



# Rules of the Methodist Ministers' Housing Society

(as amended at the AGM held on February 9 2017)

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

## RULES

### of the Methodist Ministers' Housing Society

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

(as amended at the AGM held on 9 February 2017)

## RULES

<b>INDEX TO RULES</b>	<b>PAGE NO</b>
INTERPRETATION	1-2
NAME AND REGISTERED OFFICE	2
OBJECTS AND POWERS	2-4
MEMBERSHIP	4-5
SHARE CAPITAL	6
BODIES CORPORATE	6
GENERAL MEETINGS	6-7
PROCEEDINGS AT GENERAL MEETINGS	7-9
BOARD OF GOVERNANCE	9-10
APPOINTMENT OF BOARD MEMBERS	10-11
CONFLICTS	12
PROCEEDINGS OF THE BOARD	13-14
POWERS OF THE BOARD	14
SECRETARY AND OTHER OFFICERS	14-15
INDEMNITY	15-16
APPLICATION OF PROFITS	16-17
AUDIT	17
MINUTES, SEAL, REGISTERS AND BOOKS	17-18
ANNUAL RETURNS AND BALANCE SHEETS	18-19
INSPECTION OF BOOKS	19
STATUTORY APPLICATIONS TO THE AUTHORITY	19
COPIES OF RULES TO BE SUPPLIED	19
AMENDMENT OF RULES	19-20
DISSOLUTION	20
NOMINATIONS AND PROCEEDINGS ON DEATH OR BANKRUPTCY	20

## INTERPRETATION

1. In these Rules, including this rule, unless the subject matter or context are inconsistent therewith -
  - (a) words importing the singular or plural shall include the plural and singular respectively;
  - (b) "**the Act**" shall mean the Co-operative and Community Benefit Societies Act 2014 or any Act or Acts amending or in substitution for the same and for the time being in force;
  - (c) "**Address**" shall mean a postal address within the United Kingdom or, for the purposes of electronic communications ("**electronic communication**"), a fax number, an email address or a text message number;
  - (d) "**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;
  - (e) "**the Authority**" shall mean the Financial Conduct Authority;
  - (f) "**the Board**" shall mean the Board appointed in accordance with rule 33, and "Board member" or "member of the Board" shall mean a member of the Board for the time being but shall not include a person co-opted to the Board under rule 34;
  - (g) "**Board chair**" shall mean chair of the Board elected pursuant to rule 47;
  - (h) "**clear days**" shall mean the period excluding the day on which notice is given or deemed to be given and the date of the event to which the notice relates;
  - (i) "**committee member**" shall mean a member of a committee of the Board established pursuant to rule 54;
  - (j) "**the Conference of the Methodist Church**" shall mean the annual Conference of the Methodist Church constituted in accordance with the provisions of the Methodist Church Act 1976 and the Deed of Union dated 20th September 1932;
  - (k) "**co-optee**" shall mean a person co-opted to the Board or a committee of the Board pursuant to rule 34, or rule 54;
  - (l) "**financial year of the Society**" shall mean the period from the first day of September in any year to the thirty first day of August in the following year;
  - (m) "**member**" shall mean one of the persons or corporate bodies referred to in rule 8;

- (n) "**the Objects**" shall mean the objects of the Society set out in rule 4;
- (o) "**officer**" shall include the chair and Secretary of the Society and any Board member for the time being and such other officers as the Board may appoint under rule 57;
- (p) "**persons claiming through a member**" shall include his or her personal representatives and also his or her nominees where a nomination has been made;
- (q) "**Property**" shall include all real and personal estate (including loan stock certificates, books and papers);
- (r) "**register of members**" shall mean the register kept in accordance with rule 66;
- (s) "**these Rules**" shall mean the registered rules of the Society for the time being;
- (t) "**Secretary**" shall mean the officer appointed by the Board to be the Secretary of the Society or other person authorised by the Board to act as his or her deputy;
- (u) "**the Society**" shall mean the Society whereof these are the registered rules;
- (v) "**tenants of the Society**" shall mean beneficiaries of the Society pursuant to the Objects who are in occupation of housing provided by the Society whether or not there is an equity sharing agreement in place between such persons and the Society;
- (w) "**United Kingdom**" shall mean Great Britain and Northern Ireland;
- (x) "**in writing**" shall mean written, printed or lithographed, or produced partly by one and partly another method, and any other modes of representing or reproducing words in a visible form including by e-mail, or fax (to the extent legally permissible).

## **NAME AND REGISTERED OFFICE**

2. The name of the Society shall be "Methodist Ministers' Housing Society".
3. The registered office of the Society shall be at Methodist Church House, 25 Marylebone Road, London NW1 5JR.

## **OBJECTS AND POWERS**

4. The Objects shall be to carry on the business of providing, within the United Kingdom and the Channel Islands, housing, or financial assistance towards the housing needs of, and any associated amenities upon terms appropriate to their means, for Methodist presbyters and deacons (formerly referred to as ministers

and deacons) who are in receipt of his or her full Methodist Church pension entitlement and their widows or widowers, such presbyters and deacons, widows or widowers being of limited means and for those in receipt of such provision, the further provision of, or assistance with the costs of, services or facilities calculated to reduce their conditions of need (whether age, ill-health, disability or financial), also upon terms appropriate to their means.

