



RULES OF

**THE ASSOCIATION OF
BRITISH CREDIT UNIONS
LIMITED**

A Registered Industrial and Provident Society

23136R

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	SECTION A. Name, Registered Office, Objects And Powers.	4
Rule 1. Name	4	
Rule 2. Registered Office	4	
Rule 3. Objects	4	
Rule 4. Powers	4	
	SECTION B. Membership	5
Rule 5. Qualification for Membership	5	
Rule 6. Admission to Membership	5	
Rule 7. Un-incorporated Groups	5	
Rule 8. Dates of Membership	5	
Rule 9. Responsibilities of Members	5	
	SECTION C. Cessation of Membership	6
Rule 10. Withdrawal from Membership	6	
Rule 11. Expulsion from Membership	6	
Rule 12. Suspension from Membership	6	
Rule 13. Notice of Suspension	6	
Rule 14. Rights of Suspended member	6	
Rule 15. Liability of member after cessation of Membership	7	
Rule 16. Registrar to be informed	7	
	SECTION D. Shares And Dues	7
Rule 17. Shares	7	
Rule 18. Dues	7	
	SECTION E. General Meetings	7
Rule 19. General Meetings	7	
Rule 20. Delegates	7	
Rule 21. Chapter Representatives	8	
Rule 22. Annual General Meetings	8	
Rule 23. Business of Annual General Meetings	8	
Rule 24. Motions	8	
Rule 25. Special General Meetings	8	
Rule 26. Special General Meetings at the request of Members	8	
Rule 27. Business at Special General Meetings	9	
Rule 28. Notice of Meetings	9	
Rule 29. Quorum	9	
Rule 30. Adjournment of Meetings	9	
Rule 31. Voting Cards	9	
Rule 32. Voting Procedures	9	
Rule 33. Chairman of Meetings	10	
Rule 34. Standing Orders Committee	10	
	SECTION F. Election Procedure	12
Rule 35. Categories of Directors	12	
Rule 36. Nominations	12	
Rule 37. Nominees	12	
Rule 38. Voting Procedures	13	
Rule 39. Block Elections	14	
	SECTION G. Elected Officers	14
Rule 40. Prohibition of certain persons as Elected Officers	14	
Rule 41. Code of Conduct and Vacation of elected office	14	
Rule 42. Remuneration of elected officers	16	
	SECTION H. Board Of Directors	16
Rule 43. Number of Directors	16	
Rule 44. Powers of Board of Directors	16	
Rule 45. Regular Meetings	17	
Rule 46. Quorum at Meetings	17	
Rule 47. Voting at Meetings	17	
Rule 48. Calling of Meetings	17	
Rule 49. Delegation of Powers	17	
Rule 50. Validity of Actions	17	
Rule 51. Pecuniary Interest	17	
Rule 52. Indemnification	18	

	SECTION I. Senior Officers	18
Rule 53. Election of President and other Officers	18	
Rule 54. President and Vice-President	18	
Rule 55. Secretary	18	
Rule 56. Treasurer	18	
Rule 57. Chief Executive Officer	18	
SECTION J. Supervisory Committee		
Rule 58. Supervisory Structure	19	
Rule 59. Appointment of Director	19	
Rule 60. Duties of Committee	19	
Rule 61. Powers of Committee	19	
	SECTION K. Regions And Chapters	19
Rule 62. Regions	19	
Rule 63. Chapters	20	
Rule 64. Objects and Powers of Chapters	20	
Rule 65. Membership of Chapters	20	
Rule 66. Rules for Chapters	21	
Rule 67. Financing of Chapters	21	
Rule 68. Chapter Meetings	21	
Rule 69. Chapter Accounts	21	
	SECTION L. Conduct Of Business	22
Rule 70 Other Association Offices	22	
Rule 71 Services to be Charge for	22	
Rule 72 Application of Profits	22	
Rule 73 Investments	22	
	SECTION M. Referendum	22
Rule 74 Referendum	22	
	SECTION N. Accounts Audit And Annual Return	22
Rule 75 Auditor	22	
Rule 76 Rights of Auditor	23	
Rule 77 Annual Accounts	23	
Rule 78 Annual Return	24	
	SECTION O. General Provisions	24
Rule 79. Supply of copies of Annual Return and Rules	24	
Rule 80. Register of Members	24	
Rule 81. Inspection of Books	25	
Rule 82. Retention of Records	25	
Rule 83. Amendments to Rules	25	
Rule 84. Use of Name	25	
Rule 85. Use of Seal	25	
	SECTION P. Disputes	25
Rule 86. Detemination of Disputes	25	
	SECTION Q. Appointment Of Inspectors	26
Rule 87. Appointment of Inspector or Accountant	26	
	SECTION R. Dissolution	26
Rule 88. Dissolution	26	
Rule 89. Membership of other bodies	26	
	SECTION T. Interpretation of Terms	26
Rule 90. Interpretation of Terms	26	
	APPENDIX A - Model Standing Orders	27

SECTION A. NAME, REGISTERED OFFICE, OBJECTS AND POWERS.

Rule 1.

The Name of this Society shall be the Association of British Credit Unions Limited hereinafter in these Rules referred to as "THE ASSOCIATION".

Rule 2

The Registered Office of the Association shall be "Holyoake House, Hanover Street, Manchester, M60 0AS". The registered office may be changed by resolution of the Board and notice of any such change shall be sent by the Secretary to the Registrar within 14 days thereof in a manner and form prescribed by law. The Rules of the Association shall be recorded in Scotland.

Rule 3

The objects of the Association shall be:

- (a) To promote, extend and develop for the benefit of its Members the Credit Union Movement in Great Britain.
- (b) To foster the formation and growth of new Credit Unions.
- (c) To represent the British Credit Union Movement in relation to Governments, Parliaments, Assemblies and other national, local, or international authorities and organisations of all types.
- (d) To educate the officers and members of Credit Unions and the general public in the philosophy and practises of Credit Unions and the International Credit Union Movement.
- (e) To operate, or provide for the provision of, such services as may be necessary, expedient or desirable for its Member Credit Unions and their members.
- (f) To perform any other function which shall be for the good of Credit Unions, Credit Union members, or the Credit Union Movement generally.

Rule 4

The Association shall have full power, subject to law, to do all things necessary or expedient for the accomplishment of its objects including:

- (a) The promotion, preparation, publication and printing of books, brochures, newspapers, periodicals, visual aids and other literature.
- (b) The carrying on of the business of accountants, book-sellers, financial, commercial and general advisers to Credit Unions and their members.
- (c) The promotion, and carrying on for the benefit of Credit Unions and their members the business of Bankers, Discount Houses, Investment Agents, Financiers, Factors, Insurance Brokers and agents.
- (d) To establish and promote societies and companies for the benefit of, or the provision of services to, Credit Unions and their members.
- (e) To purchase, hold, lease, sub-lease, rent, sell, mortgage, manage, and develop, property and lands of any tenure in Great Britain, and to erect, pull down, repair, alter, or other-wise deal with any building thereon,
- (f) The right to receive gifts and donations for any such purposes being compatible with the objects of the Association as may be specified, provided that acceptance of such a gift shall not provide any person or organisation with any right, privilege or benefit not specified in these rules.

The enumeration of any powers set out above shall not prevent the Association performing any act authorised by law.

SECTION B. MEMBERSHIP

Rule 5

Membership of the Association shall consist of and be limited to:

- (a) All Credit Unions registered in Great Britain which are members of the Association at the date when these rules are registered, and
- (b) Any Credit Union registered in Great Britain which subsequently applies for, and is granted, Membership of the Association in accordance with the provisions of Rules 6 and 7.

Rule 6

Applications for Membership of the Association shall be made in writing in such form as the Board of Directors may from time to time direct. Such applications shall be made in the first instance to the Chief Executive Officer who may provisionally admit the applicant to Membership of the Association subject in all cases to approval at the next meeting of the Board.

Rule 7

An un-incorporated group or association may apply for, and be granted; Membership of the Association in accordance with the provisions of Rule 6 provided always that such Membership shall be conditional upon:

- (a) Such un-incorporated group or association applying for and obtaining registration as a Credit Union, and
- (b) Such other terms and conditions as the Board may direct.

Rule 8.

- (a) Membership by a Credit Union of the Association shall commence from the date at which the Association Board approves the membership application.

Rule 9.

