

Articles of Association of The Federation of Master Builders Limited (‘FMB’)

September 2021

Contents

Part 1 – Interpretation and Limitation of Liability
Objects and Powers

Part 2 – Directors
Directors' powers and responsibilities
Decision-making by Directors
Appointment of Directors

Part 3 – Members
Becoming and ceasing to be a Member
Organisation of General Meetings
Voting at General Meetings

Part 4 – Administrative Arrangements
Directors' Indemnity and Insurance

Limited Company Details

Part 1 Interpretation and Limitation of Liability

DEFINED TERMS

The regulations contained in Schedule 2 of the Companies (Model **Articles**) **Regulations 2008 (512008/3229)** (the “**Regulations**”) shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

In the Articles, unless the context requires otherwise:

“**Articles**” means FMB’s Articles of Association;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“**Board**” means the board of legal Directors;

“**Chair**” has the meaning given in Articles 37 and 38;

“**Chair of the meeting**” has the meaning given in Article 82;

“**Code of Conduct**” means the Code of Conduct of FMB, as amended from time-to-time;

“**Companies Act**” means the Companies Act 2006;

“**the Construction Industry**” means the construction and built environment industry (hereinafter referred to as ‘the construction industry’) in all its branches (including the design, construction, installation, maintenance, repair and renewal of all kinds of buildings, building equipment, building materials and appliances) and also such ancillary activities and allied trades as are recognised within the construction industry by trade, custom, practice, usage or qualification to be ancillary or allied to the construction industry;

“**Director**” means a legal director of FMB, and includes any person occupying the position of Director, by whatever name called;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form or by post;

“**electronic form**” has the meaning given in section 1168 of the Companies Act 2006;

“**Master Builder**” means any party actively engaged in work within the Construction Industry or its allied trades;

“**Member**” has the meaning given in section 112 of the Companies Act 2006, being that the subscribers of a company’s memorandum are deemed to have agreed to become members of the company, and on its registration become members and must be entered as such in its register of members. Every other person who agrees to become a member of a company, and whose name is entered in its register of members, is a member of the company;

“**Objects**” means the objects set out in Article 2;

“**ordinary resolution**” has the meaning given in section 282 of the Companies Act 2006;

“**Original Member**” has the meaning given in Article 78;

“**participate**” in relation to a Directors’ meeting, has the meaning give in Articles 29 – 33;

“**proxy notice**” has the meaning given in Article 95;

“**quorum**” means the minimum number of voting members who must be present (physically or by proxy) at a meeting to make the proceedings of that meeting valid;

“**Rules**” means the rules of FMB as may be set at the AGM from time-to-time;

“**special resolution**” has the meaning given in section 283 of the Companies Act 2006;

“**subsidiary**” has the meaning given in section 1159 of the Companies Act 2006;

“**UK Areas**” means the areas of England (being South West, Southern Counties, Central, London, North West, Northern Counties, Yorkshire and Trent) Scotland, Wales and Northern Ireland or those areas of FMB as determined by the Board from time-to-time;

“**UK Area Board**” means the board in each UK Area;

“**writing**” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on FMB.

“**year**” means a calendar year

Liability of Members

1. The liability of each Member is limited to 25 pence, being the amount that each Member undertakes to contribute to the assets of FMB in the event of its being wound up while they are a Member or within one year after they cease to be a Member, for
 - (a) payment of FMB’s debts and liabilities contracted before they cease to be a Member,
 - (b) payment of the costs, charges and expenses of winding up, and
 - (c) adjustment of the rights of the contributories among themselves.

Objects

2. The Objects of FMB shall be:
 - (a) to organise, represent, and promote, protect and support and advance the interest and education of Master Builders as employers in the Construction Industry, and to represent

Master Builders in the negotiation of terms and conditions of employment within the Construction Industry and allied operations;

- (b) to regulate relations between employers and employees in the Construction Industry and allied operations; and
- (c) to maintain a principle of consistency amongst all UK Area Boards to ensure full compliance with these Articles and the Rules by all Members.

Powers

3. In carrying out the above Objects the Company may exercise all powers under the Companies Acts including the following powers:
 - (a) to co-operate with and cultivate good relations with other employer associations and combinations of employees within the Construction Industry on all matters affecting the general and common interests of the construction industry and allied operations;
 - (b) to render to the Members of FMB such assistance as may be deemed desirable in the interests of the Construction Industry and allied operations;
 - (c) to encourage, promote and protect the Construction Industry in the United Kingdom and elsewhere and generally to watch over and protect the interests of employers in the Construction Industry and of others having commercial and professional relationships with the Construction Industry and allied operations;
 - (d) to promote and encourage the settlement of disputes between employers, and between employers and persons employed, by negotiation, mediation, or by other lawful means;
 - (e) to originate and promote improvements in the law, and to support or oppose alterations therein, and to effect improvements in administration and, for the purposes aforesaid, to petition Parliament, and take such other steps and proceedings as may be deemed expedient;
 - (f) to provide information on all matters affecting the Construction Industry and allied operations and to print, publish, issue and circulate whether gratis or otherwise such papers, periodicals, books, circulars and other literary undertakings as may seem conducive to any of these

objects, and to arrange and promote the use of contracts and other documents used in the Construction Industry and allied operations;

- (g) to encourage excellence in construction;
- (h) to investigate and make known the nature and merits of technical and other innovations which may seem capable of being used by persons engaged in the Construction Industry and allied operations;
- (i) to establish, undertake, superintend, administer and contribute to any charitable or benevolent fund from which to make donations or advances to deserving persons who may be or have been engaged in the Construction Industry and allied operations, and to contribute to or otherwise assist any charitable or benevolent institution or undertaking;
- (j) to undertake and execute any trusts which may seem to FMB conducive of any of its objects;
- (k) to borrow any monies required for the purpose of FMB upon such terms and on such security (if any) as may be determined;
- (l) to purchase, take on lease, exchange, hire or otherwise acquire any real and personal property and any rights or privileges necessary or convenient for the purposes of FMB and to construct, alter, and maintain any buildings required for the purposes of FMB;
- (m) to sell, improve, manage, develop, lease, dispose of, turn to account, or otherwise deal with all or any part of the property of FMB;
- (n) to invest the monies of FMB not immediately required in or upon such securities or otherwise in such manner as may from time-to-time be determined;
- (o) to promote and encourage educational and training projects within the Construction Industry, and, in particular, with regard to apprentice and operative training;
- (p) to establish, promote, undertake, superintend, administer and contribute to any fund, scheme or arrangement for the provision of pensions or other retirement benefits for or in respect of all or any of its own officials or any other persons employed in the Construction Industry, and on their behalf

to promote and incorporate any company or companies not paying any dividend to or distributing assets among its or their Members and formed for the purpose of acting as a trustee or trustees or of carrying on the business of pensions administration;

