

Community Shares

Community Shares Standard Mark Code of practice for societies

Introduction

The Community Shares Standard Mark is awarded to share offers that meet the Community Shares Unit's standards of good practice. The Mark is owned and managed by the Community Shares Unit (CSU), overseen by the **Co-operative and Community Capital Committee**, member group of Co-operatives UK.



Registered societies are normally exempt from statutory regulation by the Financial Conduct Authority when promoting community share offers to the public. The public has no right of complaint to the Financial Ombudsman Service and their investment is not protected by the Financial Services Compensation Scheme.

The Standard Mark is a voluntary form of regulation based on independent reviews by Licenced Community Shares Assessors who check whether a community share offer meets standards of good practice, as set out in the Community Shares Handbook.

Responsibility for the contents of the offer document rests with the society and Directors. By obtaining the Mark, a society shows that it has embraced standards of good practice and is open to independent scrutiny.

The Mark is not backed by any form of financial compensation scheme. The powers of the CSU are limited to awarding the Mark, and removing it from offers that fail to maintain standards or abide by good practice. Societies awarded the Mark are required to agree to the code of good practice, which is set out below.

Code of practice

In applying for the Community Shares Standard Mark a society agrees to the following conditions:

- The society and its Directors will endeavour to abide by good practice, as set out in the Community Shares Handbook.
- The society agrees for the initial and final Standard Mark assessments and associated documentation, share offer document, business plan, rules of the society and any appendices to be shared with the CSU.
- The society agrees that the above documentation can be used by the CSU for practitioner training purposes including ongoing Continual Professional Development (CPD) of all community shares practitioners.
- If a society is not satisfied with the outcome of the Mark review it should discuss this with the licensed assessor in the first instance. If the matter is not resolved to its satisfaction, it should then contact the CSU, which will investigate the matter and act on its findings.
- All public share offer documentation will bear the Standard Mark, boiler plate information and a link to the community shares webpage.
- The Community Shares Standard Mark is awarded to a share offer, not the society. In the case of time-bound offers, the award covers the period of the offer as expressed in the offer document. In the case of open offers, the award is valid until the society decides to introduce substantive changes to its offer, at which point the society should seek re-approval for its revised offer documentation. The society will only display the Mark on share offer documentation approved for this purpose. No unapproved documentation can be used to promote the share offer.



- Any new share offer will agree a new Code of Practice to be signed.
- The society and its Directors agree to honour the terms and conditions of the share offer as set out in the approved share offer documentation.
- The society will respond within four weeks to all correspondence regarding its share offer. It will keep a copy of this correspondence, which will be made available to the CSU if the correspondent subsequently lodges a formal complaint.
- The CSU will investigate all complaints it receives about share offers that carry the Mark, checking first that the society has already been contacted by the complainant and has had the opportunity to deal with the matter.
- The society will share all correspondence relating to the complaint with the CSU and the licensed assessor who awarded the Mark. In return, the CSU will give the society and the licensed assessor a copy of the complaint, and invite them to comment on it and propose a course of action.
- The CSU will review the submissions of the complainant, the society and the licensed assessor, and produce a report informing all parties of the outcome of its investigations and what action, if any, it proposes to take. Both the society and the practitioner have the right to appeal against this course of action.
- If, because of a complaint, the CSU recommends that changes are made to the terms and conditions of a live share offer, the society must immediately suspend the offer and seek the approval of its Directors to make these changes.
- If the Directors approve these changes to the terms and conditions of a live share offer the society must contact all applicants to that offer to tell them of these changes, and give them the option to withdraw their application, or share capital, without an administrative charge.
- If the CSU and the society are unable to agree on a course of action, then the CSU will remove the Mark from the share offer, and publish the reasons for taking this action on its website. The society must inform all applicants that the Standard Mark has been removed from the offer, and give them the option of withdrawing their application, or share capital, without an administrative charge.

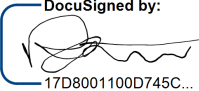
The society has the right to appeal against any decision by the CSU which affects its activities. To exercise this right of appeal you must first inform the CSU of your complaint -will then seek to resolve the matter to your satisfaction. If this is not successful, your complaint will be referred to a mutually acceptable independent person or body, whose judgement will be final.

Society agreement

We agree to adopt this voluntary code of practice in relation to our Standard Mark awarded community share offer.

Name of society: **The Raven Inn Community Benefit Society Limited**

Name of authorised signatory: **Peter Sturman**

Signature: 17D8001100D745C...

Date: **10/7/2022**