Each Member of the Association shall be required to abide generally by the provisions of these rules and any resolutions made thereunder and in particular shall:

- (a) include in its rules a provision that it shall be a Member of the Association, and
- (b) send to the Association office copies of its annual return, and
- (c) enter into or make such arrangements for the better protection of its assets and the savings of its members as may be laid down from time to time by the Board, including participation in any Share Protection fund as required by law and or regulation, and
- (d) ensure that no elected officer, save from Treasurers (or equivalent) shall receive from the Credit Union any remuneration other than expenses, and
- (e) maintain at all times fully paid up policies of Insurance with respect to,
 - (1) The requirements of the Credit Unions Act and any subsequent Act or Regulation thereunder,
 - (2) Loan Protection
 - (3) Life Savings

and submit returns by the specified date in the contract. The Policies shall be of such type and with such companies as shall be approved from time to time by the Board, and

- (f) recognise the right of the Association to be represented, to speak and to be heard at any meeting of the Credit Union, and
- (g) end its Financial Year at 30th September or such other date within the Statutory Limits, as may be approved by the Board.

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- (h) consent to the disclosure to the Association by the Financial Services Authority (FSA) of confidential information to which the prohibition in section 348(1) of the Financial Services and Markets Act 2000 (FMSA) would otherwise apply and which relates to any matter which, in the opinion of the FSA, involves or may involve a contravention of a requirement imposed on the Member by or under the FMSA or may otherwise constitute a ground on which the FSA may exercise any power or institute any proceedings in respect of a Member under the FMSA, the Industrial and Provident Societies Act 1965 or the Credit Unions Act 1979, and
- (i) if so requested by the Association at any time and from time to time execute a form of consent to such disclosure in such terms as the Association may reasonably specify.

SECTION C. CESSATION OF MEMBERSHIP.

Rule 10.

A Member may withdraw from the Association by informing the Association in writing giving at least 60 days prior notice of the intended date of cessation of membership. This action shall result in the cancellation of all benefits and member services to the Credit Union from the date of the intended cessation.

Rule 11.

A Member may be expelled from the Association by resolution of the Association in General Meeting for any grave and sufficient reason including wilful or persistent breach of, or refusal to comply with, any of these rules provided that the Member shall be given at least 60 days prior notice of the intention to expel it, the charges against it, and the date, time and place at which the meeting is to be held, the notice being sent by recorded delivery to the Registered Office of the Member. The Member shall be given the opportunity of being represented and being heard at the meeting.

Rule 12.

A Member Credit Union which by 1st December shall not have paid its Association Dues as required by Rule 18 or shall not have paid its premiums on all insurances required by Rule 9(e) shall be suspended from Membership of the Association and, pending the next Annual General Meeting of the Association, shall lose all the privileges and benefits of the Association Membership including, in particular, the right to propose nominations for elections to the Association Board; the right to propose resolutions to the Annual General Meeting; the right to propose amendments to the Association Rules and the right to vote at the Annual General meeting of the Association.

Rule 13.

In the event of any Member being suspended under the provisions of Rule 12:

- (a) Notice shall be sent by recorded delivery to the registered office of the Member informing it of its suspension and of the consequences of that suspension. The notice shall include a reference to Rule 14.
- (b) The Board shall inform each Member at least 30 days prior to the Annual General Meeting of the name of any Member suspended under the provisions of Rule 12, and the reasons for the suspension.

Rule 14.

Any Member suspended or under threat of expulsion shall have the right to be represented at the Annual General Meeting by a non-voting representative who must have the same qualifications as a delegate. Details of this representative must be submitted to the Association not less than 30 days prior to the Annual General Meeting. They shall then have the right to speak on the matter of the Member's suspension or expulsion only. The Chairperson shall then call for a vote to expel the Member which may be carried by a simple majority of delegates present. If the vote is carried, or if there is no representation on their behalf, the Member shall cease to be a Member of the

Rules of the Association of British Credit Unions Ltd

Association of the British Credit Unions Limited at the conclusion of the Annual General Meeting. If the vote is lost the Member shall continue to be suspended until:

- (a) they comply with Rule 12, or
- (b) another vote is taken at a subsequent General Meeting.

Rule 15.

Withdrawal or expulsion of a Member from the Association shall not relieve such a Member from the liability thereto existing from the time of its withdrawal or expulsion provided that nothing in this Rule shall contravene SECTION 57 of the Act.

Rule 16.

The Association shall inform the Financial Services Authority if and when any Member has withdrawn from, or is expelled from the Association advising that the Credit Union is no longer bound by the Association rules.

SECTION D. SHARES AND DUES.

Rule 17.

The shares of the Association shall be of the nominal value of £1 which sum shall be paid on admission to Membership of the Association. Every Member Credit Union shall hold one share and not more than one. Shares shall be neither transferable, nor withdrawable and shall carry no right to interest, dividend or bonus. Upon a Credit Union ceasing to be a Member of the Association, as set out in these Rules, its share shall be forfeited and extinguished.

Rule 18.

Each Member of the Association shall pay Annual Dues at:

- (a) such rate as the Annual General Meeting shall from time to time determine. Such dues shall be calculated on active membership figures notified to ABCUL and the FSA as at 30th September each year and shall be due on the 1st October and payable by 1st December each year. "Active" in terms of this rule means having taken part in the business of the Credit Union i.e. depositing and/or withdrawing shares during the 12 months ending on the 30th September used for the dues calculation.
- (b) Newly registered Credit Unions shall pay dues on a pro-rata basis assessed from date of registration.

SECTION E. GENERAL MEETINGS

Rule 19.

Meetings of the Association shall be either Annual General Meetings or Special General Meetings. Every Member Credit Union of the Association shall be entitled to be represented by a delegate at any such meeting and to have one vote in respect of any matter dealt with at that meeting.

Rule 20.

Any person to act as a delegate at an Association Meeting must be:

- (a) An Elected Officer, or the General Manager, of the Credit Union of which they are the delegate, *and*
- (b) Be appointed to act as Delegate at a Meeting of the Board of Directors of the Member Credit Union, *and*
- (c) Cannot be an Association Director, Supervisor, Member of the Standing Orders Committee or Employee of the Association.

Rule 21.

The Committee of each Chapter shall be entitled to send one of its members as its representative to any Meeting of the Association. Such representative shall be entitled to all the rights of a delegate on provision of such evidence as the Board may from time to time direct, provided that no Chapter representative shall have the right to vote.

Rule 22.

The Annual General Meeting shall be held no later than 7 months after the end of the financial year in each year at such date, time and place as the Board may by resolution determine. The date, time and place shall be notified to all Members not later than 120 days preceding the Annual General Meeting. The proceedings at a general meeting are not invalid if there has been an accidental omission to send a notice to fewer than 5% of Members or if the notice is not received by any Member.

Rule 23.

The order of business and the Agenda of Annual General Meetings shall be fixed in accordance with Rule 34, subject to any resolution of the Members in General Meeting or by Referendum. The Agenda shall always include:

- Board of Directors Report
- Supervisory Committee Report
- Treasurer's Report
- Consideration of the Accounts
- Auditor's Report
- Chief Executive Officer's Report
- Elections to the Board of Directors
- Elections to the Supervisory Committee
- Elections to the Standing Orders Committee
- Appointment of the Auditor

Rule 24.

Motions for consideration by the Annual General Meeting shall be in accordance with Rule 34. Following the adoption of a motion or report at any General Meeting the Board shall report to the next Annual General Meeting, or a Special General Meeting called for the purpose, all actions taken by it as a consequence of such motion or report.

Rule 25.

Any General Meeting of the Association, other than the Annual General Meeting, shall be a Special General Meeting. The Board, or the Supervisory Committee, may for good and sufficient reason convene a Special General Meeting of Members for any purpose not specifically provided for elsewhere in these rules.

Rule 26.

Upon application signed by the Secretary and two Directors of 10% of the Members delivered to the Association at its registered office, the Board shall convene a Special General Meeting of Members provided such application states the business to be conducted at the meeting. If, within one month of the date of receipt in the registered office of such application, the Board has not convened a Special General Meeting, to be held within six weeks from the said date, the Presidents of any three Members of the Association acting on behalf of the signatories to the application may convene a Special General Meeting and they shall have claim on the Association for any costs properly incurred in convening such a Meeting.

Rule 27.