- (q) to represent and promote the interests of Master Builders to any European political, industrial or other organisation and to confederate with other construction trade associations in Europe as a means to these objectives where deemed necessary;
- (r) to do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

Part 2 - Directors

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

4. Subject to the Articles and the Rules, the Board is responsible for the management of FMB's business, for which purpose they may exercise all the powers of FMB, in furtherance of the Objects.
5. The Board shall consist of:
 - (a) the Presidential Team as defined in Article 13;
 - (b) the Directors elected by their UK Area under Article 6; and
 - (c) up to two co-opted persons ("CPs") co-opted under Article 12.
6. Each UK Area Board is entitled to send one representative to the FMB Board, who will become a legal Director of the FMB. UK Area Board representatives will hold office for a fixed-term of two years, when they will be eligible for re-election by their UK Area Board, following the procedures set out in the FMB Rules.
7. Any Person appointed as a Director must be one of the following: a Director of a Limited Company which is a current member of the FMB, a Partner in an LLP which is a current member, a sole trader who is registered as a current FMB member, or an employee of one of the above.
8. Members elected to the Board, including CPs, shall receive an induction into their role as a legal Director of the FMB, which shall be arranged by the CEO, with relevant senior staff and the Presidential Team, as appropriate, and will include familiarisation with the FMB Code of Conduct.
9. The Board shall have the following general powers, responsibilities and functions:
 - (a) the control and direction of the policy of FMB;
 - (b) to appoint and disband all committees ("Committees") which are necessary to carry out FMB's business;
 - (c) to raise income by means of annual subscriptions, application fees, levies, by borrowing monies or by any other means of non-subscription income as the Board may decide from time-to-time;
 - (d) to put forward nominations for the National President and National Vice-President to the Members. They will hold office for a fixed-term of two years and will be elected at the FMB's National AGM on a bi-annual basis;
 - (e) in addition to exercising all the powers, discretion and authorities expressly conferred on the Board by these Articles, to exercise all such powers, objects and discretion of FMB and to do all such acts and things as may be exercised or done by or on behalf of FMB in accordance with FMB's Objects;
 - (f) All members of the Board will act in accordance with the FMB Code of Conduct.
10. Where the Board establishes any Committee the Board will set down the terms of reference upon which any such Committee shall conduct its proceedings. All Committees shall report to the Board from time-to-time on their activities and minutes of the proceedings, where appropriate, shall be placed before meetings of the Board. The Board may, after considering reports or minutes from any Committee, take whatever decisions it considers necessary arising from such reports or minutes.
11. Where any Committee has been appointed by the Board, the Committee shall, at its first meeting, elect a Chair and Vice-Chair of that Committee, where appropriate to hold office for the period of two years. Retiring Chairs and Vice-Chairs of Committees shall be eligible for re-election.
12. The Board and the Committees shall have power to co-opt CPs to Committees and these CPs need not be members of the Board. Co-opted CPs must be approved by the Board.
13. The Presidential Team of FMB shall be the National President, the immediate Past-National President and the Vice-President or Vice-Presidents.
14. The Presidential Team, with the exception of the Past-National President, shall be elected at the FMB National AGM and shall hold office for two years. They shall retire at the next National AGM and shall be eligible for re-election twice only. The immediate Past-National President shall hold office for two years following the National AGM after which he shall retire as National President. A President who retires from office may, at their request, forego becoming a member of the Presidential Team.
15. Nomination of candidates for the position of the Presidential Team shall be made by the Board.

16. The Board shall have power to appoint and terminate full-time officials who administer the affairs of FMB, and may delegate such powers as it thinks fit.
17. The Board may by resolution appoint any person to be the Chief Executive of FMB.

Members' reserve power

18. The Members may, by special resolution, direct the Board to take, or refrain from taking, specified action.
19. No such special resolution invalidates anything which the Board has done before the passing of the resolution.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

20. The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 22.
21. Co-opted Directors shall not be entitled to a vote.
Unanimous decisions
22. A decision of the Directors is taken in accordance with this Article when all eligible Directors indicate to each other by any means that they share a common view on a matter:
 - (a) such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing;
 - (b) references in this Article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting;
 - (c) a decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at such a meeting.

Calling a Directors' meeting

23. Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Chief Executive to give such notice.
24. Notice of any Directors' meeting must indicate:
 - (a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

25. Notice of a Directors' meeting must be given to each Director, but need not be in writing.
26. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to FMB not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
27. There shall be no fewer than two meetings of the Board in any one year. The Board may determine whether its meetings shall be held in person or virtually using appropriate technology.
28. Seven days' notice of all meetings of the Board and of meetings of its Committees must be given, together with the agenda and relevant papers for discussion.

Participation in Directors' meetings

29. The Board may determine whether its meetings, including the National AGM or EGM shall be held in person, or virtually using appropriate technology
30. Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
 - (a) the meeting has been called and takes place in accordance with the Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
31. In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

32. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

33. The Board have the power to recognise the contributions of Past Presidents, who may be requested by the Board at any time to advise them on any issue.

Quorum for Directors' meetings

34. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

35. The quorum necessary for the transaction of business of the Board shall be two-thirds of the Directors, rounded up. Any other person who may attend including co-opted CPs and the Chief Executive will not be able to vote at the meetings and will not count towards the quorum.

36. If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

- (a) to appoint further Directors, or
- (b) to call a general meeting so as to enable the Members to appoint further Directors.

Chairing of Directors' meetings

37. The National President will be the Chair of the Board. If they are not able to attend, the National Vice-President shall take the Chair, failing which the meeting shall elect a Chair from the Members present.

38. The person so appointed for the time being is known as the Chair.

Casting vote

39. If the numbers of votes for and against a proposal are equal, the Chair or other Director chairing the meeting has a casting vote. The Chair does not otherwise vote, but does count towards the quorum.

40. All resolutions or decisions proposed at:

- (a) all Board meetings and
- (b) all UK Area Board meetings shall be decided by a majority of votes on a show of hands.

41. The Chair of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting)

adjourn the meeting from time-to-time, and from place-to-place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting.

42. All acts done in good faith by any meeting of or by any person acting as a member of:

- (a) the Board or any Committee of the Board;
- (b) any UK Area Board or any Committee of a UK Area Board shall notwithstanding that it afterwards be discovered that there was some defect in the appointment or continuance in office of any such person as aforesaid be as valid as if every such person had been duly appointed or had duly continued in office.