**5. In pursuance of the Objects the Society shall have power:**

- (a) to purchase, sell, build upon, lease, mortgage or exchange any property or land, and to enter into any contracts and settle the terms thereof;
  - (aa) to enter into equity sharing agreements with individuals who are beneficiaries of the Society pursuant to the Objects for the purposes of the purchase or lease of any property or land that will not be held subject to exclusively charitable trusts and in which the Society will only have a part interest, provided that the Board are satisfied that the terms of any such equity sharing agreement are in the best interests of the Society.
- (b) to compromise, settle, conduct, enforce or resist either in a Court of Law or by arbitration any suit, debt, liability or claim by or against the Society;
- (c) to determine from time to time the terms and conditions upon which the property of the Society is to be let, and to make, revoke, and alter and at all times enforce as it thinks fit such terms and conditions;
- (d) to borrow money for the Objects provided that the amount for the time being remaining undischarged of moneys borrowed shall not exceed £10,000,000 (ten million pounds);
- (e) to receive and accept from any person, whether a member or not, donations towards the work of the Society;
- (f) to invest the monies of the Society in such investments, securities or property as the Board may determine including but without prejudice to the generality of the foregoing shares of any investment fund constituted in accordance with the Methodist Church Funds Act 1960 and any investment for the time being authorised by the Act for the investment of funds;
- (g) to appoint an investment manager on such reasonable terms as the Society may think fit; provided that such investment manager shall act in accordance with the written instructions of the Board, shall keep the Board informed of the performance of the relevant investment portfolio, and shall have his or her appointment reviewed from time to time;
- (h) to hold the Society's investments in the name of any nominee or nominees instead of the Society's own name and to pay such nominees proper remuneration as the Board may from time to time think fit;

- (i) to appoint and remove all solicitors, architects, surveyors, engineers and other professional advisors, and employees of every description;
- (j) to pay all such expenses, including travelling expenses, as are properly incurred by any Board member or co-optee in the execution of his or her duties;
- (k) to insure the Society and its Property against any foreseeable risks, including indemnity liability; and pursuant to rule 58, to take out adequate trustee indemnity insurance to cover the liability and expenses of Board members which by virtue of any rule of law would otherwise attach to them in respect of negligence, default, breach of trust or duty of which they may be accused of or guilty. Provided that such trustee indemnity insurance shall not extend to any liability of a Board member resulting from conduct which the member knew was not in the best interests of the Society or conduct committed in disregard of such interests, or to costs or fines sustained in criminal proceedings;
- (l) to do all such other acts and things as are necessary or expedient for the fulfilment of the Objects.

6. The Society shall not receive money on deposit.

7. The Society shall not trade for profit.

## **MEMBERSHIP**

8. The Society shall consist of the present members and such other individual persons, societies, companies and other corporate bodies as the Board may admit without discrimination, including but not limited to age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

9. Every member shall hold one share in the Society.

10. An applicant for membership shall forward to the registered office together with his or her application the sum of one pound (which shall be returned to him or her if the application is not approved) and every application shall be considered by the Board at its next meeting after it is made, or so soon thereafter as is practicable. If the application is approved the name of the applicant and the other necessary particulars shall be entered in the register of members and one share in the Society shall be issued to the applicant.

11. No person who is under eighteen years of age shall be admitted to membership.

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

(a) he or she dies; or

(b) is expelled; or

- (c) withdraws from the Society; or
- (d) in the case of a body corporate, ceases to be a body corporate; or
- (e) is considered by the Board to have become incapable whether mentally or physically of managing his or her own affairs and a majority of the other members of the Board resolve that he or she must cease to be a member.

13. Any member may withdraw from the Society by giving the Secretary one month's notice in writing of his or her intention so to do.

14.

- (a) A member may be expelled by a resolution carried by the votes of two-thirds of the members present in person or by proxy and voting by ballot either:
  - (i) at an annual or a special general meeting of the Society of which notice has been duly given, provided that a complaint in writing of conduct detrimental to the interests of the Society has been sent to him or her by order of the Board not less than one calendar month before the meeting. Such complaint shall contain particulars of the conduct complained of and shall call upon the member to answer the complaint and to attend the meeting called under this rule. At such meeting the members shall consider evidence in support of the complaint and such evidence as the member may wish to place before them. If on due notice having been served upon him or her the member fails to attend the meeting without due cause the meeting may proceed in his or her absence; or
  - (ii) at an annual general meeting of the Society of which notice has been duly given, provided that such member has failed to attend the preceding three consecutive annual general meetings and a complaint in writing to this effect has been sent to him or her by order of the Board not less than one calendar month before the meeting.
- (b) A person expelled from membership shall cease to be a member at the expiration of twenty-eight days from the date at which the resolution to expel him or her was carried under paragraph (a)(i) or (a)(ii) of this rule.
- (c) Subject to there being sufficient funds for payment of all existing claims against the Society known to the Board, a member so expelled shall at the date of the resolution for his or her expulsion be paid the value of any loan stock held by him or her.
- (d) No person who has been expelled from membership shall be re-admitted except by a resolution carried by the votes of two-thirds of the members present in person or by proxy and voting by ballot at any general meeting of which notice has been duly given.