A Special General Meeting shall not conduct any business not specified in the notice convening it. An Annual General Meeting may be made a Special General Meeting for any purpose of which due notice has been given.

Rule 28.

- (1) Not less than 30 days prior to the date of a Special General Meeting, the Secretary shall cause written Notice of the date, time and place thereof to be sent to the registered office of each Member and the correspondence address of each Chapter. Written notice shall also be sent to the Auditor at his address as recorded in the books of the Association. Notice shall also be given of all motions to be submitted to the meeting.
- (2) When notice is received generally by the Members of the Association the accidental omission to give notice to any Member thereof or the non receipt of the notice by any Member thereof shall not invalidate any motion or any proceedings taken at the Meeting.

Rule 29.

Delegates from 10% of the Members of the Association shall constitute a Quorum. A meeting may proceed to business if a quorum is present within two hours after the time fixed for the commencement of the Meeting otherwise the Meeting, if a Special Meeting convened on the requisition of Members shall be dissolved, but if an Annual General Meeting or a Special General Meeting convened by order of the Board shall stand adjourned to a later date within 30 days when the meeting so adjourned may proceed to business whatever is the number of delegates present. No meeting shall become incompetent to transact business from the want of a quorum after the chair has been taken.

Rule 30.

- (1) Any meeting may for good and sufficient reason at the discretion of the Chairperson be adjourned.
- (2) The provision regarding notice of voting rights and quorum set out in these rules shall apply to an adjourned meeting of Members and no business shall be transacted at such a meeting other than business appearing on the Agenda and left unfinished at the meeting at which the adjournment took place.

Rule 31.

No person may vote at any meeting unless they hold at all times a voting card of such type as may be approved by the Board. No voting card shall be issued to any person other than a delegate authorised in accordance with the provisions of Rule 21, and only upon the provision of such evidence of appointment as may be approved, from time to time by the Board.

Rule 32.

Votes at a General Meeting shall be by card vote unless a secret ballot is demanded of the Board by 10 delegates raising their voting cards. Subject to any Special Provisions contained in these Rules or an Act of Parliament,

- (a) all motions, other than those motions incorporating rule changes, shall be carried by a simple majority of votes cast and
- (b) any motion passed at a General Meeting will become effective from the close of that General Meeting other than those motions incorporating rule changes requiring to be registered with the Registrar, which motions shall become effective from the date that they are registered.

Rule 33.

Every meeting shall have a chairperson who shall not vote. The President of the Association shall, if present, take the chair at any meeting. If the President is not present, the Vice-President shall do so. If neither is present the Board shall elect one from their number to the chair for that meeting.

Rule 34. Standing Orders Committee

1.1(a) The Standing Orders Committee shall consist of three persons who shall have the same qualifications as are required for election to the Association Board. No member of the Committee shall be Directors or Supervisors of the Association and no more than one member can be from any one region.

At the election held at the first Annual General Meeting after the registration of this Rule, the Committee then elected shall be divided by lot or such other way as the Committee may determine into three groups. One member of the Committee shall serve for one year, another member for two years and the remaining member for three years. Thereafter the members shall retire at the end of the third Annual General Meeting following their election.

1.1(b) The Board of Directors shall appoint a Director to act as Liaison Officer with the Standing Orders Committee.

1.2(a). At its first meeting following the Annual General Meeting the Standing Orders Committee shall choose from its number a Chairperson and Secretary.

1.3(a). Two members shall form a quorum at any meeting of the Standing Orders Committee.

1.4 The Standing Orders Committee shall have the authority to:

(a) recommend, in consultation with the President or Chairperson of the Meeting, to General Meetings the order in which business shall be taken, the order in which motions and amendments approved by them as being in accordance with Standing Orders shall be debated, the apportionment of the time available and such other arrangements as it deems necessary for the efficient conduct of the business of General Meetings;

(b) draft composite motions, amendments and addenda thereto in consultation and agreement with the proposing Member Credit Unions and decide which motions and amendments are competent for consideration at the General Meeting; however, an urgent matter not on the Agenda can only be introduced at the General Meeting when permission to do so has been obtained in the first instance from the Standing Orders Committee. Should this Committee, by a majority of those present and voting, grant permission for the introduction of any such motion, it shall immediately inform the President and with the consent of the Meeting determine a suitable time for the introduction and discussion of any such motion.

1.5 For the purpose of the preceding Rule an urgent matter shall be deemed to be a matter of vital importance, that could not be foreseen, coming to the attention of the Committee between the last day for acceptance of motions and the time during the Annual General Meeting at which permission to introduce it is sought.

1.6(a) Motions for consideration by the Annual General Meeting shall be received not later than 90 days prior to the Annual General Meeting or, if this is a non working day, the working day immediately prior to that date. Motions from Member Credit Unions or Chapters shall be signed by the Secretary and two Directors or Committee members of the Credit Union or Chapter concerned and seconded by a

member Credit Union or Chapter of the Association. Signatories for seconding a motion shall be the Secretary and two Directors or Committee members of a Credit Union or Chapter. Not more than three motions may be submitted by any one Chapter and not more than ten motions by one Member Credit Union.

1.6(b) The Supervisory Committee and Standing Orders

Committee may put forward motions relating to their own area of activity for consideration at the Annual General Meeting. Such motions shall be signed by the Chairperson and Secretary.

1.6(c) Not later than five days after the closing date for the receipt of motions, the Chief Executive Officer shall issue to each member of the Standing Orders Committee a copy of the motions received. Within 10 working days after the issue of the motions the Committee shall hold a meeting.

1.6(d) The Standing Orders Committee shall arrange for all motions to be circulated to Member Credit Union and Chapters not less than 65 days prior to the Annual General Meeting.

1.6(e) Any amendment to a motion shall be received no later than 35 days prior to the Annual General Meeting or, if this is a non working day, the working day immediately prior to that date. Amendments from Member Credit Unions or Chapters shall be signed by the Secretary and two Directors or Committee members of the Credit Union or Chapter concerned.

1.6(f) Not later than three days after the closing date for the receipt of amendments, the Chief Executive Officer shall issue to each member of the Standing Orders Committee a copy of the amendments received.

1.6(g) All reports to be presented at the Annual General Meeting should be submitted to the ABCUL registered office not later than 35 days prior to the Annual General Meeting or the working day immediately prior to that date and they should arrange for them to be circulated to Member Credit Unions not later than 21 days prior to the Annual General Meeting.

1.6(h) The Standing Orders Committee shall arrange for all motions and amendments to be circulated to Member Credit Unions and Chapters not less than 21 days prior to the Annual General Meeting.

1.6(i) All amendments to any motion for which a Special General Meeting has been called under these rules shall be received not less than 7 days prior to the date set for such meeting or, if this is a non working day, the working day immediately prior to that date.

1.6(j) The Standing Orders Committee shall arrange for all such amendments to be available to the delegates of Member Credit Unions and Chapters at the Special General Meeting prior to commencement of discussion of the item.

2. Standing Orders for every General Meeting of the Association shall be as adopted by the General Meeting and shall, subject to variation by the Meeting, be in accordance with Appendix A attached to, but not forming part of these Rules.

Section F. ELECTION PROCEDURE

Rule 35. Provisions for Elections

All elections for the Board of Directors, Standing Orders Committee and Supervisory Committee are subject to the provision of Rules 36 to 41 inclusive.

Rule 36.

1) Notice and Form

Not later than 120 days preceding the Annual General Meeting there shall be sent to the registered office of each Member of the Association and Committee Secretary of each Chapter such form as the Board may from time to time determine by which the Credit Union or Chapter may nominate a candidate for election to the Board of Directors, to the Supervisory Committee or to the Standing Orders Committee.

2) Nominations

Each such nomination paper shall be returned to the registered office of the Association, together with the candidate's qualifications and statement as required in Rules 38 (1) (c) and 38 (2) (b), not later than 90 days prior to the Annual General Meeting or, if this is a non working day, the working day immediately prior to that date. To be valid each nomination paper shall be signed by:

- (a) The President or Secretary of the Member Credit Union or Committee Secretary of the Chapter concerned certifying that the nomination is an official action of the Board of Directors of the Member Credit Union, or the Chapter membership of the nominating Chapter; and
- (b) By the person nominated to show consent.

In addition each primary nomination must be seconded by two other Member Credit Unions either from the relevant Region, if the nomination is for a Regional Director, or from any region, if the nomination is for a National Director.