43. Proper minutes shall be made of all the proceedings of any business transacted at:

- (a) all Board and UK Area Boards,
- (b) all meetings of National or UK Area Committees,
- (c) and such minutes, if agreed by the following meeting and signed by the Chair of the meeting, or by the Chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts stated in it.

Conflicts of interest

44. If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with FMB in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

45. But if Article 44 applies, a Director who is interested in an actual or proposed transaction or arrangement with FMB is to be counted as participating in the decision-making process for quorum and voting purposes.

46. This Article applies when:

- (a) FMB by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;

- (b) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the Director's conflict of interest arises from a permitted cause.
47. For the purposes of this Article, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of FMB or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for securities of FMB or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of FMB or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
48. For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
49. Subject to Article 50, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair whose ruling in relation to any Director other than the Chair is to be final and conclusive.
50. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes. Records of decisions to be kept
51. The Directors must ensure that FMB keeps a record, in writing, for at least seven years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

Directors' discretion to make further rules

52. Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

APPOINTMENT OF DIRECTORS

Methods of appointing Directors

53. Any person who is willing to act as a Director, is permitted by law to do so, and meets the criteria set out in Article 7, may be appointed to be a Director:
- (a) By a UK Area Board in accordance with Article 6; or
 - (b) In accordance with Article 12:
 - i. by ordinary resolution, or
 - ii. by a decision of the Directors.

Termination of Director's appointment

54. A person ceases to be a Director as soon as:
- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
 - (b) a bankruptcy order is made against that person;
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (d) a registered medical practitioner who is treating that person gives a written opinion to FMB stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
 - (e) that person is guilty of any dishonorable, improper or other conduct which is prejudicial to the good standing of FMB;
 - (f) So determined following the procedure set out in the FMB Code of Conduct.
 - (g) that person is absent from more than two consecutive Board meetings, or more than three meetings in any twelve month period, unless the absence is due to illness, or any other reason approved by the FMB Board.
 - (h) notification is received by the Chief Executive or Chair of FMB from the Director that the Director is resigning from

office, and such resignation has taken effect in accordance with its terms.

- (i) the Director has not been re-elected by their Area Board at a quorate meeting, in accordance with Article 7. For the avoidance of doubt, the date of the meeting at which that election took place shall be regarded as the date of the end of their Directorship.

Directors' remuneration

- 55. Directors may undertake any services for FMB that the Directors decide.
- 56. Directors are entitled to such remuneration as the Directors determine subject to the right of objection by the National President at their absolute discretion:
 - (a) for their services to FMB as Directors, and
 - (b) for any other service which they undertake for FMB.
- 57. Subject to the Articles, a Director's remuneration may:
 - (a) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 58. Unless the Directors decide otherwise, Directors' remuneration accrues from day-to-day.
- 59. Unless the Directors decide otherwise, Directors are not accountable to FMB for any remuneration which they receive as Directors or other officers or employees of FMB's subsidiaries or of any other body corporate in which FMB is interested.

Directors' expenses

- 60. FMB may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
 - (a) meetings of Directors or committees of Directors;
 - (b) general meetings;
 - (c) separate meetings of the holders of debentures of FMB or
 - (d) otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to FMB.

Part 3 - Members

BECOMING AND CEASING TO BE A MEMBER

- 61. A person shall become or cease to be a Member in accordance with the Rules.

ORGANISATION OF GENERAL MEETINGS

National AGM and National EGMs

- 62. FMB shall hold a National AGM in every year at such time (but not later than the 30th September) and place as may be determined by the Board and shall specify the Meeting as such in the notices calling it. Voting at the AGM may be by advance postal vote, by electronic voting or by proxy as well as by a show of hands of those present at the meeting or any combination of these.
- 63. The Business of the National AGM shall be:
 - (a) to receive a report on the previous year's activities from the Board;
 - (b) to consider and approve the Accounts and Balance Sheet;
 - (c) to elect the Presidential Team of FMB;
 - (d) to appoint or remove Auditors;
 - (e) to deal with alterations to the Rules and Articles;
 - (f) to transact any other business of which notice has been given in accordance with the Articles;
 - (g) to consider motions on general policy matters submitted from UK Area Boards.
- 64. The Board or UK Area Boards may submit amendments to the Rules. Any proposal from a UK Area Board shall first receive consideration by the Board. Alterations to Rules shall be effective if carried by a majority of not less than three-quarters of those present at the National AGM or EGM who are entitled to vote.
- 65. The Board may amend the rules and any adopted alterations shall be effective if carried by a majority vote of not less than three-quarters of those present at the National AGM or EGM of those who are entitled to vote.
- 66. All General Meetings other than National AGMs shall be called National EGMs.
- 67. The FMB shall give every Member fourteen days' notice in writing of the date and place of and the general nature of the business to

- be transacted at every National AGM and National EGM, and such notice may be given through FMB's Magazine.
68. The accidental omission to give notice of a meeting to or the non-receipt of such notice by any person entitled to receive notice thereof shall not invalidate any resolution or other proceedings at any meetings.
 69. The quorum necessary for the transaction of business of a National AGM and National EGM of FMB shall be twenty Members. If, within half an hour from the time appointed for the holding of a National AGM and National EGM, a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or at such place as the Board may determine, and, if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall be a quorum. For the avoidance of doubt, any Member appointing a proxy to vote at a general meeting in accordance with these Articles shall count towards quorum.
 70. The President shall be the Chair of all National AGMs and National EGMs, failing which the Members present shall elect one of the other National Officers as Chair of the meeting, failing which they shall elect a Chair from the Members present.
Attendance and speaking at general meetings
 71. A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting. The right to be exercised is at the Chair's discretion at the appropriate juncture of the agenda of the meeting or during the any other business section of the agenda.
 72. A person is able to exercise the right to vote at a general meeting when:
 - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
 73. The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
 74. In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
 75. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
 76. Where Membership is held by a partnership, firm, or company, more than one Representative (i.e. a director or paid employee of the Member company) may attend general meetings and UK Area general meetings providing that at any such meeting only one Representative of the Member partnership, firm, or company, may exercise voting and nominating rights and only one Representative may hold office in the FMB.
 77. No Representative may vote for or nominate for office any other representative of the same partnership, firm or company.
 78. No Representative having held office on a UK Area Board and/or the Board on behalf of a Member (the "Original Member") may be eligible for re-election as an officer of a UK Area Board and/or the Board as a representative on behalf of another Member, if that representative would be ineligible for re-election as a representative of the Original Member by virtue of Article 6.
Quorum for general meetings
 79. No business other than the appointment of the Chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
Chairing general meetings
 80. If the Directors have appointed a Chair, the Chair shall chair general meetings if present and willing to do so.
 81. If the Directors have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
 - (a) the Directors present, or
 - (b) (if no Directors are present), the meeting, must appoint a Director or Member to chair the meeting, and the