## **SHARE CAPITAL**

- 15.** The share capital of the Society shall be raised by the issue of shares of the nominal value of one pound each.
- 16.** Shares shall be neither withdrawable nor transferable, except in accordance with rule 81, and shall carry no right to interest, dividend or bonus, and shall not be held jointly. Shares shall be forfeited and cancelled on the expulsion or withdrawal of a member for whatever reason and the amount subscribed for the share in question shall become the property of the Society.
- 17.** On the termination of membership of the Society for any of the reasons set out in rule 12 above, the member's share shall be cancelled and the amount paid up thereon shall become the property of the Society, unless the member has died and has made a prior nomination in respect of the share in accordance with rule 81.

## **BODIES CORPORATE**

- 18.** A body corporate, being a member, may by resolution of its governing body appoint, and when necessary revoke the appointment of any person it thinks fit as a representative who shall during the continuance of his or her appointment be entitled to exercise at any general meeting of the Society all such rights and powers as the body corporate appointing him or her could exercise if it were an individual person. A copy of any such resolution signed by two members of the governing body and in the case of a local authority by the Chief Executive of the Council shall be sent to the Secretary.

## **GENERAL MEETINGS**

- 19.** The Society shall within six calendar months after the close of each financial year of the Society hold a general meeting which shall be called the annual general meeting.
- 20.** The functions of the annual general meeting shall be:-
  - (a) to receive the audited accounts and balance sheet referred to in rule 61;
  - (b) to appoint the auditor;
  - (c) to approve the appointments of Board members which have been provisionally appointed by a decision of the Board since the last annual general meeting;
  - (d) to determine any proposed amendments to the Rules in accordance with rules 76 to 78; and
  - (e) to transact other general business of the Society included in the notice convening the meeting.



21. All general meetings other than annual general meetings shall be called special general meetings and shall be convened either upon an order of the Board or upon a written requisition to the Society signed by not less than one-tenth of the members stating the purpose for which the meeting is to be convened. If within fourteen days after delivery of a requisition to the Society a meeting is not convened, the members who have signed the requisition may convene a meeting in the manner provided for in rule 22. A special general meeting shall not transact any business other than that mentioned in the notice convening the meeting.

22.

(a) A general meeting shall be convened by the secretary giving at least fourteen clear days which shall be in writing or given by means of electronic communication. Any such notice must be given to every member personally or sent to his or her address. The notice must specify whether the meeting is an annual or special general meeting, state the time, date and place thereof and the general nature of the business for which it is convened. The accidental omission to give any notice to, or the non-receipt of any notice by any member, shall not invalidate the proceedings at that general meeting.

(b) Any notice sent by post to a member of the Society shall be deemed to have been served on the third day following that on which it is posted and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed to him or her at his or her Address and stamped and posted. Any notice given to a member of the Society by means of electronic communication shall be deemed to have been served on the next day following that on which it was sent and in proving such service it shall be sufficient to prove that it was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators.

## **PROCEEDINGS AT GENERAL MEETINGS**

23.

(a) No business shall be transacted at any general meeting of the Society unless a quorum of members is present at the time the meeting proceeds to business. Six members or, if the number of members at any time exceeds sixty members, one-tenth thereof shall form a quorum.

(b) If no quorum is present within half an hour of the time appointed for the meeting, the meeting, if convened on a requisition of the members, shall be dissolved, but in any other case shall stand adjourned to the same day in the next week at the same time and place. If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the members present shall be a quorum.

24.

(a) The chair of the meeting may with the consent of a majority of the members present adjourn any meeting but no business shall be transacted at any adjourned meeting other than the business not reached or left unfinished at the meeting from which the adjournment took place.

- (b) Every adjourned meeting shall be deemed a continuation of the original meeting and any resolution passed at an adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 25.** At all general meetings of the Society the Board chair shall preside as chair. If there is no Board chair or if he or she is not present or if he or she is unwilling to act, the vice-chair of the Board shall preside. If there is no such vice-chair, or if he or she is not present or he or she is unwilling to act, then the members present shall elect a member (who shall be a member of the Board if any such person is present and willing to act) to be the chair of the meeting.
- 26.** Subject to the provisions of these Rules or of any Act of Parliament, 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.
- 27.** On a show of hands and in the event of a ballot every member 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.
- 28.** Unless a ballot is demanded, a declaration by the chair that a resolution on a show of hands has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, a record to that effect in the minutes of the proceedings of the Society shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.
- 29.**
- (a) A ballot may be demanded either before or immediately after a vote by show of hands, by not less than one-tenth of the members present at the meeting (in person or by proxy) or may be directed by the chair. A demand for a ballot may be withdrawn at any time before it is taken.
- (b) If a ballot is demanded or directed it shall be taken at such time and in such manner as the chair shall direct. The result of such a ballot shall be deemed to be the resolution of the Society in general meeting.
- 30.** The instrument appointing a proxy shall be in writing under the hand of the appointor or his or her attorney duly authorised in writing and shall be deposited at the registered office of the Society not less than two clear days before the day fixed for holding the meeting at which the person named in such instrument is authorised to vote, and in default the instrument of proxy shall not be treated as valid. Any question as to the validity of a proxy shall be determined by the chair of the meeting whose decision shall be final. A proxy need not be a member of the Society.

