

**To : The Members  
North Edinburgh and Castle Credit Union Ltd.  
(trading as Castle Community Bank)**

**From : Margaret Strachan, Chief Operating Officer**

## **Revised Rule Book**

### **Background**

The current Castle Community Bank (CCB) Rule book has been in operation for 18 months and it has come to light that a few minor changes are required to meet the current business needs. As the changes mean a change to the numbering of the rules under the FCA Mutual rules these changes are classified as "A Complete Amendment to the Rules".

### **Key Changes**

The primary changes in the revised CCB Rule Book are:

- Clause 4(b) added to cover changes to CU Act 1979 which extends the permitted financial activities
- Investment limit increased from £20m to £250m
- Common Bond amended to include persons who have a linked occupational pension for employment codes in Annex A
- Religious common bond criteria amended to be all inclusive
- Spread of surplus - disbursement to loan members deleted
- Differential created between Member and Investor to permit non UK investors
- Correction of numerous typos and incorrect reference information

All of these changes will give CCB additional flexibility which will be beneficial to CCB particularly the changes relating to investment.

### **Actions Taken**

The revised CCB Rule Book has been submitted to the FCA on 5<sup>th</sup> February accompanied with the relevant Statutory Declaration for consideration.

### **Action**

The Members are asked to approve the proposed changes to the CCB Rule Book and the actions taken to-date.

**Margaret Strachan  
Chief Operating Officer  
February 2024**