- appointment of the Chair of the meeting must be the first business of the meeting.
82. The person chairing a meeting in accordance with this Article is referred to as "the Chair of the meeting".
Attendance and speaking by Directors and non-members
 83. Directors may attend and speak at general meetings.
 84. The Chair of the meeting may permit other persons who are not in Membership to attend and speak at a general meeting.
Adjournment
 85. If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chair of the meeting must adjourn it. For the avoidance of doubt, any Member appointing a proxy to vote at a general meeting in accordance with these Articles shall count towards quorum.
 86. The Chair of the meeting may adjourn a general meeting at which a quorum is present if:
 - (a) the meeting consents to an adjournment, or
 - (b) it appears to the Chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
 87. The Chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
 88. When adjourning a general meeting, the Chair of the meeting must:
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
 89. If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned, FMB must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
 - (a) to the same persons to whom notice of FMB's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.

90. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

91. A resolution put to the vote of a general meeting must be decided on a show of hands, taking into account any advance postal votes, or electronic voting or by proxy delivered to the FMB as set out in these Articles or Rules.
92. Any resolution must be moved and seconded and submitted in accordance with the Rules before it is eligible to be placed before a meeting.
Errors and disputes
93. No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
94. Any such objection must be referred to the Chair of the meeting whose decision is final.

Content of proxy notices

95. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
 - (a) states the name and address of the Member appointing the proxy;
 - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (d) is delivered to FMB in accordance with the Articles or Rules and any instructions contained in the notice of the general meeting to which they relate.
96. FMB may require proxy notices or advance postal votes or electronic votes to be delivered in a particular form or format and by a particular date. Receipt of proxy notices in electronic form is acceptable.

97. However, FMB may specify different proxy forms for different purposes.
98. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
99. Unless a proxy notice indicates otherwise, it must be treated as:
 - (a) allowing the person appointed under it as a proxy, discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Part 4 Administrative Arrangements

Delivery of proxy notices

100. A person who is entitled to attend, speak or vote at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to FMB by or on behalf of that person.
101. An appointment under a proxy notice may be revoked by delivering to FMB a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
102. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
103. If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

UK Area Boards

104. The Board, subject to approval at the National AGM, shall have power at any time and from time-to-time:
 - (a) to establish UK Areas;
 - (b) to define the respective geographical areas with reference to which such UK Area shall operate;
 - (c) to determine the terms of reference and procedures for the operation of UK Areas; and
 - (d) to dissolve any such UK Area in existence from time-to-time.
105. Each Member will be allocated to the UK Area within which their main contact address is situated. A Member may submit an application to the Board to be reallocated to a different area, explaining the reason for this request, which will be decided on a case by case basis.

Accounts and Auditors

106. The Board shall keep proper books of account and accounting records of FMB in accordance with the provisions of the Companies Act.
107. Auditors shall be appointed and once at least in every year the accounts of FMB shall be examined and the correctness of the

- income and expenditure account and balance sheet ascertained by the Auditors.
108. At the National AGM in every year the Board shall lay before FMB a proper income and expenditure account for the period since the last preceding account made up to the 31st December of the previous year, together with a proper balance sheet made up as at the same date and together with such other accounts (if any) as may be required by law. Every such balance sheet shall be accompanied by proper reports of the Auditors and the Board.
109. Copies of such accounts, balance sheets and reports and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than fourteen days before the date of the meeting either:
- (a) be sent to the Auditors and all other persons entitled to receive notices of National EGMs or
 - (b) be published in the FMB's magazine and/or on the FMB's website which is available to all Members.
- Means of communication to be used
110. Subject to the Articles, anything sent or supplied by or to FMB under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to FMB.
111. Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
112. A Director may agree with FMB that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- Company seals
113. Any common seal may only be used by the authority of the Directors.
114. The Directors may decide by what means and in what form any common seal is to be used.
115. Unless otherwise decided by the Directors, if FMB has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
116. For the purposes of this Article, an authorised person is:
- (a) any Director of FMB;
 - (b) the Chief Executive; or
 - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.
- No right to inspect accounts and other records
117. Except as provided by law or authorised by the Directors or an ordinary resolution of FMB, no person is entitled to inspect any of FMB's accounting or other records or documents merely by virtue of being a Member.
- Provision for employees on cessation of business
118. The Directors may decide to make provision for the benefit of persons employed or formerly employed by FMB or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of FMB or that subsidiary.
- DIRECTORS' INDEMNITY AND INSURANCE**
- Indemnity
119. Subject to Article 1, a relevant Director of FMB or an associated company may be indemnified out of FMB's assets against:
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to FMB or an associated company,
 - (b) any liability incurred by that Director in connection with the activities of FMB or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006 as an occupational pension scheme as defined in section 150(5) of the Finance Act 2004 that is established under a trust),
 - (c) any other liability incurred by that Director as an officer of FMB or an associated company.
120. This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
121. In this Article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant Director" means any Director or former Director of FMB or an associated company.

Insurance

122. The Directors may decide to purchase and maintain insurance, at the expense of FMB, for the benefit of any relevant Director in respect of any relevant loss.

123. In this Article:

- (a) a "relevant Director" means any Director or former Director of FMB or an associated company and their executors or administrators,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to FMB, any associated company or any pension fund or employees' share scheme of FMB or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Dissolution

124. If a resolution signifying the desire of the Members to dissolve FMB shall be passed by a majority of not less than three-quarters of the votes cast at a National AGM or National EGM, duly convened under these Articles, of which notice specifying the intention to propose the resolution has been duly given, and if such identical resolution shall be confirmed by a simple majority of those Members who shall be present in person at a subsequent National EGM duly convened, and of which notice has been given, and which shall be held not less than fourteen days or more than one calendar month from the date of the first National EGM, then FMB shall be dissolved.

125. Upon such dissolution the net assets remaining after the satisfaction of all debts, liabilities and undertakings shall be given or transferred to some other institution or institutions having objects similar to FMB and engaged in activities within the construction industry. The decision on the disposal of the net assets shall be taken by the Members of FMB at the second National EGM mentioned in Article 124.