- 31.** 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.
- 32.** Subject to any special direction contained in the Act, except in the case of a resolution to remove a Board member or the auditors before the expiry of their term, members may pass a valid resolution without a meeting being held. But for the resolution to be valid:
- (a) it must be in writing;
  - (b) in the case of a special resolution it must be stated on the resolution that it is a special resolution, and it must be signed by at least 75 per cent. or such other majority as the Rules or Act provide of all those members (or their duly authorised representatives) entitled to receive notice of and to attend general meetings;
  - (c) in the case of an ordinary resolution it must be signed by a majority of all those members (or their duly authorised representatives) entitled to receive notice of and to attend general meetings;
  - (d) it may consist of two or more documents in identical form signed by members; and
  - (e) the passing of the resolution must comply with any other requirements of the law from time to time.

A written resolution is passed when the required majority of eligible members have signified their agreement to it. A written resolution passed in accordance with this Rule 32 has effect as if passed by the Society in a general meeting.

## **BOARD OF GOVERNANCE**

**33.**

- (a) The Society shall have a Board of Governance which shall manage the business of the Society.
- (b) The Board shall consist of up to but not exceeding eighteen, and not less than nine, persons (including any co-optees appointed pursuant to rule 34). No fewer than three, and no more than six of the Board members in office at any one time shall be tenants of the Society. A Board member who is not a member of the Society when appointed to the Board shall be admitted to membership of the Society at the first Board meeting after his or her appointment and shall be deemed to have submitted an application for membership under rule 10.

- 34.** The Board may from time to time co-opt any suitable persons whether members of the Society or not, to serve on the Board until the next annual general meeting unless the Board determines otherwise, and may remove such persons, and such persons may take part in the deliberations of the Board and vote at any

meetings thereof. Not more than three such persons shall serve on the Board at any one time.

## **APPOINTMENT OF BOARD MEMBERS**

**35.** Board members shall be appointed by decision of the Board. Every such appointment shall be subject to the approval of the members of the Society at the annual general meeting following such appointment. If such approval is withheld, the Board member concerned shall immediately vacate his or her office.

**36.** Every Board member shall:

- (a) be appointed for a fixed term not exceeding three years from the date of the annual general meeting at which his or her appointment is approved;
- (b) be eligible for re-appointment by the annual general meeting for a further fixed term not exceeding three years at the end of the first term;
- (c) be eligible at the end of the second term for reappointment on an annual basis by the annual general meeting, for a term not exceeding a total of three years; and
- (d) save as provided in rule 37 not be appointed for more than three successive terms and not serve for more than nine years consecutively (including as a co-optee) during such terms but shall be eligible for re-appointment, or co-option after a period of three years has elapsed since his or her previous term of office ended if this was the third of three successive terms. On such re-appointment the provisions in paragraphs (a) and (b) of this rule will apply.

**37.** Board members elected to serve as the Board chair or, vice-chair pursuant to rules 47 and 48, and Board members elected to chair any Board committees pursuant to rule 48, shall serve in those positions for a maximum term of six years assuming they are re-elected on an annual basis for such term.

**38.** A Board member shall be deemed to have vacated his or her office:

- (a) on expiry of his or her term or terms of office without re-appointment;
- (b) if by notice in writing to the Secretary that he or she resigns from the Board;
- (c) if he or she ceases to be a member of the Society;
- (d) If he or she is a co-opted Board member and is removed by the Board;
- (e) if he or she is considered by the Board to have become incapable whether mentally or physically of managing his or her own affairs and a majority of the other members of the Board resolve that he or she must cease to hold office; or
- (f) if he or she becomes bankrupt or makes any arrangement or composition with his creditors generally;

(ff) if he or she is disqualified from acting as a charity trustee by virtue of sections 178 – 180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision);

