



## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the **162<sup>nd</sup> ANNUAL GENERAL MEETING** of The Chorley and District Building Society will be held on **Wednesday 26<sup>th</sup> May 2021** at The Chorley Building Society, Head Office, Key House, Foxhole Road, Chorley, Lancashire PR7 1NZ at **18:00 p.m.** to consider and vote on the resolutions and election and re-election of Directors set out below.

Due to the ongoing situation with COVID-19 and to protect Members, the Annual General Meeting will be a closed meeting which means that Members are unable to attend in person (other than a minimum number of employees who are also eligible Members, who will attend the meeting in order to meet the legal quorum requirements). Members are instead invited to view a livestream of the AGM.

### Ordinary resolutions

1. To receive the Auditor's Report.
2. To receive the Directors' Report, Annual Accounts and Annual Business Statement for the year ended 1 February 2021.
3. To consider and if thought fit, approve the Directors' Remuneration Report for the year ended 1 February 2021.
4. To consider and if thought fit, appoint Mazars LLP as Auditor.

### Special resolution

5. To consider and, if thought fit, pass the following resolution as a Special Resolution:

'That the Memorandum and Rules of the Society be amended in the manner specified in the document produced for the meeting and electronically signed by the Chairman for the purposes of identification'.

### Election and re-election of Directors

6. To consider and if thought fit, re-elect John Philip Sandford as Director.
7. To consider and if thought fit, re-elect Kevin Barry Bernbaum as Director.
8. To consider and if thought fit, re-elect Stephen Penlington as Director.
9. To consider and if thought fit, re-elect Kimberley Emma Roby as Director.
10. To consider and if thought fit, elect Gail Louise Teasdale as Director.

By order of the Board of Directors:

**Angela Kos FCCA, MSc, FCMI**  
**Finance Director**

31 March 2021

## Voting Conditions

1. These notes form part of the Notice of Meeting.
2. A Member entitled to attend the Meeting and vote may appoint one proxy to attend and vote on his or her behalf. You may appoint the Chairman of the Meeting or anyone else as your proxy and your proxy does not have to be a Member of the Society. Your proxy may vote for you at the Meeting but only on a poll. A poll is a formal vote which may take place after an initial vote by a show of hands. Please note that as the AGM is having to be held as a closed meeting as a result of the COVID-19 pandemic, if you appoint any person other than the Chairman of the Meeting as your proxy they will unfortunately not be able to attend and you will instead be treated as having appointed the Chairman of the Meeting to ensure that your vote is counted.
3. You may instruct your proxy how to vote at the Meeting. Please read the instructions on the voting form.
4. The voting date for those employee Members who will attend the Meeting in person in order to meet the legal quorum requirements is the date of the meeting which is 26<sup>th</sup> May 2021. For all other Members who are required to vote by proxy, the voting date is 19<sup>th</sup> May 2021.
- 5 In order to be eligible to vote at the Meeting, or appoint a proxy, you must qualify as either a **shareholding Member** or a **borrowing Member**.

### Shareholding Members

- a) **To qualify as a shareholding Member, you must:**
  - i. if you are an individual, be at least 18 years of age on 26 May 2021; **and**
  - ii. have held shares to the value of not less than £100 in the Society on 1 February 2021; **and**
  - iii. not have ceased to hold a share or shares in the Society at any time between 1 February 2021 and the voting date; **and**
  - iv. hold a share or shares in the Society on the voting date.
- b) **Where the shares are held jointly by two or more persons, only the first named in the records of the Society in respect of those shares, can have any voting rights.**

### Borrowing Members

- a) **To qualify as a borrowing Member, you must:**
  - i. be at least 18 years of age on 26 May 2021; **and**
  - ii. **have** owed the Society not less than £100 in respect of a mortgage debt on 1 February 2021; **and**
  - iii. owe the Society not less than £100 in respect of a mortgage debt on the voting date.
- b) **Where a mortgage debt is owed jointly by two or more persons, only the first named in the records of the Society in respect of that mortgage, can have any voting rights.**

1. In addition, **you can only vote once** as a Member, irrespective of:
  - a) the number of accounts you hold and whether you hold accounts in different capacities (for example, on your own behalf and as a trustee); and
  - b) whether you qualify to vote as both a **shareholding Member** and a **borrowing Member**.