126. Under no circumstances shall the net assets be distributed among the Members, and the same prohibition shall be enforced in regard to any institute to which any distribution of FMB's assets is considered.

In the case of any inconsistencies between any provision of these Articles and the FMB Rules, the Articles will prevail.

Limited Company Details

Federation of Master Builders Limited Registered Office: Star House, Star Hill, Rochester, Kent ME1 1UX. Registered in England and Wales (368163),

VAT Registration No. GB 673 0538 34.

About the Federation of Master Builders

The Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing thousands of firms in England, Scotland, Wales and Northern Ireland. Established in 1941 to protect the interests of small and medium-sized (SME) construction firms, the FMB is independent and non-profit making, lobbying for members' interests at both the national and local level.

The FMB is a source of knowledge, professional advice and support for its members, providing a range of modern and relevant business services to help them succeed. The FMB is committed to raising quality in the construction industry and offers a free online service to consumers called 'Find a Builder'.

Please visit www.fmb.org.uk

September 2021

Articles of Association of The Federation of Master Builders Limited (‘FMB’)

September 2021

Contents

Part 1 – Interpretation and Limitation of Liability

Objects and Powers

Part 2 – Directors

Directors' powers and responsibilities

Decision-making by Directors

Appointment of Directors

Part 3 – Members

Becoming and ceasing to be a Member

Organisation of General Meetings

Voting at General Meetings

Part 4 – Administrative Arrangements

Directors' Indemnity and Insurance

Limited Company Details

Part 1 Interpretation and Limitation of Liability

DEFINED TERMS

The regulations contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (512008/3229) (the “Regulations”) shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

In the Articles, unless the context requires otherwise:

“**Articles**” means FMB’s Articles of Association;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“**Board**” means the board of legal Directors;

“**Chair**” has the meaning given in Articles 37 and 38;

“**Chair of the meeting**” has the meaning given in Article 82;

“**Code of Conduct**” means the Code of Conduct of FMB, as amended from time-to-time;

“**Companies Act**” means the Companies Act 2006;

“**the Construction Industry**” means the construction and built environment industry (hereinafter referred to as ‘the construction industry’) in all its branches (including the design, construction, installation, maintenance, repair and renewal of all kinds of buildings, building equipment, building materials and appliances) and also such ancillary activities and allied trades as are recognised within the construction industry by trade, custom, practice, usage or qualification to be ancillary or allied to the construction industry;

“**Director**” means a legal director of FMB, and includes any person occupying the position of Director, by whatever name called;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form or by post;

“**electronic form**” has the meaning given in section 1168 of the Companies Act 2006;

“**Master Builder**” means any party actively engaged in work within the Construction Industry or its allied trades;

“**Member**” has the meaning given in section 112 of the Companies Act 2006, being that the subscribers of a company’s memorandum are deemed to have agreed to become members of the company, and on its registration become members and must be entered as such in its register of members. Every other person who agrees to become a member of a company, and whose name is entered in its register of members, is a member of the company;

“**Objects**” means the objects set out in Article 2;

“**ordinary resolution**” has the meaning given in section 282 of the Companies Act 2006;

“**Original Member**” has the meaning given in Article 78;

“**participate**” in relation to a Directors’ meeting, has the meaning give in Articles 29 – 33;

“**proxy notice**” has the meaning given in Article 95;

“**quorum**” means the minimum number of voting members who must be present (physically or by proxy) at a meeting to make the proceedings of that meeting valid;

“**Rules**” means the rules of FMB as may be set at the AGM from time-to-time;

“**special resolution**” has the meaning given in section 283 of the Companies Act 2006;

“**subsidiary**” has the meaning given in section 1159 of the Companies Act 2006;

“**UK Areas**” means the areas of England (being South West, Southern Counties, Central, London, North West, Northern Counties, Yorkshire and Trent) Scotland, Wales and Northern Ireland or those areas of FMB as determined by the Board from time-to-time;

“**UK Area Board**” means the board in each UK Area;

“**writing**” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on FMB.

“**year**” means a calendar year

Liability of Members

1. The liability of each Member is limited to 25 pence, being the amount that each Member undertakes to contribute to the assets of FMB in the event of its being wound up while they are a Member or within one year after they cease to be a Member, for
 - (a) payment of FMB’s debts and liabilities contracted before they cease to be a Member,
 - (b) payment of the costs, charges and expenses of winding up, and
 - (c) adjustment of the rights of the contributories among themselves.

Objects

2. **The Objects of FMB shall be:**
 - (a) to organise, represent, and promote, protect and support and advance the interest and education of Master Builders as employers in the Construction Industry, and to represent

Master Builders in the negotiation of terms and conditions of employment within the Construction Industry and allied operations;

- (b) to regulate relations between employers and employees in the Construction Industry and allied operations; and
- (c) to maintain a principle of consistency amongst all UK Area Boards to ensure full compliance with these Articles and the Rules by all Members.

Powers

3. In carrying out the above Objects the Company may exercise all powers under the Companies Acts including the following powers:
 - (a) to co-operate with and cultivate good relations with other employer associations and combinations of employees within the Construction Industry on all matters affecting the general and common interests of the construction industry and allied operations;
 - (b) to render to the Members of FMB such assistance as may be deemed desirable in the interests of the Construction Industry and allied operations;
 - (c) to encourage, promote and protect the Construction Industry in the United Kingdom and elsewhere and generally to watch over and protect the interests of employers in the Construction Industry and of others having commercial and professional relationships with the Construction Industry and allied operations;
 - (d) to promote and encourage the settlement of disputes between employers, and between employers and persons employed, by negotiation, mediation, or by other lawful means;
 - (e) to originate and promote improvements in the law, and to support or oppose alterations therein, and to effect improvements in administration and, for the purposes aforesaid, to petition Parliament, and take such other steps and proceedings as may be deemed expedient;
 - (f) to provide information on all matters affecting the Construction Industry and allied operations and to print, publish, issue and circulate whether gratis or otherwise such papers, periodicals, books, circulars and other literary undertakings as may seem conducive to any of these

objects, and to arrange and promote the use of contracts and other documents used in the Construction Industry and allied operations;