- (g) if he or she becomes barred from membership of the Board because of any order made under the Charities Act 2011 or the Company Directors Disqualification Act 1986, including but not limited to:
- (i) anyone who has been convicted at any time of an offence involving deception or dishonesty unless the conviction is legally regarded as spent;
  - (ii) anyone who is an undischarged bankrupt;
  - (iii) anyone who has made a composition with their creditors which has not been discharged;
  - (iv) anyone disqualified from being a company director;
  - (v) anyone subject to an order under Section 429(2)(b) of the Insolvency Act 1986; and
  - (vi) anyone who has been removed by the Charity Commission or a Court in England and Wales or Scotland from being a trustee because of misconduct;
- (h) if he or she shall for more than twelve consecutive months have been absent without permission of the Board from its meetings held during that period and the Board resolves by a majority of not less than two-thirds of its members that his or her office be vacated;
- (i) if he or she undertakes an activity or conducts himself or herself in such a way as in the opinion of not less than three-quarters of the other members of the Board (evidenced by a resolution of a meeting to that effect) the interests of the Society would be prejudiced;
- (j) if his or her appointment is not approved at the annual general meeting following such appointment as provided for in rule 35;
- (k) if the Society in general meeting resolves by a majority of not less than three-quarters of the members present and entitled to vote that he or she shall retire; or
- (l) if he or she is removed from office by a resolution not less than three-quarters of the other Board members present and voting at a Board meeting at which at least half of the serving Board members are present provided that prior to such a meeting the Board member in question has been given written notice of the intention to propose such a resolution at the meeting.

## **CONFLICTS**

- 39.** To the extent required by law every Board member shall fully disclose the circumstances giving rise to any conflict or potential conflict including any direct or indirect interest in a proposed or existing transaction.
- 40.** Where the duty of a Board member to avoid a situation in which he or she has or can have a direct or indirect interest or duty that conflicts or possibly may conflict with the interests of the Society including a wish or duty to exploit any property, information or opportunity would otherwise be infringed in relation to a particular situation, transaction or arrangement, the duty is not infringed if the procedure set out below is followed:
- (a) the matter in relation to which that duty exists has been proposed to the Board members at a meeting of the Board and has been authorised by them; and
  - (b) any requirement as to the quorum of such meeting is met without counting the Board member in question, or any other interested Board member, subject to rules 41 and 42; and
  - (c) the matter was agreed to without any such Board member voting, or would have been agreed to if the vote of any such Board member had not been counted, subject to rules 41 and 42.
- 41.** In such a conflict of interest situation (including any authorisation of non-disclosure of information), where there are insufficient unconflicted Trustees present at the meeting to constitute a quorum, the unconflicted Trustees present shall be deemed to constitute a quorum for the purposes of authorising the conflict under rule 40 and the manner of dealing with the conflict, provided that:
- (a) they may only give such authorisation where they are satisfied that the conflicted Board member or Board members will not receive any direct or indirect benefit other than one permitted by these Rules; and
  - (b) the total number of Board members at the meeting (whether conflicted or unconflicted) is equal to or higher than the quorum of the Board.
- 42.** In the event that all of the Board members present at the Board meeting are conflicted in respect of a particular conflict of interest situation, the conflicted Board members present at a meeting may authorise the conflict and the manner of dealing with the conflict and shall constitute a quorum for the purposes of such authorisation, provided that they satisfy the requirements set out in rule 41(a) and 42(b) above.
- 43.** The duty to deal with conflicts referred to in rule 40 applies in the case of the exploitation of property, information or opportunity even if the Society is not taking, or could not take, advantage of the opportunity.
- 44.** The Board members shall observe such other rules as the Board adopts, as to the management of conflicts of duty or interest.

## **PROCEEDINGS OF THE BOARD**

- 45.** The Board shall meet at least three times in every calendar year at such times and places and in such manner and through such medium as the Board members designate, provided that all Board members attending may hear and comment on the proceedings whether or not they are assembled in one place. Seven clear days' notice of the date and place of such meetings shall be given in writing or by means of electronic communication by the Secretary to all Board members and co-optees. Any such notice must be given to every Board member and co-optee personally or sent to his or her Address or e-mail address. Six Board members or half of the Board members (whichever shall be lower) shall form a quorum. The Board may determine a higher number for the quorum from time to time. In order for a Board meeting to be quorate no fewer than two of the Board members to be counted must be tenants of the Society.
- 46.** Notwithstanding any vacancies on the Board, the remaining Board members may continue to act. If at any time the number of Board members falls below the number necessary for a quorum or the number of Board members who are tenants of the Society falls below the minimum set out in rule 33 (b) the remaining Board members may act as the Board for a maximum period of six months but, if at the end of that period, the Board has not appointed Board members to make the number up to that necessary for a quorum or that required by rule 33 (b) as tenants of the Society as the case may be, the only power which the Board may thereafter exercise shall be the convening of a general meeting of the Society which may appoint such number of Board members as is required to bring the number of members of the Board to the number required to comply with rule 33 (b).
- 47.** The Board shall at its first meeting after each annual general meeting elect a chair from their own number to hold office until the commencement of the first Board meeting after the next annual general meeting. He or she shall be the chair of the Society, and shall be removable from the office of Board chair only by a vote of two-thirds of the members of the Board present at a special meeting called for that purpose.
- 48.** The Board shall elect a vice-chair of the Board at the first meeting of the Board following the annual general meeting in every year. The Board shall at the same meeting elect the chairs of any committees set up by the Board under rule 54.
- 49.** If at any meeting of the Board the Board chair is absent, the vice-chair shall chair the meeting. If the Board chair and vice-chair are both absent, the members of the Board present shall elect one of their number to be chair of the meeting.
- 50.** Meetings of the Board may be called either by the Secretary, in accordance with rule 45 above, by a notice in writing given to the Secretary by the Board chair, or by two Board members, specifying the business to be transacted thereat. The Secretary shall communicate every such notice to all Board members including persons co-opted to the Board as soon as possible after the receipt thereof, and the meeting shall be held not earlier than seven clear days and not later than fourteen clear days after the receipt by the Secretary of such notice. Should the Secretary fail to convene the special meeting as provided above, the Board chair, or the two Board members who have given the notice in writing may call the

