

ACE CREDIT UNION SERVICES

RULE BOOK

1. Matters relating to the making of rules by the Board of Directors are set out in item 60 of the Memorandum and Articles of Association.

1.2 During the year, the Board of Directors may make such amendments as they feel necessary to the Rules during the year, but such changes must be notified to members in advance of the next AGM. Members may submit resolutions to the AGM (or at a Special general meeting) relating to the amendments, which must be passed by a two-thirds majority.

2. MEMBERSHIP

2.1 Membership groups will be as follows:

Group 1 – credit unions with 8000 or less members.

Group 2 – credit unions with over 8000 members.

Group 3 – credit unions paying a reduced affiliation fee.

Group 4 – non-credit union members.

2.2 Admission to membership will be as set out in items 5 – 10 of the Memorandum and Articles of Association and each individual over 18 years of age, credit union, study group, society, company or unincorporated association shall have one vote.

2.3 The Chief Executive Officer may decide on admission to membership on behalf of the Board of Directors, except where questions arise about the application which will then be decided by the Board of Directors.

2.4 Cessation of Membership will be as set out in item 11 of the Memorandum and Articles of Association of Ace Credit Union Services.

2.5 An application to join Ace Credit Union Services may be refused in accordance with item 8 of the Memorandum and Articles of Association.

3. MEMBERSHIP FEES

(a) Credit Unions

3.1 Each credit union shall pay an annual affiliation fee due in January, except where a credit union joins during the year, where it will pay a proportion of the fee based on the number of quarters remaining.

3.2 The fee for credit unions with 8000 or less adult members at 31 December each year shall be 50p per adult member. (Group 1).

3.3 The fee for credit unions with more than 8000 adult members at 31 December each year shall be at a fixed rate of £4000 (i.e. 8000 x 50p). Group 2 – (See special terms of membership in Section 14 below)

3.4 Credit unions experiencing financial problems may apply to the Board of Directors for a reduce rate, enclosing their last annual financial accounts and their last quarterly report to the regulatory body (Group 3). If granted, it will be reviewed annually.

3.5 No refund is available to credit unions who decide to resign during the year.

3.6 No fees are charged for a Study Group which has paid a fee to ACE Credit Union Services for Model Rules and training, until the credit union is registered.

b) All other members

The fee is £20 per annum payable in January (Group 4).

4. OTHER FEES

4.1 Training

Study Groups – training, model rules and policies and procedures are included in the fee which will be calculated by the CEO, taking into account factors such as the number of training sessions and the distance involved.

Training for established credit unions – to be calculated by the CEO, taking into account factors such as the number of training sessions and the distance involved.

4.2 Stationery – to be charged at cost plus postage.

4.3 Rule Books will not be sold to credit unions which are not affiliated to Ace Credit Union Services.

4.4 Credit unions that decide to affiliate to ACE Credit Union Services and wish to register ACE's model rules, will be given three free copies of the model rules.

4.5 Any credit union affiliated to ACE Credit Union Services who has received three copies of the model rules, will be charged £15 for each further copy.

4.6 Conferences & AGMs – 24 hour delegates and day delegates fees as charged by the hotel, plus a small percentage to cover loss of fees.

4.7 No delegate fees or travel costs will be paid for directors and staff except where they are directly involved in the planning, organising and running of the conference/AGM and are on duty during the conference.

5. MEETINGS

5.1 Annual General Meetings will be held in accordance with items 13 – 32 of the Memorandum and Articles of Association

5.2 Annual General Meetings will be held on Friday afternoon and Saturday, in the month of May, or as soon as practicable thereafter.

5.3 The place where the next Annual General Meeting will be held will be decided at a preceding Annual General meeting, but will move around the country to give access to all members.

5.4 At conferences and AGMs, directors are required to assist with organisational matters for the duration of the meetings. These may include acting as ushers, registration, distributing information and assisting speakers.