- (g) to encourage excellence in construction;
- (h) to investigate and make known the nature and merits of technical and other innovations which may seem capable of being used by persons engaged in the Construction Industry and allied operations;
- (i) to establish, undertake, superintend, administer and contribute to any charitable or benevolent fund from which to make donations or advances to deserving persons who may be or have been engaged in the Construction Industry and allied operations, and to contribute to or otherwise assist any charitable or benevolent institution or undertaking;
- (j) to undertake and execute any trusts which may seem to FMB conducive of any of its objects;
- (k) to borrow any monies required for the purpose of FMB upon such terms and on such security (if any) as may be determined;
- (l) to purchase, take on lease, exchange, hire or otherwise acquire any real and personal property and any rights or privileges necessary or convenient for the purposes of FMB and to construct, alter, and maintain any buildings required for the purposes of FMB;
- (m) to sell, improve, manage, develop, lease, dispose of, turn to account, or otherwise deal with all or any part of the property of FMB;
- (n) to invest the monies of FMB not immediately required in or upon such securities or otherwise in such manner as may from time-to-time be determined;
- (o) to promote and encourage educational and training projects within the Construction Industry, and, in particular, with regard to apprentice and operative training;
- (p) to establish, promote, undertake, superintend, administer and contribute to any fund, scheme or arrangement for the provision of pensions or other retirement benefits for or in respect of all or any of its own officials or any other persons employed in the Construction Industry, and on their behalf

to promote and incorporate any company or companies not paying any dividend to or distributing assets among its or their Members and formed for the purpose of acting as a trustee or trustees or of carrying on the business of pensions administration;

- (q) to represent and promote the interests of Master Builders to any European political, industrial or other organisation and to confederate with other construction trade associations in Europe as a means to these objectives where deemed necessary;
- (r) to do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

Part 2 - Directors

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

4. Subject to the Articles and the Rules, the Board is responsible for the management of FMB's business, for which purpose they may exercise all the powers of FMB, in furtherance of the Objects.
5. The Board shall consist of:
 - (a) the Presidential Team as defined in Article 13;
 - (b) the Directors elected by their UK Area under Article 6; and
 - (c) up to two co-opted persons ("CPs") co-opted under Article 12.
6. Each UK Area Board is entitled to send one representative to the FMB Board, who will become a legal Director of the FMB. UK Area Board representatives will hold office for a fixed-term of two years, when they will be eligible for re-election by their UK Area Board, following the procedures set out in the FMB Rules.
7. Any Person appointed as a Director must be one of the following: a Director of a Limited Company which is a current member of the FMB, a Partner in an LLP which is a current member, a sole trader who is registered as a current FMB member, or an employee of one of the above.
8. Members elected to the Board, including CPs, shall receive an induction into their role as a legal Director of the FMB, which shall be arranged by the CEO, with relevant senior staff and the Presidential Team, as appropriate, and will include familiarisation with the FMB Code of Conduct.
9. The Board shall have the following general powers, responsibilities and functions:
 - (a) the control and direction of the policy of FMB;
 - (b) to appoint and disband all committees ("Committees") which are necessary to carry out FMB's business;
 - (c) to raise income by means of annual subscriptions, application fees, levies, by borrowing monies or by any other means of non-subscription income as the Board may decide from time-to-time;
 - (d) to put forward nominations for the National President and National Vice-President to the Members. They will hold office for a fixed-term of two years and will be elected at the FMB's National AGM on a bi-annual basis;
 - (e) in addition to exercising all the powers, discretion and authorities expressly conferred on the Board by these Articles, to exercise all such powers, objects and discretion of FMB and to do all such acts and things as may be exercised or done by or on behalf of FMB in accordance with FMB's Objects;
 - (f) All members of the Board will act in accordance with the FMB Code of Conduct.
10. Where the Board establishes any Committee the Board will set down the terms of reference upon which any such Committee shall conduct its proceedings. All Committees shall report to the Board from time-to-time on their activities and minutes of the proceedings, where appropriate, shall be placed before meetings of the Board. The Board may, after considering reports or minutes from any Committee, take whatever decisions it considers necessary arising from such reports or minutes.
11. Where any Committee has been appointed by the Board, the Committee shall, at its first meeting, elect a Chair and Vice-Chair of that Committee, where appropriate to hold office for the period of two years. Retiring Chairs and Vice-Chairs of Committees shall be eligible for re-election.
12. The Board and the Committees shall have power to co-opt CPs to Committees and these CPs need not be members of the Board. Co-opted CPs must be approved by the Board.
13. The Presidential Team of FMB shall be the National President, the immediate Past-National President and the Vice-President or Vice-Presidents.
14. The Presidential Team, with the exception of the Past-National President, shall be elected at the FMB National AGM and shall hold office for two years. They shall retire at the next National AGM and shall be eligible for re-election twice only. The immediate Past-National President shall hold office for two years following the National AGM after which he shall retire as National President. A President who retires from office may, at their request, forego becoming a member of the Presidential Team.
15. Nomination of candidates for the position of the Presidential Team shall be made by the Board.

16. The Board shall have power to appoint and terminate full-time officials who administer the affairs of FMB, and may delegate such powers as it thinks fit.
17. The Board may by resolution appoint any person to be the Chief Executive of FMB.

Members' reserve power

18. The Members may, by special resolution, direct the Board to take, or refrain from taking, specified action.
19. No such special resolution invalidates anything which the Board has done before the passing of the resolution.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

20. The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 22.
21. Co-opted Directors shall not be entitled to a vote.

Unanimous decisions

22. A decision of the Directors is taken in accordance with this Article when all eligible Directors indicate to each other by any means that they share a common view on a matter:
 - (a) such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing;
 - (b) references in this Article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting;
 - (c) a decision may not be taken in accordance with this Article if the eligible Directors would not have formed a quorum at such a meeting.

Calling a Directors' meeting

23. Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Chief Executive to give such notice.
24. Notice of any Directors' meeting must indicate:
 - (a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

25. Notice of a Directors' meeting must be given to each Director, but need not be in writing.
26. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to FMB not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
27. There shall be no fewer than two meetings of the Board in any one year. The Board may determine whether its meetings shall be held in person or virtually using appropriate technology.
28. Seven days' notice of all meetings of the Board and of meetings of its Committees must be given, together with the agenda and relevant papers for discussion.

Participation in Directors' meetings

29. The Board may determine whether its meetings, including the National AGM or EGM shall be held in person, or virtually using appropriate technology
30. Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
 - (a) the meeting has been called and takes place in accordance with the Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
31. In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

32. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

33. The Board have the power to recognise the contributions of Past Presidents, who may be requested by the Board at any time to advise them on any issue.

Quorum for Directors' meetings

34. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

35. The quorum necessary for the transaction of business of the Board shall be two-thirds of the Directors, rounded up. Any other person who may attend including co-opted CPs and the Chief Executive will not be able to vote at the meetings and will not count towards the quorum.