- a) Such seconding nomination to be signed by the President or Secretary of the seconding Credit Union certifying that the Second is an official action of the Board of Directors of the seconding Credit Union.
- b) A Chapter nomination need not be seconded if it results from a Chapter Membership vote taken within 30 days of the filing of the nomination paper.

3) Additional Nominations

Where an insufficient number of nominations has been made to fill all vacancies on the Board of Directors or the Supervisory Committee or Standing Orders Committee, such vacancies shall be filled in accordance with Rule 41.3. Vacancies,

- a) duly made and seconded by delegates from the Region for which a Regional Director vacancy arises, or if
- b) duly made and seconded by any delegate for a National Director vacancy or for a vacancy on the Supervisory Committee or Standing Orders Committee

and provided the nominee is present and consents or has given prior consent in writing which shall be presented to the Electoral Officer or Association Secretary.

Rule 37.

- (1) All nominees for elections shall be a member of a Member Credit Union and shall either:

Rules of the Association of British Credit Unions Ltd

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- (a) be serving a term as an elected officer of the Association, which term of office shall be due to expire,
 - (b) be serving or have served a term as an elected officer of a Member Credit Union, or
 - (c) be the General Manager of a Member Credit Union.

(2) A nominee cannot be an Association employee.

(3) No person who has been removed from the Board or the Supervisory Committee may be a nominee for election to the Board or the Supervisory Committee unless a resolution carried by two-thirds of the Directors present and voting at a Board meeting determines that they may be.

Rule 38.

When nominations are closed elections shall be held as follows:

- 1(a) Regional Directors will be elected at a regional meeting held solely or in part for the purpose of the Election. This meeting to be held not more than 36 days or less than 21 days prior to the Annual General Meeting
 - 1(b) The Board shall appoint two Officers from other Regions to act as Electoral Officers to supervise the Election
 - 1(c) All Member Credit Unions shall be sent a full list of vacancies and nominations together with a brief description of each candidate listing their qualifications and a statement from each to arrive not less than 60 days prior to the Annual General Meeting.
 - 1(d) Only Member Credit Unions from the Region may vote, each Credit Union being entitled to one vote.
 - 1(e) Credit Unions may vote by sending one voting delegate to the meeting or by a postal vote. A postal vote may be obtained by writing to the Chief Executive Officer prior to the Election. Each postal vote to be authorised by the Board of Directors of the Credit Union in writing, signed by three directors and recorded in the minutes of a monthly Board Meeting. The Credit Union shall then vote by writing the name of the nominee of their preference on the ballot paper, the vote itself to be sealed in an envelope and attached to the Authorisation in such a manner as to remain sealed until required. Said vote shall then be forwarded to the Electoral Officers at the meeting to arrive no later than 12.00 noon on the day of the Election.
 - 1(f) The Electoral Officers having determined the number of eligible votes to be cast, shall declare the number and open the Election.
 - 1(g) Each delegate present shall be entitled to vote in each election by writing on the ballot paper the name of the nominee of their preference.
 - 1(h) Any ballot paper which contains any name other than that of a member nominated under Rule 36, or is unreadable shall be void.
 - 1(i) When voting is completed, the votes cast at the meeting and any postal votes received shall be counted by the tellers supervised by the Electoral Officers. The result of the ballot shall be announced by the Electoral Officers. The Candidate or Candidates receiving the most votes shall be deemed elected.
 - 1(j) In the event of a tie, those delegates present shall be asked to vote again for those nominees involved in the tie until a majority by one vote is established.
2. National Directors, Supervisory Committee and Standing Orders Committee members shall be elected at the Annual General Meeting.
- 2(a) The Board shall appoint an Electoral Officer to supervise the Election.
 - 2(b) All Member Credit Unions shall be sent a full list of vacancies and nominations, together with brief description of each candidate listing their qualifications and a statement from each, to arrive no later than 60 days prior to the Annual General Meeting.
 - 2(c) Only Member Credit Unions may vote, each Credit Union being entitled to one vote in each election.

- 2(d) Credit Unions may vote by sending one voting delegate to the meeting or by postal vote. Postal votes may be obtained by writing to the Chief Executive Officer prior the election. Each postal vote to be authorised by the Board of the Credit Union in writing, signed by three Directors and recorded in the minutes of a monthly Board Meeting. The Credit Union shall then vote by writing the name of the nominee of preference on the ballot paper, the votes shall then be sealed in envelopes and each one clearly marked as to which election it is to be used in, and attached to the Authorisation in such a manner as to remain sealed until required. Said votes shall then be forwarded to the Electoral Officer of the meeting to arrive no later than 12.00 noon on the day of the election
- 2(e) The Electoral Officer having determined the number of eligible votes to be cast, shall then declare the number and open the elections.
- 2(f) Each delegate present shall be entitled to vote in each election by writing on the ballot paper the name of the nominee of preference.
- 2(g) Any ballot paper which contains any name other than that of a member nominated under Rule 36 or is unreadable shall be void.
- 2(h) When voting is completed, the votes cast at the meeting and any postal votes received shall be counted by the tellers, supervised by the Electoral Officer. The result of each ballot shall then be announced by the Electoral Officer. The Candidate or Candidates receiving the most votes shall be deemed elected.
- 2(i) In the event of a tie, those delegates present shall be asked to vote again for those nominees involved in the tie until a clear majority by one vote is established.

Rule 39.

- (1) Notwithstanding the provision of Rule 38, if, for any election for a National Director or to the Standing Orders or Supervisory Committees the number of nominees does not exceed the number of vacancies to be filled, the nominee(s) shall be deemed to be elected, and this shall be declared at the AGM.
- (2) Notwithstanding the provision of Rule 38, if, for any election for a Regional Director the number of nominees does not exceed the number of vacancies to be filled, there is no requirement to convene a regional election meeting. The nominee(s) shall be deemed to be elected. Regional Directors so elected shall be declared at the AGM.

SECTION G. ELECTED OFFICERS

Rule 40.

A person who is an un-discharged bankrupt or who has been convicted on indictment of any offence involving fraud or dishonesty which has not been discharged under the Rehabilitation of Offenders Act shall not:

- (a) Act as an elected Officer, Director or Supervisor of the Association, or
- (b) Directly or indirectly take part in or be concerned in the management of the Association, or
- (c) Permit their name to be put forward for election or appointment to the Board of Directors, any Committee, or the Supervisory Committee of their Credit Union.

Rule 41.

- (1) The Board shall adopt a Code of Conduct for Directors, and a person wishing to serve as a Director or as a member of the Supervisory Committee is required to agree to comply with the Code.
- (2) An elected individual serving the Association shall immediately cease to hold office or committee position if
- (a) they cease to be a member of at least one Member Credit Union, or
 - (b) they are adjudged bankrupt or make an arrangement or composition with their creditors, or
 - (c) they are in contravention of Rule 40, or

- (d) they resign their office by notice or writing to the Association President or Secretary, or
- (e) being a Director, in the opinion of not less than two-thirds of the remaining Directors at a meeting of the Board (which may be called by the Supervisory Committee to consider the matter),
 - i they have committed a serious breach of the Code of Conduct for Directors; and
 - ii it is no longer in the interests of the Association that they should continue to be a Director, or
- (f) being a member of the Supervisory Committee,
 - i in the opinion of not less than two-thirds of the Directors at a meeting of the Board
 - 1. they have committed a serious breach of the code of Conduct for Directors; and
 - 2. it is no longer in the interests of the Association that they should continue to be a member of the Supervisory Committee, and
 - ii their removal from the Supervisory Committee has been endorsed by a resolution of the Members of the Association at a General Meeting; or
- (g) they are removed by a resolution of a majority of the Members of the Association present at a Special General Meeting called for that purpose by the Board of Directors or the Supervisory Committee or under the provisions to Rule 26, provided that such an individual shall be given at least 14 days notice of the meeting and of the intention to remove them from office, or
- (h) they become an employee of the Association, or
- (i) they, or their spouse or partner are engaged in a managerial capacity in the carrying on of any business trade or undertaking which in the opinion of the board competes in any way with any business trade or undertaking carried on by the Association.

