

THE SECOND SCHEDULE
before referred to

Procedure in relation to Expulsion under Clause 15

1. Not less than 28 days before giving an Expulsion Notice the Board shall serve on the Participating Society concerned and on every member of its Board of Directors a notice (a "Default Notice") stating that the Board proposes to give an Expulsion Notice and specifying the considerations which has led the Board to conclude that such an Expulsion Notice should be given.

2. The Board shall consider any representations with respect to the Default Notice which may be made to it by the Participating Society within such period as the Board may allow, not being less than 14 days from the date on which the Participating Society is served with the Default Notice, and if the Participating Society so requests shall afford it an opportunity of being heard by the Board within that period.

- (i) On giving an Expulsion Notice the Board shall serve the Expulsion Notice on the Participating Society and shall serve on every member of its Board of Directors a copy of same.
- (ii) The Expulsion Notice and copies served in accordance with subparagraph (i) above shall be accompanied by a letter specifying the considerations which have led the Board to conclude that an Expulsion Notice should be given.
- (iii) The Board shall not have power to give such an Expulsion Notice unless all the considerations so specified were those or among those which were specified in the Default Notice under paragraph 1 above.

4. A copy Notice under this Schedule may be served on a member of the Board of Directors of a Participating Society by sending it by post addressed to him at his address or latest address as notified by him or by the Participating Society.

5. Failure to serve a copy Notice under this Schedule on any individual Director of a Participating Society shall not affect the validity of an Expulsion Notice.