

# Shareholding membership policy

**Version: 2.0**

**Document owner: Governance and Assurance Coordinator**

**See also:**

**Date last reviewed: April 2024**

**Date due for next review: April 2027**

This Policy will be applied in a way that will not discriminate on the grounds of the race, gender, marital status, disability, sexual orientation, religion or belief, pregnancy or maternity status, gender reassignment, or age of the employee concerned. It applies to all staff.



## **1. Introduction**

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- 1.1** Newlon Housing Trust (The Trust) is committed to maintaining a broadly-based shareholding membership, which facilitates accountability to the wider community with equality and diversity in its governance.
- 1.2** Anyone who shares a belief in the aims of the trust as expressed in its rules and policies, expresses an interest in and is able to promote its work, is eligible to apply for shareholding as long as they are not excluded by any of the circumstances set out in the Rules. All direct applicants must demonstrate a longstanding commitment to the wider Newlon resident base across different tenures. There are three categories of shareholder: individual, corporate and nominees of unincorporated bodies.

## **2. Shareholders**

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- 2.1** Residents may become shareholders provided they make up no more than one third of the membership. There must also not be over-representation in the shareholder base by residents who live in the same building.
- 2.2** Non-Executive Board members may become shareholders and if the Board approves selling them a share, they will be issued a share certificate on the payment of £1.
- 2.3** Employees are not eligible to be shareholders and former employees may not become shareholders within a year of leaving.

## **3. Applying to be shareholder**

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- 3.1** Application for shareholding is by letter to the Company Secretary, accompanied by a payment of £1. Each share carries no right to interest, dividend or bonus. Applications that comply with the principles in this policy and demonstrate the requirements in paragraph 3.2, will be considered at a Board Meeting and the Board has full authority to make a final decision. If accepted, a Share Certificate will be issued. If rejected, a full explanation will be given in writing.
  - 3.2 Individual shareholders**

Any individual, including residents of the Trust, may apply for membership providing they are not disqualified by any of the circumstances set out in the Rules.
  - 3.3 Corporate shareholders**

A Corporate Body may also apply for a share. It will nominate a specific individual to exercise its rights and may change this nomination at any time. The share will be in the name of the Corporate Body.
  - 3.4 Nominees of unincorporated bodies**

Unincorporated bodies may apply for membership stipulating the name of a person who is to be the nominee to exercise its rights. The share certificate will be made in the name of the nominee and the register will show the nominee followed by the name of the body. Should they wish to change the nominee, an application needs to be made in writing to the Company Secretary and the matter needs to be considered by the Board. If agreed, new certificates will be issued without further payment. (The Board has the right to refuse the original or renewed nomination.)
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#### **4. Rights and responsibilities of shareholding members**

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- 4.1** All shareholders must subscribe to the aims and objectives of the Trust and promote its work and comply with its Rules.
- 4.2** All individual shareholders have the right to apply for appointment to the Board through Newlon's Board Selection and Recruitment Policy. Shareholders may also recommend other persons to apply.
- 4.3** Those appointed to the Board will be bound by the National Housing Federation's Code of Conduct and Newlon's Code of Conduct for board members. Members are expected to ensure that they understand its provisions as they relate to their work.
- 4.4** Shareholders who do not participate in (or send apologies to) two consecutive AGMs, and the Board resolves to terminate their share, will cease to be members.

\*Following the Board's decision to accept a new shareholder, he or she will receive documents relating to Newlon's activity, including its Rules, Standing Orders, Code of Conduct, etc. that will clearly regulate the shareholder's role, rights and responsibilities.

If you have any questions, please contact the Company Secretary using [dataprotection@newlon.org.uk](mailto:dataprotection@newlon.org.uk)

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