(3) Vacancies

A vacancy on the Board shall, as soon as is practicable, be filled by a vote of the majority of Directors then holding office; Directors so appointed may originate from any region of the Association, regardless of whether the vacancy is for a Regional or National Director, and shall hold office only until the next Annual General Meeting following such appointment. The position to which the Director was so appointed will be the subject of election at the next Annual General Meeting subject to Rules 38.1(a), 38.2 and 43 such election shall be only for the remainder of the unexpired term of office for the Director Group to which the directorship is assigned. A vacancy on the Supervisory Committee or Standing Orders Committee shall, as soon as is practicable be filled by a vote of the majority of the Committee members then holding office; Committee members so appointed shall hold office only until the next Annual General Meeting following such appointment. The position to which the Committee member was so appointed will be subject to election at the next Annual General Meeting but such election shall be only for the remainder of the unexpired term of office for the position to which the member was elected.

If, solely as a result of demise or the operation of Rule 41 (2) (g), a significant number of vacancies arises resulting in the inability of the Board to form a quorum, such vacancies shall be filled by nominations from the floor. These nominations shall be in order if,

- a) duly made and seconded by delegates from the Region for which a Regional Director vacancy arises, or if
- b) duly made and seconded by any delegate for a National Director vacancy

and provided the nominee is present and consents or has given prior consent in writing which shall be presented to the Electoral Officer or Association Secretary

(4) Term of Office

All elected officers shall normally serve a term of 3 years subject to rule 41.3

Rule 42.

- (1) No Elected Officer of the Association shall receive from the Association any remuneration whether directly or indirectly for any service performed by them in their capacity as an elected officer, either on behalf of, or for the benefit of, the Association other than expenses necessarily incurred by them in such capacity in carrying out any duties in respect of the business of the Association and approved by a majority vote of members of the Board.
- (2) The Board shall approve the payment of any expenses necessarily incurred by the Supervisory Committee or Standing Orders Committee in carrying out its duties, such expenses to be in accordance with a published scale of subsistence and travel allowances.

SECTION H. Board of Directors

Rule 43.

The number of Association Directors shall be determined in the following manner:

- a) One (1) Director shall be elected for every 25 member Credit Unions in each region defined in Rule 62 up to a maximum of 15 Directors.
- b) The number of Directors per region, defined as Regional Directors, will be determined by the number of credit unions in membership of the Association at 1st October of the year previous to the AGM.
- c) Should the number of Regional Directors at 1st October of the year previous to AGM not total 15, the number of directors required to bring the total in office to 15 will be elected from any region directly by the membership, defined as National Directors; subject to rule 43 (1), (2) and (3).
- d) At the time the number of Directors per region is determined according to a) above; should the number of directors by region in office exceed the number determined by region then those Directors in office shall be permitted to complete their term of office and an election take place once a clear vacancy exists
- e) At the time the number of Directors per region is determined according to a) above; should the number of directors determined for any one region exceed the number of directors currently elected from that region then:
 - (i) If at the next election there is a vacancy in a National Director seat, this seat will convert to a Regional Director and will be allocated to a region determined to have an additional seat and will be elected from that region only.
 - (ii) If at the next election there is no vacancy in a National Director seat then the next available national seat would convert to the regional seat provided that the region still has the requisite number of credit unions at October 1st in the year the seat becomes available.”

The following conditions shall apply:

- (1) No region shall have an absolute majority of the number of Directors on the Board and
- (2) No region shall have less than one Director on the Board, and
- (3) No more than two members of any one credit union may serve on the Board, or one Board member and one Supervisory Committee member, at any one time.

After the close of the 1991 Annual General Meeting and following the close of every third Annual General Meeting thereafter; the Board of Directors shall appoint a Special Reapportionment Committee to review the size of the Board, the size and boundaries of the Regions, and the allocation of Regional and National Directors. The Committee to report its findings and recommendations at each Annual General Meeting following the Committees appointment.

Rule 44.

Subject to Law, these Rules and the decisions of the Members of Association, the Board shall have the general control, direction and management of the affairs, funds and records of the Association and shall determine the policies to be pursued in the attainment of the objects of the Association.

Rule 45.

Regular meetings of the Board shall be held not less often than once in every quarter. All such meetings to be summoned by the President, or the Chief Executive Officer or in such manner as the Board may have by resolution previously determined.

Rule 46.

A majority of the number of Directors at any time (inclusive of vacancies) shall constitute a quorum for the transaction of business at any meeting of the Board, but if there is not a quorum the meeting may be adjourned to any date not less than 2 days or more than 30 days from the date of the meeting. The quorum for such adjourned meetings shall be three Directors or such greater number as the Board may have by resolution previously determined.

Rule 47.

Questions arising at the meeting of Directors shall be decided by a majority vote. Each Director shall have one vote on any matter provided that the Chairperson of the Meeting shall have a second casting vote in the case of equality of votes.

Rule 48.

The President, or the Chief Executive Officer in consultation with the President or Vice-President may call a meeting of Directors at any time, but must do so on receipt of a written request, signed by at least three Directors. The President, or Chief Executive Officer shall fix the date, time and place of such a meeting unless the Board resolves otherwise.

Rule 49.

The Directors may delegate any of the powers given to them to committees consisting of such of their own number, together with such other persons as they think fit, who shall, in the functions entrusted to them conform in all respects to the instructions given to them by the Directors.

Rule 50.

All acts done by any meeting of the Directors or of a Committee or by any Director acting in pursuance of any authority duly given shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or qualification of any Director, be as valid as if such Director had been duly appointed or qualified.

Rule 51.

- (1) No Director or Employee of the Association shall in any manner directly or indirectly participate in the deliberation upon or determination of any question affecting their pecuniary interest or the pecuniary interest of any person or body (other than their Credit Union) in which they are directly or indirectly interested. Such person shall withdraw from the meeting and the remaining qualified persons shall constitute a quorum while that matter is being discussed or determined should their withdrawal result in a quorum not being present.
- (2) Directors and committee members of the Association must declare any income received as a result of direct work and services provided for Credit Unions and Chapters. Such declarations must be recorded, clearly and concisely, in a specific register held by the Association and be published annually as part of the Board of Directors report to the Annual General Meeting.

Rule 52.

Any Director or Employee of the Association shall be indemnified by the Association against all costs, losses or expenses which such Director or employee may incur, or become liable for, by reason of any contract entered into or any act or thing done by any Director or Employee in the discharge of their duties as authorised by the Board and the Board is empowered to pay the amount of such indemnity out of the funds of the Association.

SECTION I. SENIOR OFFICERS

Rule 53.

- (1) Within the period of seven days following its election the Board shall elect from its number a President, who shall be Chairperson, a Vice-President, who shall be Vice-Chairperson, a Treasurer, and a Secretary of the Association. A person so elected shall hold office until the election of a successor.
- (2) Within fourteen days of the election of Officers, the Secretary shall notify the Members and Chapters of the Association in writing of the full names of all the Directors of the Association stating any office to which they have been elected.

Rule 54.

- (1) Subject to any specific provision contained in these Rules the President, or if that person is absent the Vice President, shall preside at the meetings of members and at meetings of the Board. They shall perform such duties as they may be directed to perform by the Board not inconsistent with the provisions of Law or of these Rules.
- (2) In the absence of both the President and Vice-President, or if neither is present within 15 minutes after the time appointed for the beginning of the meeting, or if neither is willing to act, the Directors shall elect one of their number to be Chairperson of the meeting.

Rule 55.

The Secretary shall give or cause to be given proper notice of all meetings of the Association and of the Board. The Secretary shall keep or cause to be kept minutes of all meetings thereof and have custody of such minutes. Such minutes shall be read at the next appropriate meeting of the Association or the Board and signed by the Chairperson of the meeting at which they are so read. All minutes so signed shall, in absence of evidence to the contrary, be taken as between the Association and every Member thereof to be a true statement of any matter therein contained.

Rule 56.

The Treasurer shall, subject to such limitations and controls as may be imposed by the Board;

- (a) Be responsible for the custody of all funds, securities, valuable papers and other assets of the Association.
- (b) Cause to be established and maintained satisfactory systems of control of the books of accounts, cashholdings and all receipts and remittances of the Association.
- (c) Prepare and submit to the Board such financial reports and returns as the Auditor may require.
- (d) Prepare and submit to the Auditor such financial reports and returns as the Auditor may require.
- (e) Perform any other actions not inconsistent with Law or these Rules as directed by the Board.

Rule 57.

