Communication at the last address for such communication given to the Secretary. The accidental failure to give notice to a Board Member or member of a committee or the failure of the Board Member or committee member to receive such notice shall not invalidate the proceedings of the Board.

D40 A Board Member acting in good faith shall not be liable to the Association for any loss.

Part E Chair, Senior Independent Director, chief executive, Secretary and other Officers

The Chair

E1 The Association shall have a Chair, who shall chair Board meetings, and shall be elected by the Board on such terms as the Board determines. The Association may also have a Senior Independent Director who, in the Chair's absence, shall act as the Chair and have the Chair's powers and duties and who shall be elected by the Board. The arrangements for election and removal of any Senior Independent Director shall be determined by the Board.

E2 The first item of business for any Board meeting when there is no Chair (or Senior Independent Director) or the Chair (or Senior Independent Director) is not present shall be to elect a Chair for the purpose of the meeting. The Chair shall at all times be a Shareholder and a Board Member and cannot be an employee.

E3 In a case of an equality of votes, the Chair shall have a second vote.

E4 The Chair of the Association may be removed at a Board meeting called for that purpose provided the resolution is passed by at least two-thirds of the Board Members present and voting at the meeting.

The Chair's responsibilities

E5 The Chair's responsibilities will be set out in a written document and agreed by the Board.

The chief executive

E6 The Association may have a chief executive appointed by the Board. The chief executive shall be appointed with a written and signed contract of employment, which shall include a clear statement of the duties of the chief executive.

The Secretary

E7 The Association shall have a Secretary who shall be appointed by the Board and who may be an employee. The Board may also appoint a deputy Secretary (who may also be an employee) to act as Secretary in the Secretary's absence. The Secretary's duties will be clearly set out in writing and agreed by the Board.

Other Officers

E8 The Board may designate as Officers such other executives, internal auditor and staff of the Association on such terms (including pay) as it from time to time decides.

Miscellaneous

E9 Every Officer or employee shall be indemnified by the Association for any amount reasonably incurred in the discharge of their duty.

E10 Except for the consequences of their own dishonesty or negligence no Officer or employee shall be liable for any losses suffered by the Association or any Group Member.

Part F Financial control and audit

Auditor

F1 The Association, 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 91 of the Act.

F2 The following cannot act as auditor:

F2.1 an Officer or employee of the Association;

F2.2 a person employed by or employer of, or the partner of, an Officer or employee of the Association.

F3 The Association's auditor may be appointed by the Board or by a resolution of Shareholders.

F4 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:

F4.1 a General Meeting has appointed someone else to act or has resolved that the auditor cannot act; or

F4.2 the auditor does not want to act and has told the Association so in writing; or

F4.3 the person is not qualified or falls within rule F2 (above); or

F4.4 the auditor has become incapable of acting; or

F4.5 notice to appoint another auditor has been given.

F5

F5.1 No 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;

F5.2 the Association shall send a copy of the resolution to the retiring auditor and also give notice to Shareholders at the same time and in the same manner, if possible;

F5.3 if not, the Association 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 Association which must be notified to Shareholders under Section 95 of the Act.

Auditor's duties

F6 The findings of the auditor shall be reported to the Association, in accordance with Section 87 of the Act.

F7 The Board shall produce the revenue account and balance sheet audited by the auditor, if required, and the auditor's report, if required, annually. The Board shall also produce its report on the affairs of the Association which shall be signed by the person chairing the meeting which adopts the report.

Accounting requirements

F8 The end of the accounting year must be a date allowed by the Registrar.

F9 The Association shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Sections 75 and 76 of the Act.

F10 The Association 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

F11 Every year, within the time period specified by legislation, the Secretary shall send the Association's annual return to the Registrar. The return shall be prepared in accordance with the period specified in the Act, or such other date allowed by the Registrar and shall be lodged within the period required by law. The annual return shall be accompanied by the auditor's report, if required, for the period of the return and the accounts and balance sheets to which it refers.

