

# COMPANY MEMBERSHIP FACTSHEET



## **What is a company member?**

A company member (sometimes known as a shareholder) is the guardian of the organisation. They can vote at General Meetings and are entitled to receive a copy of the annual report and accounts.

Company members are bound by obligations set out in the Rules of Alliance Homes. This means that members are required to act in the best interests of Alliance Homes and for the benefit of the community – in other words members cannot represent tenants in their street, block or area but must consider the business of Alliance Homes as a whole. Members are required to sign a statement to say that they will do this.

## **What does a company member do?**

Company members are invited to attend the Annual General Meeting (generally held in September) where they can vote on the agenda items such as approval of the auditors and election of Board members. There may also be Special General Meetings arranged for other purposes (such as a request to change to the Rules).

Voting rights are split equally between the two categories of membership: tenants (including leaseholders) and independents. No matter how many company members are in each of the two categories, each category has half of the vote at General Meetings.

Unlike profit-making organisations, company members do not receive any profit or dividend. Any surplus must be put back into Alliance Homes.

Company members do not get involved in running the organisation as this is the responsibility of the Board and Executive Team.

We are not allowed to make gifts and payments of dividends and bonuses to company members.

## **Who can become a company member?**

The rules relating to company membership are set out in the Company Membership Application Policy and the Rules of Alliance Homes.

Our Rules states that the following people cannot be company members:

- someone under 18 (a minor)
- a person who has been expelled as a company member, unless authorised by special resolution at a General Meeting
- an employee of Alliance Homes
- a person who has been removed as a Board member in accordance with the Rules
- a person who a registered medical practitioner has given a written opinion that the person has become physically or mentally incapable of acting as a shareholder and may remain so for more than three months.

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## Can company membership end?

The Rules set out that a company member shall cease being a member if they:

- withdraw from the association by giving notice to the Company Secretary
- do not participate in, nor deliver written apologies in advance for two General Meetings and the Board resolves to terminate their company membership as a consequence
- cease to be eligible under the Rules (summarised above)
- are in material or serious breach of their tenancy agreement or lease, or subject to a possession order (tenant shareholders)
- cease to be a Board Member (unless the board resolves that they shall remain as a shareholder)
- are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy order, or closure order
- die.

## How do I apply?

Please contact the Company Secretary for a copy of the Company Member Application Form and return the completed application form to the Company Secretary. You may also request a copy of the Company Membership Application Policy and the Rules of Alliance Homes if you wish.

If you are a tenant or leaseholder, we will check that you are not in breach of your tenancy or lease.

If everything is in order, the Company Secretary has delegated authority from the Board to approve your application for membership. The Board has absolute discretion to grant or refuse any application for company membership. The Board will ensure that the company's membership is balanced and not weighted in favour of any particular interest group.

The Company Secretary will confirm receipt of your application and keep you updated on the progress of your application.

## What happens next?

If your application is approved, you will receive a copy of the Rules of Alliance Homes and a membership certificate. You must also pay a sum of £1; this is a normal charge for membership. Your name and details will be added to our Company Membership Register and you will be informed of General Meeting dates and any other relevant business.

If you are not able to attend a meeting, you can give your apologies or ask another company member to vote on your behalf; this is known as a proxy vote and can be arranged via the Company Secretary.

**If you have any queries, please do not hesitate to contact the Alliance Homes Company Secretary, Philippa Armstrong-Owen on 01275 398096.**

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