The full Board shall from time to time by a two-thirds majority decision appoint or dismiss a Chief Executive Officer who, subject to Law and these Rules:

- (a) Shall be a member, ex-officio and without vote of the Board and all Committees and Sub-Committees thereof.

- (b) May summon, in consultation with the President or Vice-President, meetings of the Board, any Committee or Sub-Committee thereof.
- (c) Shall be responsible for the day to day administration of the Association.
- (d) Shall appoint or dismiss from time to time such employees of the Association as the Board may authorise provided that all such appointments or dismissals shall be reported to the next meeting of the Board.
- (e) May be empowered by the Board to speak on behalf of the Board at any Annual General Meeting or Special General Meeting.
- (f) Shall perform other such functions and duties as may be specified in these Rules or specified by the Association in General Meeting.

SECTION J. SUPERVISORY COMMITTEE

Rule 58.

The Supervisory Committee shall consist of three persons who shall have the same qualifications as those required for election to the Association Board. No more than one Supervisor can be from any one Region.

Rule 59.

(1) The Board of Directors shall appoint a Director to act as Liaison Officer with the Supervisory Committee.

Rule 60.

The Supervisory Committee shall have the duty of ensuring the preservation of the integrity and philosophy of the Credit Union Movement and in particular shall:

- (a) Ascertain that all actions and decisions of the Board are in accordance with Law, these Rules, and the decisions of the Members in General Meeting, and
- (b) Ensure that the resolutions passed by the Members in General Meeting are examined and acted upon by the Board or otherwise as directed.

Rule 61.

- (1) The members of the Supervisory Committee shall not be members of the Board or of any Committee, Sub-Committee, or any other body set up by the Board, nor shall they take part in any meeting.
- (2) Any member of the Supervisory Committee shall have the right to attend any meeting of the Board, or any Committee or Sub-Committee of the Association but shall have no voting rights at such meetings.
- (3) All records of the Board, its committees and their agencies and other records considered necessary by the Supervisory Committee shall be made available to it as generally or particularly requested by it.

SECTION K. REGIONS AND CHAPTERS

Rule 62.

(1) Member Credit Unions shall be allocated by the Board of Directors to the Region in which their Registered Office is situated.

(2) The Regions of the Association shall be as follows:

Areas

- 1. Scotland
- 2. England
 - North East
 - North West
 - Yorkshire/Humber

West Midlands
East
South East
South West

3. Wales

(3) These Regions represent the nine main areas where existing credit unions are currently concentrated. The situation to be reviewed annually by the Board and a report made to the AGM as per Rule 43.

(4) The number of Directors elected per region shall be determined by rule 43.

Rule 63.

For the better attainment of the objects of the Association, Member Credit Unions shall be organised into Chapters. Chapters are groupings of Member Credit Unions within the Association's overall structure and are not autonomous organisations. Only Credit Unions which are current Members of the Association may participate in the management and voting activities of a Chapter ("participating members"). Recognition of Chapters shall be at the discretion of the Association's Board of Directors. Credit Unions shall be assigned by the ABCUL Board to the Chapter in which their Registered Office is located.

Rule 64.

The objects of a Chapter shall be generally of a Social and Educational nature and in particular shall be:

- (a) To provide a forum for the training of participating Members in the principles and practices of the Credit Union Movement and the Association.
- (b) To promote and develop the growth and improvement of participating Member Credit Unions.
- (c) To assist in the promotion and development of new Credit Unions within its specified area of operations.
- (d) To act as a medium of exchange of ideas, experience and help between participating Members.
- (e) To represent common concerns of participating Members to the Association.
- (f) To provide a Social Forum to aid the unity of participating Credit Unions.
- (g) To perform such other functions as may from time to time be allocated by the Association Board.

Rule 65.

Chapters shall have such powers as may be delegated to them by the Association's Board and shall operate in accordance with the Terms of Reference for Chapters as laid down from time to time by the Board (which Terms shall not conflict with the Act or these Rules), provided that:

- (a) A Chapter's delegated powers shall only be exercised in furtherance of the objects of the Association and may not be exercised in any way which is in conflict with these Rules or with the law generally or which brings the Association into disrepute.
- (b) No Chapter shall have the power to bind the Association or the Board in any way whatsoever or to incur any liability on behalf of the Association or the Board without the prior express written permission of the Board, except to such extent as may be permitted in the Terms of Reference for Chapters.
- (c) The Association's Board shall have the right to dissolve or suspend any Chapter if (i) the Chapter is in breach of the Terms of Reference for Chapters or (ii) the Chapter acts in a way which brings the name of the Association into disrepute or (iii) any reasonable evidence is brought to the attention of the Board of unlawful acts or fraud by the Chapter or its Committee.

- (d) In the event of the Association's Board dissolving or suspending a Chapter, all assets, property, financial and other records held by the Chapter shall immediately come under the direct control of the Board.
- (e) The Association's Board shall have the right to alter the Terms of Reference for Chapters or any of their provisions. The Board shall consult Chapters on any proposed changes. The Board shall inform all Chapters in writing of any changes to be made to the provisions of the Terms of Reference for Chapters as soon as possible after such changes are decided.

Rule 66.

Each Chapter shall provide the Association with a postal address which shall be the correspondence address for the Chapter.

The Terms of Reference for Chapters shall provide that each Chapter shall be governed by a Committee elected by participating Members and that each such Committee shall appoint a Committee Secretary. Chapter Committees are sub-committees of the Association's Board and must comply with any direction or regulation issued by the Board. No Employee of the Association shall be a member of a Chapter Committee or be a delegate at any meeting of a Chapter. Chapter Committees may only delegate powers to sub-committees with the permission of the Association's Board or to such extent as may be permitted by the Terms of Reference for Chapters.

Rule 67.

All monies and other property acquired by a Chapter shall be the property of the Association but may be managed locally by agreement with the Association's Board. Chapter Committees shall be responsible for the proper administration of all funds under their control and shall ensure that full and detailed records are kept of all income and expenditure and assets and liabilities.

As the Association's Board remain legally responsible for the funds administered by Chapters, Chapter Committees shall undertake to comply strictly with budgetary and other restrictions and with guidelines on financial matters which may be imposed by the Board. Chapter Committees may only open bank and other accounts with the permission of the Board and the Board shall at all times retain ultimate control of all accounts and their contents. Chapter Committees shall make available for inspection the Chapter's accounts and accompanying documentation at any time to the Association's treasurer or appointed agent. The Association Board will ensure that a procedure for auditing Chapter accounts is carried out at the end of each financial year. These accounts will be consolidated into the main Association accounts.

Rule 68.

- (1) Chapter Meetings shall be held regularly and not less often than once a quarter. One of the meetings shall be the Annual Meeting of the Chapter at which the accounts of that Chapter as consolidated into the Association's audited accounts will be presented.
- (2) The Association's registered office or such persons or offices nominated by the Board shall be informed of the date, time and place at which any meeting of a Chapter shall be held.
- (3) Any member of the Association's Board or any person nominated by the Association shall have the right to be present, to speak and to be heard at any meeting of a Chapter, Chapter Committee or any Sub-Committee thereof.

Rule 69.

The Financial Year of a Chapter shall end on 30th September or such date as may be determined from time to time by the Board. Copies of the Chapter Accounts and Reports shall be forwarded to the Association at the year end for consolidation into the Association's accounts in line with the Terms of Reference for Chapters.

SECTION L. CONDUCT OF BUSINESS

Rule 70.

The Association may have, in addition to the Registered Office, Branch Offices in any part of Great Britain, subject to Board approval, with staff having such duties and remuneration as the Board may fix from time to time.

Rule 71.

The services rendered by the Association to its Members shall normally be rendered in consideration of the dues to be paid by them under its Rules, but the Board shall have power to determine that specified services shall be paid for.

Rule 72.

The profits of the Association arising out of any surplus of its incomes from all sources, and after providing for all expenses connected with the conduct of the said businesses, in accordance with its Rules, shall be carried to a reserve fund. This reserve fund shall be applied in such manner as the Board shall, subject to any resolution of a General Meeting from time to time direct for the furtherance of the Credit Union Movement generally.

Rule 73.

The Board may invest in the corporate name of the Association any portion of the reserve fund, not apportioned as aforesaid, in any manner expressly authorised by the Act.

SECTION M. REFERENDUM

Rule 74.