meeting. No other business shall be done at the meeting than business named in the said notice.

51. Every question to be decided at a meeting of the Board shall be determined by a majority of votes of the members present and voting on the question. Voting will be by a show of hands. Where there is an equality of votes, the chair shall have a second or casting vote. If requested by a majority of the voting members present, or by the chair, the voting will be conducted by ballot.

## **POWERS OF THE BOARD**

52. The business of the Society shall be conducted by the Board which may exercise all such powers as may be exercised by the Society, and are not by these rules or by statute required to be exercised by the Society in general meeting, subject nevertheless to the provisions of these rules and any regulations not inconsistent with these rules made from time to time by the Society in general meeting. Any person acting in good faith and without prior notice shall not be concerned to see or inquire whether the powers of the Board have been restricted by any regulations so made. The Board shall in all things act for and in the name of the Society.

53. A receiver appointed by a mortgagee may assume such powers of the Board as he or she deems to be necessary to carry out his or her duties.

54. The Board may delegate any of its powers to committees of the Board which shall in the functions entrusted to them conform to the instructions given to them by the Board, and any such committee of the Board shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as they are applicable, and by any regulations which may be imposed on it by the Board. The committees shall consist of such Board members as the Board thinks fit with not less than four Board members serving on each committee. Each committee shall have the right to co-opt up to two further members at any one time subject to the prior approval of the Board. All acts and proceedings of committees shall be fully and promptly be reported to the Board.

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

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

## **SECRETARY AND OTHER OFFICERS**

57.  
(a) The Society shall have a Secretary and such other officers as the Board may from time to time determine who shall be appointed and may be removed by



the Board and who shall receive such remuneration (if any) as the Board shall determine.

- (b) The Secretary and the other officers, if any, aforementioned shall act under the superintendence, control and direction of the Board, and without prejudice thereto the Secretary shall in particular:-
- (i) summon and attend all meetings of the Society and of the Board and keep the minutes referred to in rule 64;
  - (ii) keep the register of members and other registers required to be kept by these Rules; give notice to the Authority within 14 days of any change in the situation of the registered office; prepare and send all returns required to be made to the Authority; have charge of the seal of the Society;
  - (iii) unless the Board otherwise direct, keep all the books of accounts and receive all contributions and other payments due from the members and other persons to the Society and pay over the amount so received as the Board direct;
  - (iv) produce or give up all books, documents and Property of the Society in his or her possession whenever required so to do by a resolution of the Board or of a general meeting.

## **INDEMNITY**

58. To the extent permitted by law from time to time, but without prejudice to any indemnity to which a Board member or other officer may otherwise be entitled the Society shall indemnify every Board member or other officer out of the assets of the Society against all costs and liabilities incurred by him which relate to anything done or omitted or alleged to have been done or omitted by him or her as a Board member or other officer save that no Board member may be entitled to be indemnified:

- (i) for any liability incurred by him or her to the Society or any associated company of the Society;
- (ii) for any fine imposed in criminal proceedings;
- (iii) for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
- (iv) for any liability which he or she has incurred in defending any criminal proceedings in which he or she is convicted and such conviction has become final;
- (v) for any liability which he or she has incurred in defending any civil proceedings brought by the Society or an associated company in which a final judgment has been given against him; and

- (vi) for any liability which he or she has incurred in connection with any application under the Charities Act 2011 in which the court refuses to grant him relief and such refusal has become final.

59. To the extent permitted by law from time to time, the Society shall provide funds to every Board member or other officer to meet expenditure incurred or to be incurred by him or her in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him or her as a Board member or officer, provided that he or she will be obliged to repay such amounts no later than:

- (i) if he or she is convicted in proceedings, the date when the conviction becomes final; or
- (ii) if judgment is given against him or her in proceedings, the date when the judgment becomes final; or
- (iii) if the court refuses to grant him relief on any application under the Charities Act 2011, the date when refusal becomes final.

#### **APPLICATION OF PROFITS**

60.

