

Chapter 8

Obligations & Process

8.6 Rule amendments

- 8.6.1 G Societies must register rule amendments with us. A society can only start using the new rule when we have registered the rule amendment. We will confirm registration of rule amendments.

- 8.6.2 G Rule changes come into effect on the date we register them. We cannot register rule amendments retrospectively.

- 8.6.3 G Societies should send the rule changes to us using this form. Amendments can be complete or partial. Complete amendments mean a whole new set of rules is registered in place of the existing rules. Partial amendments change, add to, or delete some rules from the existing registered rules.
[Note: <http://www.fca.org.uk/your-fca/documents/forms/amendment-of-rules-for-a-society-or-credit-union-form>]

- 8.6.4 G For a complete amendment, we need two copies of the new rule book each signed by three members and the secretary of the society.

- 8.6.5 G For a partial amendment of rules, we need two printed copies of the amendment of rules, each signed by three members and the secretary of the society, plus a printed copy of the existing set of rules marked to show what the amendments are and where they fit. It is best to word partial amendments as directions to a member, telling them exactly what they should do to make the necessary changes in their own copy of the rule book.

- 8.6.6 G The amendments should be arranged in the numerical order of the rules affected. Rules should only be re-numbered on a complete amendment of rules. If many amendments are proposed, or if the rule has already been amended many times, we generally recommend that societies use a complete amendment. This means rescinding the whole rule book and replacing it with a new one. This makes it easier for members to understand. Where the change is simple, an amendment of the part affected may be enough.

- 8.6.7 G Regulated housing associations in Scotland and Wales must include consent from either the Scottish Housing Regulator or Welsh Ministers respectively with their rule amendments (apart from a change of name or registered office address). Regulated housing associations in England must provide consent from the regulator along with the rule amendment if the rule amendment:

- (1) alters the objects of the society;
- (2) makes provision about the distribution of assets to members; or
- (3) enables the society to become, or cease to be, a subsidiary or associate of another body.

8.6.8 **G** For charities on the Scottish Charity Register rule amendments relating to the society's purpose must be accompanied with consent from OSCR.

[Note: <https://www.oscr.org.uk/>]

8.6.9 **G** No rule amendment can bind a member to take, or subscribe for, more shares than they held at the date the amendment was registered, or increase their liability to give share or loan capital to the society unless the member gives written consent.

8.6.10 **G** We will assess the rule amendments to determine whether they are contrary to the legislation. We will also check that the rule amendment was made after adequate procedures e.g. if the society's rules require a two-thirds vote in favour of a rule change, we will want to know whether that vote was achieved.