5.5 At the start of conferences/AGMs delegates will be asked to refrain from speaking during presentations. If delegates ignore this request, they will be asked to leave the meeting.

6. BOARDS OF DIRECTORS

6.1 Matters relating to the board of directors are set out in items 32 – 37 of the Memorandum and Articles of Association.

6.2 The Board will be made up of no less than 4 directors and no more than 14 Directors

6.3. Of the directors, every effort will be made to have two directors from Wales and two from Scotland.

6.4 The directors may co-opt any person to the board providing no more than three are co-opted between one Annual General Meeting and the next. In addition it must not cause the total number of directors to exceed 14 as per rule 6.2

6.5 When deciding who to nominate as directors, credit unions should take into consideration, the following factors: ability to attend meetings and to take part in

electronic meetings (e.g. SKYPE or Pow Wow Now); experience, knowledge of the regulations governing credit unions and up to date practice at a level that they can take responsible decisions affecting the credit union movement; preparedness to provide information and advice to members; and to have an active involvement in conferences and annual general meetings.

- 6.6 Credit union employees and ACE Credit Union Services employees may be elected as directors, but there should not be more than four directors in total on the board.

7. BOARD MEETINGS

- 7.1 Matters relating to board meetings are set out in items 39– 46 of the Memorandum and Articles of Association.
- 7.2 Board meetings will be held at a venue accessible across to directors. If such a venue cannot be identified, the board may be wholly or partially held by electronic means. Other arrangements may be made, for example to hold split meetings, if the directors agree and if decisions can be decided by a majority vote.

8. POWERS OF THE BOARD

- 8.1 Matters relating to board members are set out in items 47 – 51 of the Memorandum and Articles of Association.
- 8.2 Two directors and up to two members of staff shall be authorised to sign cheques, due to the difficulties of the geographical spread of directors across the country.

9. DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 9.1 Matters relating to disqualification and removal of directors are set out in item 51 of the Memorandum and Articles of Association.

10. REMUNERATION OF DIRECTORS

- 10.1 Matters relating to remuneration of directors are set out in item 53 of the Memorandum and Articles of Association.
- 10.2 Whilst travel and expenses will be paid whilst working on behalf of ACE Credit Union Services, employees, directors and volunteers must try to keep costs to a minimum and share transport wherever possible. Those who carry out regular work on behalf of Acre Credit Union Services will be issued with a pre-paid card.
- 10.3 The Board of directors will set the maximum amount that can be charged for meals, accommodation and fuel when using own car. This will be reviewed annually after each AGM.
- 10.4 All claims should be submitted promptly, but no later than within three months of the work undertaken, or they may not be paid, unless there extenuating circumstances.

11. SECRETARY AND OTHER EXECUTIVE OFFICERS & ACCOUNTS

- 11.1 Matters relating to appointment of officers and the accounts are set out in items 54 - 58
- 11.2 Matters relating to board meetings are as set out in items 39– 46 of the Memorandum and Articles of Association..
- 11.2 The Board of directors will appoint a chairperson and treasurer at the first meeting following the AGM.
- 11.3 No remuneration will be paid for these duties.
- 11.4 The treasurer will oversee a member of staff in keeping financial records of all transactions during the year which will be passed to an auditor and will assist the auditor in preparing the annual accounts.

- 11.5 The Board of directors will employ an auditor to prepare the accounts for submission to the board, AGM and Companies House.
- 11.6 At key meetings with the regulator and the Government the CEO will attend and one of the directors on a rotating basis.

12. APPLICATION OF SURPLUS

- 12.1 Matters relating to the application of surplus are set out in item 59 of the Memorandum and Articles of Association.
- 12.2 The Board of Directors are authorised to make payments not exceeding £1000 to support Object 4 of the Memorandum and Articles of Association.