Where a matter is declared by a General Meeting or the Board to be one of major policy a proposition or resolution thereon as determined by the meeting or the Board, shall be submitted to a referendum of Members. A special voting paper setting forth such propositions or resolutions together with any explanation and/or recommendations which may be considered desirable, shall be sent to the registered office of each Member Credit Union, returnable to the registered office of the Association within such time as is specified on the voting paper. Each Member Credit Union shall have one vote. The votes shall be counted as directed by the Board or meeting and, if two-thirds of the votes cast or one-half of the member Credit Unions are in favour of the resolution or proposition it shall be deemed to be carried and be a resolution of the Association, and all members shall be bound to take such steps as may be necessary to give effect to such a resolution.

SECTION N. ACCOUNTS AUDIT AND ANNUAL RETURN

Rule 75.

(1) There shall be appointed in each year of account, which shall end on 30th September in each year, a qualified auditor to audit the Association's accounts and balance sheet for that year. In this Rule 'qualified auditor' means a person who is a qualified auditor under Section 7 of the Friendly and Industrial Societies Act, 1968.

(2) None of the following persons shall be appointed as an Auditor of the Association:

- (a) An Elected Officer or employee of the Association.
- (b) A person who is
 - (i) a partner of, or
 - (ii) in the employment of, or
 - (iii) the employer of an Elected Officer or employee of the Association.

(3) The Board may appoint an Auditor to fill any casual vacancy occurring between the General Meetings of the Association. All other appointments of an Auditor shall be by resolution of a General Meeting of the Association.

(4) An Auditor appointed to audit the accounts and balance sheets of the Association for the preceding year of account (whether by an Annual General Meeting or by the Board) shall be re-appointed as Auditor of the Association for the current year of account (whether or not any resolution expressly appointing the Auditor has been passed), unless:

- (a) A resolution has been passed at a General Meeting of the Association, appointing another Auditor or providing expressly that the originally appointed Auditor shall not be re-appointed, or
- (b) The Auditor has given the Association notice, in writing, of their unwillingness to be re-appointed, or
- (c) The Auditor is no longer a qualified Auditor or is a person mentioned in paragraph (2)(b) of this Rule, or
- (d) The Auditor has ceased to act as Auditor of the Association by reason of incapacity.

Provided that a retiring Auditor shall not be automatically re-appointed if notice of an intended resolution to appoint another person in their place has been given in accordance with paragraph (5)(a) of this Rule and that replacement person is no longer eligible.

(5) A resolution at an Annual General Meeting of the Association:

- (a) Appointing another person as Auditor in place of a retiring Auditor, or
- (b) Providing expressly that a retiring Auditor shall not be re-appointed,

shall not be effective unless notice of the intention to move it has been given to the Association, not less than 28 days before the meeting at which it is moved. On receipt by the Association of such an intended resolution the Association shall forthwith send a copy to the retiring Auditor. Where the retiring Auditor makes any representations in writing to the Association with respect to the intended resolution or notifies the Association that they intend to make such representations, the Association shall notify the Members accordingly as required by Section 6(7) of the Friendly and Industrial and Provident Societies Act, 1968. The Auditor shall, in accordance with Section 9 of the Friendly and Industrial Societies Act, 1968, make a report to the Association on the accounts and the balance sheet of the Association for that year of account in respect of which they were appointed.

Rule 76.

For the purpose of any Audit the Auditor shall be given access to and be entitled to call for an examination of all the books, deeds, documents and accounts of the Association. The Auditor shall be entitled to require from the officers of the Association such information and explanations as they think necessary for the performance of their duties. The Auditor shall be entitled to attend any General Meeting of the Association; to receive all notices of the communications relating to a General Meeting which any member of the Association is entitled to receive; and to be heard at any meeting which they attend on any part of the business of the meeting which concerns them as Auditor.

Rule 77.

(1) The Board shall in respect of each year of account:

- (a) Cause to be prepared a revenue account or revenue accounts which singly or together deal with the affairs of the Association as a whole for that year and which gives a true and fair view of the income and expenditure of the Association for that year.
- (b) Cause to be prepared a balance sheet giving a true and fair view as at the date thereof of the state of affairs of the Association.

Every Balance Sheet presented to a meeting of Members shall be accompanied by a report of the Board on the state of the Association's affairs, and be signed by the Chairperson of the meeting of the Board adopting the report.

- (2) The Board shall not cause to be published any revenue account or balance sheet unless it has been audited by the Auditor and it incorporates a report by the Auditor that the revenue account or the balance sheet gives a true and fair view of the income and expenditure, or the state of affairs of the Association. Every revenue account and balance sheet published shall be signed by the Secretary and by two Directors acting on behalf of the Board.
- (3) The Association shall keep a copy of the latest balance sheet together with a report of the Auditor, always hung up in a conspicuous place at its registered office.

Rule 78.

- (1) The Association shall, not later than 7 months after the end of the financial year send to the Registrar a return, called the annual return, relating to its affairs during the period covered by the Return, together with a copy of the report of the Auditor on the Association's accounts of such period and a copy of each balance sheet made during that period, and of the report of the Auditor on that balance sheet.
- (2) The annual return shall be made for the period beginning with the date of the Association's registration or with the date to which the Association's last annual return was made up, whichever is the later date, and ending with 30th September.

SECTION O. GENERAL PROVISIONS.

Rule 79.

- (1) The Chief Executive Officer shall provide free of charge, on application, a copy of the last annual return of the Association including a copy of the Report of the Auditors to every Member or person interested in the funds of the Association.
- (2) The Chief Executive Officer shall supply to any person applying, on payment of such sum as may from time to time be prescribed by Law, a copy of the Rules of the Association and any amendments thereto.

Rule 80.

The Association shall keep at its registered office a register and enter therein the following particulars:

- (a) The names and addresses of its Members, and
- (b) A statement of the number of shares held by each Member and the amount paid or considered to be paid on the shares of each Member, and
- (c) A statement of other property in the Association, whether in loans, deposits, or otherwise, held by each Member, and
- (d) The date at which each Member was entered in the Register as a Member, and the date at which any Member ceased to be a Member, and
- (e) The names and addresses of the Officers of the Association with the Offices held by them respectively and the dates on which they assumed the office.

The Register shall be so constructed that it is possible to inspect the particulars therein mentioned in paragraphs (a), (d) and (e) above, without exposing to inspection any other particulars entered therein.

Rule 81.

Any Member or person having an interest in the funds of the Association may inspect their own account and the including particulars mentioned in paragraphs (a), (d) and (e) of Rule 80 in the Register of Members. This may be inspected at the registered office during normal office hours.

Rule 82.

The Association shall retain permanently the following records:

- (a) Register of Members as required by Section 44 of The Act, and
- (b) Rules and Amendments thereto as registered, and
- (c) Receipts for securities held, securities register and register of contracts of guarantee, and
- (d) Minutes of Annual General Meetings and Special General Meetings and of meetings of the Board of Directors, and
- (e) Copies of the annual returns.

Rule 83.

(1) Any of these Rules may be rescinded or altered, or any new Rules made, by a resolution passed by a two-thirds majority vote at a Special General Meeting called in accordance with the Provisions of rules 25 or 26 or at an Annual General Meeting where the motion is proposed in accordance with the provisions of Rule 24 by:

- (a) the Board, or
- (b) a Committee authorised by members for such purpose, or
- (c) a Member Credit Union, or
- (d) a Chapter
- (e) No amendment of Rules shall be valid until registered. Two copies of the amendment signed by the Secretary of the Association and the Secretaries and two Directors of three Member Credit Unions, shall be sent to the Registrar for the purpose of registration.

Rule 84.

The name of the Association shall be mentioned in legible characters in all business letters of the Association, Notices, Advertisements, and Official Publications, Bills of Exchange, Promissory Notes and any document purporting to be signed by or on behalf of the Association and on all Bills, Invoices, Receipts, or Letters of Credit of the Association. The name of the Association shall be conspicuously painted or affixed, in letters easily legible, on the outside of every office or place of business of the Association.

Rule 85.

The Association shall have its name engraved in legible characters on a seal which shall be kept in such custody as the Board may appoint. The seal shall be used only under the authority of a resolution of the Board, and shall be attested by the signatures of two Directors and the counter-signature of the Secretary.

SECTION P. DISPUTES

Rule 86.