- (a) No portion of the income or Property of the Society shall be paid or transferred either directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to members of the Society.
- (b) Subject to paragraph (d) of this rule an annual general meeting may out of the profits set aside to reserve such sum (not exceeding the amount recommended by the Board) as it may direct, which may be applied in or towards carrying out the Objects.
- (c) If any amount has been set aside by the annual general meeting to reserve as aforesaid in paragraph (b), it may allocate out of the remainder of the profits such sum (not exceeding the amount recommended by the Board) as it may direct to be applied:
  - (i) in or towards the provision of housing, or financial assistance towards the housing needs of, and any associated amenities for and appropriate to the means of (a) Methodist presbyters and deacons who have retired prior to reaching full retirement age with the consent of the Conference of the Methodist Church on health or compassionate grounds and the widows or widowers thereof, such presbyters, deacons, widows and widowers thereof being of limited means; and (b) widows or widowers of Methodist presbyters and deacons who have died in active service, such widows and widowers being of limited means and for those in receipt of such provision, the further provision of, or assistance with the costs of, services or facilities calculated to reduce their conditions of need (whether age, ill-health, disability or financial), also appropriate to their means; and/or

- (ii) such sum as it may direct to a common fund to be used for such charitable purposes as the Board shall from time to time determine.

(d) Any of the profits not so applied shall be carried forward.

## **AUDIT**

61. The Society shall in accordance with the Act appoint in each year a qualified auditor or auditors (qualified under the Act) to whom the accounts for that year shall be submitted for audit, and who have all such rights and duties in relation to notice of and attendance and right of audience at general meetings of the Society, access to books, the supply of information, reporting on accounts and otherwise as are provided by the Act.
62. Subject to rule 63, the auditors shall be appointed by the Society at a general meeting, and the provisions of the Act shall apply to the re-appointment and removal and to any resolution removing or appointing another person in place of, any such auditors.
63. The Board may appoint an auditor to fill any casual vacancy occurring between general meetings.

## **MINUTES, SEAL, REGISTERS AND BOOKS**

64. Minutes of every general meeting and of every meeting of the Board and of any committee of the Board shall be kept and such minutes shall be approved at the next of such meetings respectively and signed by the chair of the meeting at which they are so approved. All minutes so signed shall be conclusive evidence of any fact stated therein.
65. The Society shall have a seal which shall be kept in the custody of the Secretary and shall be used only under the authority of a resolution of the Board, and the affixing of the seal shall be attested by the signatures of two Board members and the Secretary or such other officer of the Society as the Board may authorise for the time being. The Secretary shall report to every Board meeting on the use of the seal since the last meeting.
66. The Society shall keep at its registered office:
- (a) a register of members in which the Secretary shall enter the following particulars:
    - (i) the names and addresses of the members;
    - (ii) a statement of the share held by each member and the amount paid thereof;
    - (iii) a statement of other property in the Society whether in loans or loan stock, held by each member;

- (iv) the date at which each person was entered in the register as a member, and the date at which any person ceased to be a member;
  - (v) the names and addresses of the officers of the Society with the offices held by them respectively and the dates on which they assumed office.
- (b) a duplicate register of members in which the Secretary shall enter all the particulars in the original register of members other than those mentioned in paragraph (a) (ii) and (iii) of this rule. The inclusion or omission of the name of any person from the original register of members shall, in the absence of evidence to the contrary, be conclusive evidence that such person is or is not a member of the Society.
- (c) a register in which the Secretary shall enter such particulars of all mortgages and charges on land of the Society as the Board direct.
67. The Society shall keep proper books of account with respect to its transactions and to its assets and liabilities in accordance with sections 75 and 76 of the Act.
68. The Society shall establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances.
69. Where a member has informed the Society in writing of his or her consent, or has given deemed consent to receive notices, accounts or other documents from the Society by means of a website, such information will be validly given if the Society sends that member a notification informing him or her that the documents forming part of the notice, the accounts or other documents, may be viewed on a specified website. The notification must provide the website address, and the place on the website where the information may be accessed and an explanation of how it may be accessed. If the information relates to a general meeting the notification must state that it concerns a notice of a general meeting and give the place, date and time of the meeting. The notice must be available on the website throughout the notice period until the end of the meeting in question.

## **ANNUAL RETURNS AND BALANCE SHEETS**

70. Every year within the period prescribed by the Act the Secretary shall send to the Authority the annual return in the form prescribed by the Authority relating to its affairs for the period required by the Act to be included in the return together with (a) a copy of the report of the auditor on the Society's accounts for the period included in the return and (b) a copy of each balance sheet made during that period and of the report of the auditor on that balance sheet.
71. The Society shall supply gratuitously to every member or persons interested in the funds of the Society on his or her application a copy of the last annual return of the Society for the time being together with a copy of the report of the auditor on the accounts and balance sheet contained in the return.

72. The Society shall keep a copy of the last balance sheet for the time being together with the report made thereon by the auditor, always hung up in a conspicuous place at its registered office.

### **INSPECTION OF BOOKS**

73. Any member or person having an interest in the funds of the Society shall be allowed to inspect his or her own account and the books containing the names of the members, including all particulars in the duplicate register of members, at all reasonable hours at the registered office of the Society or at any place where the same are kept, subject to such conditions as to the time and manner of such inspection as may be made from time to time by the general meetings of the Society.