## Rule changes

Resolution 5 (proposed amendments to the Memorandum and Rules of the Society) is a Special Resolution. The amendments to the Society's Memorandum and Rules (the **Rules**) are shown below, together with an explanation of the reasons for the proposed amendments. The proposed additions are shown in italics and underlined, with the deletions shown crossed out. You can view the full version of the Society's current Rules on our website at [www.chorleybs.co.uk/about-the-society/](http://www.chorleybs.co.uk/about-the-society/). If our Members pass the Special Resolution, the Rules will be updated after the AGM.

### What are we proposing to change?

The Society's Rules are our main constitutional document and set out the principles and basis on which the Society is governed including how Members' meetings are held.

We are proposing to update the Rules:

- to allow Members' meetings to be held electronically and/or in more than one physical location;
- to clarify the procedures for adjourned meetings;
- to clarify the quorum requirements for adjourned meetings;
- to improve the requirements regarding giving notice of meetings in the event of disruption to postal services; and
- to reflect the requirements of The Mental Health (Discrimination) Act 2013.

There are also some re-numbering and minor typographical changes to make to the rules.

### Why are we proposing to change the rules on how Members' meetings are held?

The COVID-19 pandemic and subsequent lockdown restrictions made the holding of Annual General Meetings in 2020 challenging. The last minute closure of meeting venues, rules around social distancing and movement restrictions meant that participation was severely limited. There is a clear Member benefit in updating the Rules to allow Member meetings to be held electronically or at more than one venue (or by a combination of both physical attendance and using an electronic platform), so that all Members who wish to do so can fully participate in the meeting whilst helping to make sure that we keep our Members and employees safe. We're proposing to update the rules to allow the Board to arrange for Members to attend a meeting at one or more venues and/or using an electronic platform if the Board decides it would be safe and appropriate.

### Why are we proposing rules relating to adjourned meetings?

The COVID-19 disruptions last year also focused our attention on the procedures in the event meetings are disrupted and need to be adjourned. We are proposing rules to clarify the procedure. This includes the notice requirements to inform Members of the time, venue and date of the new meeting.

### Why are we proposing to change the rules regarding quorum at adjourned meetings?

We are proposing to clarify the rules regarding quorum at adjourned meetings, by stating that there must be at least two Members present at the meeting.

### Why are we proposing to change the rules regarding the removal of Directors?

We are proposing to amend the rules regarding the removal of Directors to reflect the requirements of The Mental Health (Discrimination) Act 2013.

### Why are we proposing to change the rules regarding disruption to the postal service?

We are proposing to strengthen the rules regarding when notice is deemed to have been given to Members in the event of disruption to the postal service. Measures include ensuring notice is published on the Society's website in addition to either prominently displaying the notice at the Society's head office and branches or publishing the notice in two leading newspapers.

## Proposed rule changes

### To allow meetings to be held electronically and/or at more than one physical location.

To add new definitions in alphabetical order in the Interpretation section (Rule 1(a)) as follows:

"Electronic Platform" means such electronic and/or telecommunications facilities as may be approved by the Board from time to time that enable Members to attend and participate simultaneously in a general meeting without attending a physical meeting place;

"Secondary Meeting Place" means a secondary physical meeting place (or more than one such place) for a general meeting at which Members may attend and participate in the general meeting simultaneously via an audiovisual link to the principal physical meeting place, as an alternative to attending the principal physical meeting place;

Insert a new Rule 32 as follows:

#### 32. MEANS OF PARTICIPATION IN MEETINGS

(1) The Board may make arrangements for Members to attend and participate in Annual General Meetings and/or special general meetings by:

(a) attendance at a physical meeting place;

(b) simultaneous attendance and participation at a Secondary Meeting Place; and/or

(c) using an Electronic Platform.

(2) An Annual General Meeting and/or a special general meeting may be held:

(a) solely as a physical meeting; or

(b) subject to the Statutes, by offering Members the option to attend and participate at a physical meeting place (which may include a Secondary Meeting Place) or by using an Electronic Platform; or

(c) subject to the Statutes, solely as an electronic meeting accessible by using an Electronic Platform.

(3) A Member is present at an Annual General Meeting or special general meeting for the purposes of these Rules if:

(a) being an individual, he attends in person;

(b) being a body corporate, a Corporate Representative attends in that capacity in person; or

(c) a person appointed as his or its proxy or attorney (or any person specified in paragraph (7) of Rule 38) attends in person, including in each case, where permitted by the Board in accordance with these Rules, attendance at any Secondary Meeting place or by using an Electronic Platform.