36. If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

- (a) to appoint further Directors, or
- (b) to call a general meeting so as to enable the Members to appoint further Directors.

Chairing of Directors' meetings

37. The National President will be the Chair of the Board. If they are not able to attend, the National Vice-President shall take the Chair, failing which the meeting shall elect a Chair from the Members present.

38. The person so appointed for the time being is known as the Chair.

Casting vote

39. If the numbers of votes for and against a proposal are equal, the Chair or other Director chairing the meeting has a casting vote. The Chair does not otherwise vote, but does count towards the quorum.

40. All resolutions or decisions proposed at:

- (a) all Board meetings and
- (b) all UK Area Board meetings shall be decided by a majority of votes on a show of hands.

41. The Chair of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting)

adjourn the meeting from time-to-time, and from place-to-place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting.

42. All acts done in good faith by any meeting of or by any person acting as a member of:

- (a) the Board or any Committee of the Board;
- (b) any UK Area Board or any Committee of a UK Area Board shall notwithstanding that it afterwards be discovered that there was some defect in the appointment or continuance in office of any such person as aforesaid be as valid as if every such person had been duly appointed or had duly continued in office.

43. Proper minutes shall be made of all the proceedings of any business transacted at:

- (a) all Board and UK Area Boards,
- (b) all meetings of National or UK Area Committees,
- (c) and such minutes, if agreed by the following meeting and signed by the Chair of the meeting, or by the Chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts stated in it.

Conflicts of interest

44. If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with FMB in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

45. But if Article 44 applies, a Director who is interested in an actual or proposed transaction or arrangement with FMB is to be counted as participating in the decision-making process for quorum and voting purposes.

46. This Article applies when:

- (a) FMB by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;

- (b) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the Director's conflict of interest arises from a permitted cause.
47. For the purposes of this Article, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of FMB or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for securities of FMB or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of FMB or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
48. For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
49. Subject to Article 50, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair whose ruling in relation to any Director other than the Chair is to be final and conclusive.
50. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- Records of decisions to be kept**
51. The Directors must ensure that FMB keeps a record, in writing, for at least seven years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

Directors' discretion to make further rules

52. Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

APPOINTMENT OF DIRECTORS
Methods of appointing Directors

53. Any person who is willing to act as a Director, is permitted by law to do so, and meets the criteria set out in Article 7, may be appointed to be a Director:
- (a) By a UK Area Board in accordance with Article 6; or
 - (b) In accordance with Article 12:
 - i. by ordinary resolution, or
 - ii. by a decision of the Directors.

Termination of Director's appointment

54. A person ceases to be a Director as soon as:
- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
 - (b) a bankruptcy order is made against that person;
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (d) a registered medical practitioner who is treating that person gives a written opinion to FMB stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
 - (e) that person is guilty of any dishonorable, improper or other conduct which is prejudicial to the good standing of FMB;
 - (f) So determined following the procedure set out in the FMB Code of Conduct.
 - (g) that person is absent from more than two consecutive Board meetings, or more than three meetings in any twelve month period, unless the absence is due to illness, or any other reason approved by the FMB Board.
 - (h) notification is received by the Chief Executive or Chair of FMB from the Director that the Director is resigning from

office, and such resignation has taken effect in accordance with its terms.

- (i) the Director has not been re-elected by their Area Board at a quorate meeting, in accordance with Article 7. For the avoidance of doubt, the date of the meeting at which that election took place shall be regarded as the date of the end of their Directorship.

Directors' remuneration

- 55. Directors may undertake any services for FMB that the Directors decide.
- 56. Directors are entitled to such remuneration as the Directors determine subject to the right of objection by the National President at their absolute discretion:
 - (a) for their services to FMB as Directors, and
 - (b) for any other service which they undertake for FMB.
- 57. Subject to the Articles, a Director's remuneration may:
 - (a) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 58. Unless the Directors decide otherwise, Directors' remuneration accrues from day-to-day.
- 59. Unless the Directors decide otherwise, Directors are not accountable to FMB for any remuneration which they receive as Directors or other officers or employees of FMB's subsidiaries or of any other body corporate in which FMB is interested.

Directors' expenses

- 60. FMB may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
 - (a) meetings of Directors or committees of Directors;
 - (b) general meetings;
 - (c) separate meetings of the holders of debentures of FMB or
 - (d) otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to FMB.

Part 3 - Members

BECOMING AND CEASING TO BE A MEMBER

- 61. A person shall become or cease to be a Member in accordance with the Rules.

ORGANISATION OF GENERAL MEETINGS National AGM and National EGMs

- 62. FMB shall hold a National AGM in every year at such time (but not later than the 30th September) and place as may be determined by the Board and shall specify the Meeting as such in the notices calling it. Voting at the AGM may be by advance postal vote, by electronic voting or by proxy as well as by a show of hands of those present at the meeting or any combination of these.
- 63. The Business of the National AGM shall be:
 - (a) to receive a report on the previous year's activities from the Board;
 - (b) to consider and approve the Accounts and Balance Sheet;
 - (c) to elect the Presidential Team of FMB;
 - (d) to appoint or remove Auditors;
 - (e) to deal with alterations to the Rules and Articles;
 - (f) to transact any other business of which notice has been given in accordance with the Articles;
 - (g) to consider motions on general policy matters submitted from UK Area Boards.
- 64. The Board or UK Area Boards may submit amendments to the Rules. Any proposal from a UK Area Board shall first receive consideration by the Board. Alterations to Rules shall be effective if carried by a majority of not less than three-quarters of those present at the National AGM or EGM who are entitled to vote.
- 65. The Board may amend the rules and any adopted alterations shall be effective if carried by a majority vote of not less than three-quarters of those present at the National AGM or EGM of those who are entitled to vote.
- 66. All General Meetings other than National AGMs shall be called National EGMs.
- 67. The FMB shall give every Member fourteen days' notice in writing of the date and place of and the general nature of the business to

- be transacted at every National AGM and National EGM, and such notice may be given through FMB's Magazine.
68. The accidental omission to give notice of a meeting to or the non-receipt of such notice by any person entitled to receive notice thereof shall not invalidate any resolution or other proceedings at any meetings.
 69. The quorum necessary for the transaction of business of a National AGM and National EGM of FMB shall be twenty Members. If, within half an hour from the time appointed for the holding of a National AGM and National EGM, a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or at such place as the Board may determine, and, if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall be a quorum. For the avoidance of doubt, any Member appointing a proxy to vote at a general meeting in accordance with these Articles shall count towards quorum.
 70. The President shall be the Chair of all National AGMs and National EGMs, failing which the Members present shall elect one of the other National Officers as Chair of the meeting, failing which they shall elect a Chair from the Members present.
- Attendance and speaking at general meetings**
71. A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting. The right to be exercised is at the Chair's discretion at the appropriate juncture of the agenda of the meeting or during the any other business section of the agenda.
 72. A person is able to exercise the right to vote at a general meeting when:
 - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

