

WDH Shareholders Policy

1. Obligation of Shareholders

- 1.1 Any person who is admitted to be a Shareholder agrees to be bound by the obligations on them as set out in the WDH Rules. When acting as a Shareholder they shall act at all times in the interests of the Association and for the benefit of the community, as guardians of the objects of the Association.

2. Policy Aims

- 2.1 The aims of this policy are to:
- set clear objectives for admitting new shareholders;
 - ensure that new shareholders are admitted in line with statutory and regulatory requirements as well as in line with WDH's Rules; and
 - ensure that the admittance practices are open and transparent.

3. Nature of Shares

- 3.1 The Association's share capital is raised by the issuing of shares. Each share has the nominal value of £1 and carries no right to interest, dividend or bonus. Shares are non-withdrawable and non-transferable.
- 3.2 When a Shareholder ceases to be a Shareholder or is expelled from the Association, such Shareholder's share shall be cancelled. The amount paid up on that share shall become the property of the Association, in accordance with Rule C4.

4. Nature of Shareholders

- 4.1 A Shareholder of the Association is a person whose name, address and email are entered in the Register of Shareholders.
- 4.2 The following cannot be Shareholders, in accordance with Rule C6:
- a minor;
 - a person who has been expelled as a Shareholder, unless authorised by special resolution at a General Meeting;
 - an employee of the Association or an employee of any other Group Member;
 - a person who has been removed by the Board in accordance with Rule D9; or
 - a person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the Association stating that the person has become physically or mentally incapable of exercising their rights as a Shareholder and may remain so for more than three months.
- 4.3 No Shareholder shall hold more than one share and each share shall carry only one vote.

5. Admission of Shareholders

- 5.1 WDH's policy is to operate a closed shareholding and therefore WDH shall only admit shareholders who are proposed also as prospective board members.
- 5.2 Applicants will be considered annually and new Shareholders will be admitted annually following an Annual General Meeting, with admission immediately following the approval of the resolution approving the appointment of the relevant prospective Board Member.
- 5.3 The only Shareholders of WDH will be those who are Board members. All Board members will be appointed in accordance with the agreed Board Succession Planning, Recruitment and Selection Policy, which is made in accordance with the Rules and Code of Conduct.
- 5.4 Those applicants who are successful in becoming Board members will also become a Shareholder. They shall pay the sum of £1 and their name and other necessary particulars will be entered in the Register of Shareholders. One share in the Association will be issued to the applicant, until such point that their shareholding ceases.
- 5.5 No one can become or remain a Board Member, and therefore a Shareholder, at any time, if they contravene any part of Rule D8.

6. Termination of membership

- 6.1 A Shareholder shall cease to be a Shareholder if they cease to be a Board Member in accordance with Rule C14.8.
- 6.2 A Shareholder will automatically cease to be a Shareholder if:
 - they die;
 - they are expelled under Rule C15;
 - they withdraw from the Association by giving at least one month's written notice;
 - they do not attend (either in person or by proxy) two consecutive Annual General Meetings (AGMs);
 - in the case of a body corporate, it ceases to be a body corporate;
 - in the case of the nominee of an unincorporated body, they transfer their share to another nominee;
 - they cease to be eligible to be a shareholder under Rule C6;
 - they cease to be a Board Member;
 - if they are a resident of WDH and they are in material or serious breach of their tenancy agreement or lease or are subject to a possession order or in breach of a suspended possession order or are subject to any of the following types of courts order: antisocial behaviour order, antisocial behaviour injunction, demoted tenancy or closure order;

- they are a resident of WDH and WDH has obtained an order of a competent court or tribunal against them for the recovery of monies due from them to WDH provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Shareholder upon failing to meet the terms of the order; and
- being a corporate body, it passes a resolution for the winding up (other than a solvent amalgamation or reconstruction) or a court makes an order to that effect or being an individual commits any act of bankruptcy, or ceases to carry on its business or substantially the whole of its business or becomes or is declared insolvent or commits any act of bankruptcy or convenes a meeting of or makes or proposed to make any arrangement or composition with its creditors or if a liquidator, receiver, administration trustee, manager or similar officer is appointed in relation to any of the assets of the shareholder or any analogous step is taken in connection with the Shareholder's insolvency, bankruptcy or dissolution.

7. Policy Review

- 7.1 This policy will be reviewed as a minimum every three years. This will be carried out by the Governance Team and presented to the Board for approval in accordance with Rule C11.