(4) Where the Board decides that Members may attend and participate in an Annual General Meeting or a special general meeting by using an Electronic Platform, the notice of meeting given under Rule 33 shall set out details of the Electronic Platform for the meeting (and any access arrangements for such Electronic Platform shall be communicated to Members, either in the notice or otherwise).

(5) Details of any physical meeting place, Secondary Meeting Place and/or Electronic Platform that shall be stated in a notice of meeting given under Rule 33 shall constitute the place of such meeting.

(6) Arrangements shall be made for any documents which are required to be made available for inspection by Members at an Annual General Meeting or a special general meeting to be available for inspection at any Secondary Meeting Place (in addition to the principal physical meeting place) and by any Members who attend and participate in the meeting by using an Electronic Platform.

(7) Any persons wishing to attend an Annual General Meeting or a special general meeting (whether at any principal physical meeting place or any Secondary Meeting Place, or by using an Electronic Platform) shall be required to comply with any identification procedures and security arrangements as the Board shall reasonably specify from time to time.

To amend existing Rule 32(9) (now Rule 33(9)) as follows:

(9) ~~The Neither:~~

~~(a) the accidental omission to give, send or deliver a notice of meeting to, or~~

~~any Person entitled to receive it; nor~~

~~(b) the non-receipt of a notice of meeting by, any Person entitled to receive~~

~~notice shall not it; nor~~

~~(c) subject to compliance by the Society with applicable laws, the inability of any Person entitled to attend a general meeting to attend any physical meeting place (including any Secondary Meeting Place) and/or participate in the business of the meeting by using an Electronic Platform (whether as a result of any technical difficulties in relation to such Electronic Platform or otherwise).~~

~~shall invalidate the proceedings at that meeting.~~

### **To bring the Rules in line with the Mental Health (Discrimination) Act 2013**

To amend existing Rule 24(g)(ii) by deleting the existing text and inserting:

a registered medical practitioner who is treating that person gives a written opinion to the Society stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months.

### **To clarify the rules relating to quorum at meetings**

To amend existing Rule 34(1) (now Rule 35(1)) as follows:

(1) No business shall be considered at any Annual General Meeting or special general meeting unless a quorum is present at the time when the meeting proceeds to business and, subject to Rule 35(3) below in the case of an adjourned meeting, a quorum shall be constituted for all purposes as follows -

(a) except where sub-paragraph (b) below applies, by (x) Members present and entitled to vote on a show of hands under Rule ~~36~~38(5); and

(b) in the case of a special general meeting requisitioned under Rule 31(3), by (y) Members present and entitled to vote on a show of hands under Rule ~~36~~38(5).

To amend existing Rule 34(3) (now Rule 35(3)) as follows:

~~(3) The Members present at~~ At an adjourned meeting, two Members present and entitled to vote on a show of hands under paragraph (1) above to be included in the quorum for the meeting Rule 38(5) shall constitute a sufficient quorum.

To amend existing Rule 35 (now Rule 36) by deleting Rules 35(2) to 35(4), renumbering the remaining paragraphs of Rule 35 (now Rule 36) and making the following amendments to Rules 35(5) and 35(6) (now Rules 36(2) and 36(3)):

~~(5) (2)~~ Subject to the Statutes and these Rules every question submitted to an Annual General Meeting or special general meeting shall be decided by a simple majority and such votes shall be taken in the first instance by a show of hands unless, before the show of hands, a poll is validly demanded under Rule 36(3).

~~(6) (3)~~ A poll may (before or on the declaration of the result of the show of hands) be demanded by –

(a) the Chairman of the meeting, or

(b) 10 Members who are entitled to vote at the meeting and are present in person, by proxy, by attorney, by Corporate Representative ~~representative~~ or by a Person specified in Rule ~~36~~38(7),

and the in the event of such a demand, a poll shall be taken in accordance with paragraph ~~(40)~~7 of this Rule, but no poll shall be permitted upon a resolution to appoint a Chairman.

### To clarify the procedures for adjourned meetings

To insert a new Rule 37 as follows:

#### 37. ADJOURNED MEETINGS

(1) The Chairman of the meeting may, notwithstanding the presence of a quorum (and shall, if so directed by a resolution of the meeting), adjourn the meeting from time to time and from place to place but, except as provided in Rule 36(7), no business shall be transacted at any adjourned meeting other than the business left unfinished or not reached at the meeting from which the adjournment took place.