Borrowing

F12 The total borrowings of the Association at any time shall not exceed £2000 million (Two Billion) pounds sterling or such a larger sum as the Association determines from time to time in General Meeting. For the purpose of this rule F12, at any relevant time, any amount of the Association's borrowings in any currency other than pounds sterling (as may be permitted or not prohibited by the Regulator from time to time) shall be converted to sterling using the exchange rate or rates applicable under the related Derivative Transaction or Transactions by which the Association has hedged its exposure to currency exchange rate movements in relation to the principal amount of such borrowings, or in the absence of such a rate or rates (in whole or in part) using the official spot exchange rate or rates recognised by the Bank of England for the conversion of that currency or currency unit into sterling at or about 11:00 on the relevant day.

F13 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 member of a committee.

F14

F14.1 In respect of any proposed borrowing, for the purposes of rule F12 and in relation to the amount remaining un discharged of any deferred interest or index-linked monies or amounts on any deep discounted security previously borrowed by the Association, the amount of such pre-existing borrowing shall be deemed to be the amount required to repay such pre-existing borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing; and

F14.2 for the purposes of rule F13 in respect of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of

such proposed borrowing receivable by the Association at the time of the proposed borrowing; and

F14.3 no person dealing in good faith with the Association shall be concerned to know whether rule F12, F13 or this rule F14 have been complied with.

Investment

F15 The funds of or monies borrowed by the Association may be invested by the Board in such manner as it determines.

Part G Miscellaneous and statutory

Registered office and name

G1 The Association's registered office is: Mariner House, Galleon Boulevard, Dartford, Kent, DA2 6QE;

G2 The Association'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, advertisements, official publications, cheques, invoices, website and any other formal corporate communication whether electronic or otherwise.

Disputes

G3 Any dispute on a matter covered by these Rules shall be referred by either party to a suitably qualified independent mediator for settlement. The mediator shall be appointed by agreement between the parties or, in default of agreement, by the Centre for Effective Dispute Resolution whether the disagreement be as to the qualifications, the identity of the mediator or otherwise. The mediation will be conducted in accordance with the requirements of the mediator. Both parties will be obliged to comply and co-operate with this procedure at each stage and to share equally the costs of appointment of the relevant mediator as referred to above. Costs thereafter will be borne as the mediator will determine. Where the dispute is not resolved by mediation, any claim shall be dealt with in the county court which shall have sole jurisdiction over any dispute arising under the Rules.

Minutes, seal, registers and books

G4 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 by law.

G5 The Association must keep at its registered office:

G5.1 the register of Shareholders showing:

- the names and addresses of all the Shareholders; and

- a statement of all the shares held by each Shareholder and the amount paid for them; and
- a statement of other property in the Association held by the Shareholder; and
- the date that each Shareholder was entered in the register of Shareholder;

G5.2 a duplicate register of Shareholders showing the names and addresses of Shareholders and the date they became Shareholder;

G5.3 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;

G5.4 a register of holders of any loan;

G5.5 a register of mortgages and charges on land; and

G5.6 a copy of the Rules of the Association.

G6 The Association must display a copy of its latest balance sheet and auditor's report (if one is required by law) at its registered office.

G7 The Association 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.

G8 The Secretary shall give a copy of these Rules to any person on demand who pays such reasonable sum as permitted by law.

Statutory applications to the Registrar

G9 Shareholders can apply to the Registrar in accordance with the Act to appoint an accountant to inspect the books of the Association, provided all have been Shareholders of the Association for a twelve-month period immediately before their application.

G10 The Shareholders may in accordance with the Act apply to the Registrar in order to get the affairs of the Association inspected or to call a General Meeting.

Amendment of Rules

G11

G11.1 The Rules of the Association may be rescinded or amended but not so as to stop the Association being a charity.

G11.2 The Rules may only be amended by a resolution put before the Shareholders by the Board.

G11.3 The Rules can only be amended or rescinded by a two-thirds of the votes cast at a General Meeting or by way of a written resolution.

G11.4 Amended Rules shall be sent to with the Registrar as soon as possible after the amendment has been made. An amended rule is not valid until it is registered.

G11.5 A copy of the amended Rules shall be sent to the Regulator as soon as possible after registration by the Registrar.

Dissolution

G12 The Association may be dissolved by a three-fourths majority of Shareholders who sign an instrument of dissolution in the prescribed format or by winding-up under the Act.

G13

G13.1 Any property that remains, after the Association 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 Association.