ABCUL maintains an internal complaints procedure. Complainants who remain dissatisfied following the completion of the internal complaints procedure may, by consent, refer their complaint or dispute to the County Court, or in Scotland the Sheriffs Court who shall in accordance with section 83 of the Friendly Societies Act 1992, hear and determine such dispute. The County Court or Sheriff's Court shall have power to

order the expenses of determining the same to be paid either out of the funds of the Association or by such party to the dispute as he or she shall think fit, and such determination and order shall be binding and conclusive on all parties without appeal and shall not be removable into any court of law or restrainable by injunction.

SECTION Q. APPOINTMENT OF INSPECTORS

Rule 87.

- (1) Upon application of 10% of the whole number of Members of the Association, or 100 Members, whichever is the lesser number, the Registrar may, with the consent of the Treasury, appoint an inspector or inspectors to investigate and report on the affairs of the Association, or may call a Special General Meeting of the Association in accordance with the provisions of section 49 of The Act (see Section T Rule 90 (a)).
- (2) Upon the application of ten Members of the Association, each of whom has been a Member of the Association for not less than 12 months immediately preceding the date of application, the Registrar may appoint an accountant or actuary to inspect the books of the Association and report therein in accordance with Section 47 of the Act.

SECTION R. DISSOLUTION

Rule 88.

The Association may be dissolved:

- (a) On its being wound up in pursuance of an order or resolution made as directed in regard to Companies by the Companies Act 1948, or its successors or,
- (b) By an instrument of dissolution to which not less than 75% of the Members of the Association have given their consent testified by their signatures to the instrument.

SECTION S. MEMBERSHIP OF OTHER BODIES

Rule 89.

The Association shall be and remain a member of the World Council of Credit Unions and shall subject to Law and these Rules, abide by the Rules and By-Laws of the World Council as laid down from time to time for its members. The Association may, by resolution of the Board, join other co-operative, financial and similar organisations, groups, associations and confederations.

SECTION T. INTERPRETATION OF TERMS

Rule 90.

In these Rules the following terms shall unless the context requires otherwise have the meanings ascribed to them.

- (a) "The Act" means the Industrial and Provident Societies Act, 1965 and its successors.
- (b) "Amendment" in relation to the Rules of the Association includes a new Rule and a resolution rescinding a Rule of the Association.
- (c) "Board" and "Directors" mean the Committee of Management and Members thereof of the Association, elected in accordance with the provisions of these Rules.
- (d) "Credit Union Board of Directors" and "Credit Union Director" mean the Committee of Management and members thereof of a Member of the Association.
- (e) "Credit Union" means a Society registered under the Industrial and Provident Societies Act, 1965 and its successors, by virtue of Section 1 of the Credit Unions Act 1979.
- (f) "Chief Registrar" means the Chief Registrar of Friendly Societies.
- (g) "Chapter" shall have the meaning ascribed by Rules 63 to 66 of these Rules.
- (h) "Chapter Committees" and "Committee Members", means the Committee of Management of a Chapter elected in accordance with the Terms of Reference for Chapters.
- (i) "Days Notice", shall be exclusive of the day on which the notice is served or deemed to be served but inclusive of the day to which the notice applies.

- (j) "Chief Executive", means the Chief Executive Officer of the Association appointed in accordance with the provisions of Rule 57.
- (k) "Elected Office", in relation to a Credit Union or the Association or a Chapter means any person holding a post to which they are elected by the members of that Credit Union or, the Association or Chapter, or to which they are appointed pending election to, or as a replacement for, a person elected to the post. Any employee of a Credit Union or the Association, or any auditor of a Credit Union or the Association shall be excluded from holding 'elected office' in that body.
- (l) "General Manager" of a Credit Union, means the Senior Employee of a Credit Union.
- (m) "Officer" means any elected officer or Senior Employee of the Association.
- (n) "Supervisor", shall mean a member of the Association's Supervisory Committee.
- (o) Any reference to the Chief Registrar, Registrar, Central Office, Assistant Registrar (for Scotland) or the Registry of Friendly Societies includes reference to the statutory successor carrying on the relevant functions of any of them.

The following shall be appended to these Rules but shall not form part of the Rules.

APPENDIX A - MODEL STANDING ORDERS

A. The Chair

1. The Chair shall have full control of the meeting and the decision of the Chair on any matter concerning the conduct of the meeting not covered by Standing Orders or the Rules of the Association shall be final.
2. Points of order and information may be accepted by the Chair.
3. Challenging the Chair – a member dissatisfied with a considered ruling by the Chair may challenge the ruling and, if not less than ten delegates raise their voting cards in support, the Chair shall vacate in favour of the Vice Chair, who will hear the argument, and the Chair's reply, and put it to the vote of the delegates. A two-thirds majority against the ruling is needed to overrule the Chair.

B. General Conduct

1. No person shall address the meeting until called upon to do so by the Chair.
2. Before addressing the meeting a speaker shall first acknowledge the Chair and identify themselves and the body which they represent.
3. When the Chair addresses the meeting, all delegates shall come to order immediately. Any delegate who wilfully disregards the ruling of the Chair after due warning or is guilty of gross disorderly conduct in interrupting the proceedings of the meeting shall immediately be suspended from further attendance at the session.

C. Motions

1. Each motion shall be formally proposed and save for motions submitted by the Board or otherwise as exempted by the Rules, be seconded.
2. No delegate shall be permitted to propose a motion submitted by a Credit Union or Chapter other than that which they represent.
3. No delegate shall be permitted to speak more than once to any motion other than the proposer who shall be permitted to reply once only.
4. The Chair shall have the right to ask any delegate whether they are expressing the views of the body which **they** represent.
5. When the proposer has exercised their right to reply there shall be no further discussion and the question shall be put.
6. The proposer of a motion shall be permitted to speak for 5 minutes and each succeeding speaker, including the proposer when replying, for 3 minutes.
7. In the event of a motion "that the meeting proceeds to next business" being proposed and seconded, all further discussion on the matter before the meeting shall cease until the motion is put to the vote. In the event of the "next business" motion being passed, the original motion and any amendments to it shall be deemed to have been disposed of and the meeting shall move to the next business.

D. Procedural Motions

A delegate, who has not already spoken on the matter in hand and with the support of ten other delegates and with permission from the Chair who, in consultation with the Standing Orders Committee, before accepting the motion, shall advise the meeting of the consequences of such procedure, may propose:

1. That Standing Orders be suspended, for a specific length of time.
2. That the Annual General Meeting be adjourned, for a specific length of time.
3. And, after a proposer has had the opportunity to move a motion, may propose:
 - (a) That the Question be put, and providing that no speaker be interrupted and that the proposer of the motion or amendment under discussion be not denied the right to reply then the question shall be proposed and seconded and put to the Annual General Meeting without discussion.
 - (b) That the Question be referred.
 - (c) That the Question be postponed to a future specified meeting.
 - (d) That the Question be not put.
 - (e) That the Meeting proceed to next business and if seconded all further discussion on the matter before the Annual General Meeting shall cease until the motion is put to the vote. In the event of the "next business" motion being passed, the original motion and any amendments to it shall be deemed to have been disposed of and the meeting shall move to the next business.

E. Reports

Speakers to a report to the meeting, other than the person presenting the report, shall speak only once and for only 3 minutes unless raising points of order or information.

F. Voting

1. The Board of Directors shall appoint such number of tellers as shall be approved by the meeting at the time of their appointment. It shall be the duty of the tellers to ascertain and report to the Chair the number of votes cast for and against any motion on which a poll is taken and the number of abstentions.
2. No person may vote at the meeting unless they hold at all times a voting card of such a type as may be approved by the Board and issued in accordance with the Rules.
3. Each motion shall be decided by a show of voting cards unless a division thereon is demanded:
 - (a) No division shall be taken unless required by the Chair, or
 - (b) The decision announced by the Chair shall be challenged by not fewer than two thirds of the members present and voting who shall express their desire that a division be taken by raising their voting cards.
4. In the case of an equal number of votes being cast for and against a motion, the motion shall be deemed to have been not carried.

G. Suspension of Standing Orders

Any of these Standing Orders may be suspended provided that a motion to that effect is adopted by not fewer than two thirds of the members present and voting. Notice of the intention to move such a motion shall first be given to the Standing Orders Committee stating the nature and urgency of the business, the individual Standing Order or Orders affected and the length of time, not exceeding 30 minutes that the proposer desires the suspension to last.

..... Director

..... Director

..... Director

..... Secretary