(2) Every adjourned meeting shall be deemed a continuation of the original meeting but any resolution passed at an adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

(3) When a meeting is adjourned for 30 days or more, a notice specifying the hour, date and place of the adjourned meeting shall be given to Members as provided in Rule 33(3). The notice shall also state that -

(a) a Member entitled to attend and vote may appoint one proxy to attend and, on a poll, vote at the meeting instead of him, and

(b) the proxy need not be a Member of the Society, and

(c) the Member may direct the proxy how to vote at the meeting.

Where a meeting is adjourned for less than 30 days, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at such an adjourned meeting.

(4) The appointment of a proxy made in accordance with Rule 39 shall, unless provided otherwise in the instrument appointing such proxy, be valid for any adjournment of the meeting. Nothing in this paragraph (4) shall prevent a Member from submitting a new instrument appointing a proxy in relation to the adjourned meeting, which shall take precedence over any earlier instrument, or from attending the adjourned meeting in person if the Member wishes to do so.

(5) The adjournment of a meeting shall not affect the validity of the business that was concluded at the meeting from which the adjournment took place, prior to the adjournment of such meeting.

To amend existing Rule 39(10) (now Rule 41(10)) as follows:

(10) The Board shall announce the result of the postal ballot by -

(a) ~~an advertisement in at least one national daily newspaper, and~~ a notice published on the Society's website;  
and

### To amend the rules regarding disruption to postal services

To amend existing Rule 47(4) (now Rule 49(4)) as follows:

(4) If, by reason of the suspension or curtailment of postal services, the Society is unable to give notice by post in hard copy form of a meeting, then such notice shall be deemed to have been given to all Members entitled to receive such notice in hard copy form if the Society complies with paragraph 35 of Schedule 2 to the Act and notice is published on the Society's website and is advertised either:

(a) by a notice displayed in a prominent position at the Society's Principal Office and at all branch offices; or

(b) in at least two leading daily newspapers widely circulated in the United Kingdom.

Such notice shall be deemed to have been duly served on all Members entitled to receive notice of such meeting at noon on the ~~day~~ earlier of the date on which the notice is first displayed at all branch offices in accordance with paragraph (a) and the date on which the second of such newspaper advertisements appears. ~~In any such case the Society shall:~~ (a) ~~make such~~ in accordance with paragraph (b) (as the case may be). ~~The notice shall~~ continue to be available on an appropriate ~~the Society's~~ website of the Society from the date of such advertisement until the conclusion of the meeting; and ~~(b) the Society shall~~ send confirmatory copies of the notice to those Members entitled to receive notice of the meeting by post in hard copy form if, at least seven days before the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

### Re-numbering and minor typographical changes to the Rules

As a result of inserting a new Rule 32 and new Rule 37 as above, all subsequent rule numbers (and any rules which reference Rule 32 and Rule 37 or subsequent rules, including any relevant references to rule numbers in the Interpretation section of the rules) will be amended and updated to reflect revised rule numbers.

In addition, the following minor typographical changes will be made:

The definition of "Regulator" will be amended by replacing *Financial Services Authority* with *Financial Conduct Authority*.

In Rule 1 (Interpretation):

- The definition of "Regulator" will be amended as follows: "*Regulator means the Financial Conduct Authority or any successor or successors established by the Statutes ~~the relevant body established under the Financial Services and Markets Act 2000~~*".
- The word "and" will be added to the end of (ii) of the definition of "Special Resolution".
- The words "and any" will be deleted from the definition of "Statutes" and the words "Any reference in these Rules to the provisions of any particular statute shall be construed as if these Rules were an enactment to which section 17(2) of the Interpretation Act 1978 applies" will be moved from the definition of "Statutes" to form a new Rule 1(b). Rules 1(b) through to 1(g) will be re-numbered to Rules 1(c) to 1(h) to take account of the addition of the new Rule 1(b).
- The word "or" will be added at the end of paragraph (d)(ii) (now (e)(ii)).

At Rule 24(i) replace "IV" with "4A"

At Rule 36(5) (now Rule 38(5)) the words "or by a representative" will be deleted.

At Rule 37(3) (now Rule 39(3)) the words "or by a representative" will be deleted.

**Chorley and District Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority Registered on the Financial Services Register under number 206023**

Signed:



(Chairman)

Date: 31 March 2021