G13.2 If no such institution exists, the property shall be transferred or given to the Housing Associations Charitable Trust.

G13.3 If the Association is registered as a provider of Social Housing with the Regulator any transfer or gift must be in compliance with the Housing and Regeneration Act 2008 or any other relevant legal and Regulatory provisions which exist from time to time.

Interpretation of terms

G14 In these Rules, including this rule, unless the subject matter or context is inconsistent:

G14.1 words importing the singular or plural shall include the plural and singular respectively;

G14.2 words importing gender shall include the male and female genders;

G14.3 **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;

G14.4 the **Act** shall mean the Co-operative and Community Benefit Societies Act 2014;

G14.5 the **Association** shall mean the Association of which these are the registered Rules;

G14.6 **Board** shall mean the Board appointed in accordance with Part D and **Board Member** or shall mean a member of the Board for the time being but shall not include a person co-opted to the Board under rule D3;

G14.7 **Business Day** shall mean Monday to Friday (inclusive) but excluding bank holidays;

G14.8 **Chair** shall mean the person appointed as Chair in accordance with rule E1 and where applicable shall include the Senior Independent Director;

G14.9 **Clear Days**, in respect of notice for a meeting, shall mean a period calculated excluding both the day on which any notice or communication is deemed to be received under these rules and the date of the meeting;

G14.10 **Derivative Transaction** means any transaction which is a forward, swap, future, option or other derivative 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;

G14.11 **Electronic Communication** shall have the meaning set out in section 148 of the Act;

G14.12 **General Meeting** shall mean a General Meeting of the Association's Shareholders called and held in accordance with rules C10-28;

G14.13 **Group Member** means the Association, each subsidiary of the Association, any body corporate of which the Association is a subsidiary and any subsidiary of such body corporate and for this purpose "subsidiary" has the meaning within the Act and/or the Housing and Regeneration Act 2008 and/or the Companies Act 2006;

G14.14 **notice** shall be deemed to have been received by a person:

(1) if posted by first class post at least two Business Days (meaning Monday to Friday but excluding bank holidays) after being posted;

(1) if sent by Electronic Communication one hour after transmission provided that no transmission notification of non-delivery or error has been received by the person transmitting the communication and the transmission is to the Electronic Communication address or number last notified by that person to the Secretary;

(2) if delivered by hand, on delivery to the person's address last notified by that person to the Secretary;

G14.15 **Officer** shall include the Chair and Secretary of the Association and any Board Member for the time being and such other persons as the Board may appoint under rule E8;

G14.16 **Property** shall include all real and personal estate (including loan stock certificates, books and papers);

G14.17 **Register of Shareholders** means the register kept in accordance with rule G5.1;

G14.18 **Registrar** means the Financial Conduct Authority or any statutory successor to or any assignee of any or all of its relevant functions from time to time;

G14.19 **Regulator** means the Regulator of Social Housing established by the Housing and Regeneration Act 2008 as amended by paragraph 14 of The Legislative Reform (Regulator of Social Housing) (England) Order 2018 or any future body or authority (including any statutory successor) carrying on similar regulatory or supervisory functions;

G14.20 **Resident** means a person who alone or jointly with others holds a tenancy, lease or licence to occupy the Association's premises or the premises of any other Group Member for residential use;

G14.21 **Secretary** means the Officer appointed by the Board to be the Secretary of the Association or other person authorised by the Board to act as the Secretary's deputy;

G14.22 **Senior Independent Director** means a non-executive Board Member appointed by the Board under rule E1 and whose specific function shall be agreed by the Board;

G14.23 **Shareholders** shall mean one of the persons referred to in rule C4 and means member as defined by the Act;

G14.24 **Social Housing** means low cost rental accommodation and low cost home ownership accommodation as defined in sections 68 to 77 of the Housing and Regeneration Act 2008;

G14.25 **these Rules** shall mean the registered rules of the Association for the time being; and

G14.26 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.

CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

Acknowledgement of Registration of Society

Register No.....17434R

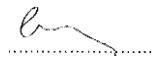
Moat Homes Limited

is this day registered under the Co-operative and Community Benefit Societies Act 2014.

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

Copy kept .....**Registrar**

1  Shareholder

2  Shareholder

3  Shareholder

 Secretary