13. DISSOLUTION

In the event of the dissolution or winding-up of the Company, after the satisfaction of all its debts and liabilities, the assets remaining shall be distributed among the Registered Credit Union members (Group1 and Group2 as per 2.1 above). The calculation of asset distribution will be done by the Board of Directors to an agreed formula immediately prior to dissolution up to an upper limit of £1,000 per Registered Credit Union, or as may be determined by a General Meeting. The money returned to Credit Unions in the event of dissolution, will be used to engage support and/or advice for the further development of the Credit Union.

This article will not apply in the situation of insolvency or liquidation.

14. TERMS OF MEMBERSHIP RELATING TO CREDIT UNIONS WITH MORE THAN 8000 MEMBERS (Group 2).

- 14.1 Such members will be entitled to all the services available to other members with the following exceptions:
- (i) Whilst ACE Credit Union Services will provide general advice on legal matters, legal advice and representation will not be available and credit unions must make provision for their own legal services.
 - (ii) Group 2 credit unions are restricted to electing one director from their number to serve on the Board of Directors to represent their views.
 - (iii) ACE Credit Unions will organise an annual meeting on their behalf. It will be the decision of Group 2 credit unions as to the place where this is held, the agenda and the taking of minutes. Decisions taken by this group must not breach ACE Credit Union Services' Memorandum and Articles of Association and these rules.

15. COMMUNICATING WITH MEMBERS

- 15.1 Communication with ACE Credit Union Services' members will be as far as possible by the use of the Internet – emails, the website (with its query box), Dropbox, newsletters, by telephone and postal services.
- 15.2 ACE Credit Union's registered office receives post, but there may be a delay in collecting this.
- 15.3 ACE Credit Union Services aims to respond to queries within two days. However, some queries will require more investigation and these could take longer. Those making more complex queries will be informed if there will be a delay and the reason and when they can expect a response or an alternative source to contact.

- 15.4 **Newsletters** – a minimum of four newsletters will be posted to all members of ACE Credit Union Services. They will be published at varying dates, depending on the amount of news available and any degree of urgency.
- 15.5 **Web site** – available on www.acecus.org with a query box. This provides information about ACE Credit Union Services and the latest news and is open to the general public.
- 15.6 **Open email to all members** – this will brief members on important matters and give them an opportunity to vote on issues between AGMs.
- 15.7 **Social media** – this is not used at present but may be developed at some future date.
- 15.8 Credit unions will be notified of offers of services from all firms received by ACE Credit Union Services, but credit unions will have to decide on their suitability.

16. DROPBOX

- 16.1 Dropbox is an Internet facility which contains all information available from ACE Credit Union Services. This includes model rules, policies and procedures, consultation documents, newsletters, reports or responses written by ACE Credit Union Services and other information that will further its Objects.
- 16.2 All directors, employees and volunteers who work for credit unions and organisations which are members of ACE Credit Union Services who make a request to access this site will receive an invitation, enabling them to install ACE's Dropbox onto their computers.
- 16.3 The conditions for using Dropbox are as follows:
 - (i) Items in Dropbox are confidential to ACE Credit Union Services and can only be shared with others who have access to Dropbox. Breach of this will lead to permanent loss of access to the site.
 - (ii) Whilst users can make use of any items to benefit their credit union or organisation, they must not drag items to their computer, as this will remove them from the site. Copy and paste must be used.

17. GENERAL MATTERS

- 17.1 ACE Credit Union Services will not accept commission from any firm, so that it is free to make recommendations without being tied to any one firm.
- 17.2 The Board of Directors will decide on a restricted number of firms to be included on the website, to tried and trusted firms.
- 17.3 Training is mainly provided by Barbara Hann and Andrew Breese, but other firms may be employed on particular topics.
- 17.4 **Complaints** – if you have a complaint ACE Credit Union Services aims to resolve it speedily. Minor complaints should be raised with the person you have been speaking to or who is assisting you, but more serious complaints can be raised with the CEO or you can request a copy of our policy and complaints form.

Came into force: 12 December 2012

Updated in January 2014 when affiliation fees were raised from 40p to 50p following a Resolution at the AGM in May 2013,