### **STATUTORY APPLICATIONS TO THE AUTHORITY**

74.

- (a) Any ten members each of whom has been a member of the Society for not less than twelve months immediately preceding the date of the application may apply to the Authority in the form prescribed by the Authority to appoint an accountant or actuary to inspect the books of the Society and to report thereon.
- (b) One-tenth of the whole number of members, or if less, 100 members may apply to the Authority in the form prescribed by the Authority –
  - (i) for the appointment of an Inspector or Inspectors to examine into the affairs of the Society and to report thereon; or
  - (ii) for the calling of a special general meeting of the Society.

### **COPIES OF RULES TO BE SUPPLIED**

75. The Secretary shall deliver a copy of these Rules to every person on demand on payment of a sum of five pounds.

### **AMENDMENT OF RULES**

76. Any rule of the Society may be rescinded or amended, or a new rule may be made in the manner provided in the following rule but no rule shall be amended or rescinded or a new rule made so as to cause the Society to cease to be a charity.

77.

- (a) Rules 4, 15, 16, 45, 60, 78, 80 and this rule 77 are hereby declared to be fundamental, and shall not be amended or rescinded except by (i) in the case of rules 60 (c) (i) and this rule 77 a resolution carried by nine-tenths and (ii) in the case of rules 4, 15, 16, 45, 60 (a), 60 (b), 60 (c) (ii), 60 (d), 78 and 80 a resolution carried by three-fourths of the votes given thereon at a special general meeting or at an annual general meeting of which notice has been given specifying the intention to propose such amendment or rescission.

- (b) Any rule not declared to be fundamental may be rescinded or amended, or a new rule may be made, by a resolution carried by two-thirds of the votes given thereon at any special meeting of which notice has been given specifying the intention to propose such rescission, amendment or new rule.

78. Application for the registration of every amendment of rules shall be made to the Authority in manner and form required by the Authority as soon as practicable after the same has been made, and a copy shall be issued to every member and supplied with every copy of these Rules issued after the registration thereof. No amendment of rules is valid until registered.

## **DISSOLUTION**

79. The Society may be dissolved by the consent of three-fourths of the members testified by their signatures to an instrument of the dissolution in the form provided by the Authority or by winding-up in the manner provided by the Act.

80. If on winding-up or dissolution of the Society there remains after the satisfaction of all its debts and liabilities any Property whatsoever the same shall not be paid to or distributed among the members of the Society but shall be applied to such charitable purpose as the Conference of the Methodist Church shall resolve.

## **NOMINATIONS AND PROCEEDINGS ON DEATH OR BANKRUPTCY**

81.

- (a) Upon any claim being made by the personal representative of a deceased member or the trustee in bankruptcy of a bankrupt member to any property in the Society belonging to the deceased or bankrupt member, the Board shall transfer or pay such property to which the personal representative or trustee in bankruptcy has become entitled as the personal representative or trustee in bankruptcy may direct them.
- (b) A member may in accordance with the Act nominate any person or persons to whom (subject to the provisions of the Act as to amount and the persons to whom a valid nomination may be made) any of his or her property in the Society at the time of his or her death shall be transferred. On receiving satisfactory proof of death of a member who has made a nomination the Board shall if and to the extent that the nomination is valid under the Act either transfer or pay in accordance with the Act the full value of the property comprised in the nomination to the person entitled thereunder.

**Member:**

Name:

Signature:

**Member:**

Name:

Signature:

**Member:**

Name:

Signature:

**Secretary:**

Name:

Signature:

**APPENDIX  
Forms of Instruments  
Proxy**

The instrument referred to in rule 30 shall be in the following form:-

I, [ ]  
of, [ ]  
a member of the Methodist Ministers' Society, hereby appoint  
[ ]  
of, [ ]  
as my proxy to vote for me on my behalf at the general meeting of the Society to  
be held on the day of and any  
adjournment thereof.  
Signed on the day of 20

**Nomination, Revocation and Variation**

The instruments of nomination, revocation and variation made by any member of the Society may be in the following form and shall be signed by the member and delivered to the Secretary of the Society:-

**(A) NOMINATION**

I, [ ]  
of, [ ]  
a member of the Methodist Ministers' Society, hereby nominate  
[ ]  
of [ ]  
as the person to whom I shall transfer at my death, such property in the Society as  
may be mine at the time of my death, whether in loan stock, loans or otherwise, not  
exceeding the limit of the amount for the time being authorised by law.

Dated , 20

Signature

Witness

(Signature, address and occupation)



(B) REVOCATION

Name of Society

I HEREBY REVOKE the nomination made by me on the

day of \_\_\_\_\_, 20 .

Dated \_\_\_\_\_, 20 .

Signature

Witness

(Signature, address and occupation)

(C) VARIATION

Name of Society

I HEREBY VARY the nomination made by me on \_\_\_\_\_ the day of \_\_\_\_\_, 20 .

as follows:-

(set out the variation desired)

Dated \_\_\_\_\_ . 20 .

Signature

Witness

(Signature, address and occupation)