73. The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
 74. In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
 75. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
 76. Where Membership is held by a partnership, firm, or company, more than one Representative (i.e. a director or paid employee of the Member company) may attend general meetings and UK Area general meetings providing that at any such meeting only one Representative of the Member partnership, firm, or company, may exercise voting and nominating rights and only one Representative may hold office in the FMB.
 77. No Representative may vote for or nominate for office any other representative of the same partnership, firm or company.
 78. No Representative having held office on a UK Area Board and/or the Board on behalf of a Member (the "Original Member") may be eligible for re-election as an officer of a UK Area Board and/or the Board as a representative on behalf of another Member, if that representative would be ineligible for re-election as a representative of the Original Member by virtue of Article 6.
- Quorum for general meetings**
79. No business other than the appointment of the Chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- Chairing general meetings**
80. If the Directors have appointed a Chair, the Chair shall chair general meetings if present and willing to do so.
 81. If the Directors have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
 - (a) the Directors present, or
 - (b) (if no Directors are present), the meeting, must appoint a Director or Member to chair the meeting, and the

- appointment of the Chair of the meeting must be the first business of the meeting.
82. The person chairing a meeting in accordance with this Article is referred to as "the Chair of the meeting".
- Attendance and speaking by Directors and non-members**
83. Directors may attend and speak at general meetings.
84. The Chair of the meeting may permit other persons who are not in Membership to attend and speak at a general meeting.
- Adjournment**
85. If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chair of the meeting must adjourn it. For the avoidance of doubt, any Member appointing a proxy to vote at a general meeting in accordance with these Articles shall count towards quorum.
86. The Chair of the meeting may adjourn a general meeting at which a quorum is present if:
- the meeting consents to an adjournment, or
 - it appears to the Chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
87. The Chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
88. When adjourning a general meeting, the Chair of the meeting must:
- either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
89. If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned, FMB must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- to the same persons to whom notice of FMB's general meetings is required to be given, and
 - containing the same information which such notice is required to contain.

90. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

91. A resolution put to the vote of a general meeting must be decided on a show of hands, taking into account any advance postal votes, or electronic voting or by proxy delivered to the FMB as set out in these Articles or Rules.
92. Any resolution must be moved and seconded and submitted in accordance with the Rules before it is eligible to be placed before a meeting.
- Errors and disputes**
93. No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
94. Any such objection must be referred to the Chair of the meeting whose decision is final.

Content of proxy notices

95. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
- states the name and address of the Member appointing the proxy;
 - identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - is delivered to FMB in accordance with the Articles or Rules and any instructions contained in the notice of the general meeting to which they relate.
96. FMB may require proxy notices or advance postal votes or electronic votes to be delivered in a particular form or format and by a particular date. Receipt of proxy notices in electronic form is acceptable.

97. However, FMB may specify different proxy forms for different purposes.
98. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
99. Unless a proxy notice indicates otherwise, it must be treated as:
 - (a) allowing the person appointed under it as a proxy, discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Part 4 Administrative Arrangements

Delivery of proxy notices

100. A person who is entitled to attend, speak or vote at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to FMB by or on behalf of that person.
101. An appointment under a proxy notice may be revoked by delivering to FMB a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
102. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
103. If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

UK Area Boards

104. The Board, subject to approval at the National AGM, shall have power at any time and from time-to-time:
 - (a) to establish UK Areas;
 - (b) to define the respective geographical areas with reference to which such UK Area shall operate;
 - (c) to determine the terms of reference and procedures for the operation of UK Areas; and
 - (d) to dissolve any such UK Area in existence from time-to-time.
105. Each Member will be allocated to the UK Area within which their main contact address is situated. A Member may submit an application to the Board to be reallocated to a different area, explaining the reason for this request, which will be decided on a case by case basis.

Accounts and Auditors

106. The Board shall keep proper books of account and accounting records of FMB in accordance with the provisions of the Companies Act.
107. Auditors shall be appointed and once at least in every year the accounts of FMB shall be examined and the correctness of the

- income and expenditure account and balance sheet ascertained by the Auditors.
108. At the National AGM in every year the Board shall lay before FMB a proper income and expenditure account for the period since the last preceding account made up to the 31st December of the previous year, together with a proper balance sheet made up as at the same date and together with such other accounts (if any) as may be required by law. Every such balance sheet shall be accompanied by proper reports of the Auditors and the Board.
109. Copies of such accounts, balance sheets and reports and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than fourteen days before the date of the meeting either:
- (a) be sent to the Auditors and all other persons entitled to receive notices of National EGMs or
 - (b) be published in the FMB's magazine and/or on the FMB's website which is available to all Members.
- Means of communication to be used**
110. Subject to the Articles, anything sent or supplied by or to FMB under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to FMB.
111. Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
112. A Director may agree with FMB that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- Company seals**
113. Any common seal may only be used by the authority of the Directors.
114. The Directors may decide by what means and in what form any common seal is to be used.
115. Unless otherwise decided by the Directors, if FMB has a common seal and it is affixed to a document, the document must

- also be signed by at least one authorised person in the presence of a witness who attests the signature.
116. For the purposes of this Article, an authorised person is:
- (a) any Director of FMB;
 - (b) the Chief Executive; or
 - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.
- No right to inspect accounts and other records**
117. Except as provided by law or authorised by the Directors or an ordinary resolution of FMB, no person is entitled to inspect any of FMB's accounting or other records or documents merely by virtue of being a Member.
- Provision for employees on cessation of business**
118. The Directors may decide to make provision for the benefit of persons employed or formerly employed by FMB or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of FMB or that subsidiary.
- DIRECTORS' INDEMNITY AND INSURANCE**
- Indemnity**
119. Subject to Article 1, a relevant Director of FMB or an associated company may be indemnified out of FMB's assets against:
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to FMB or an associated company,
 - (b) any liability incurred by that Director in connection with the activities of FMB or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006 as an occupational pension scheme as defined in section 150(5) of the Finance Act 2004 that is established under a trust),
 - (c) any other liability incurred by that Director as an officer of FMB or an associated company.
120. This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
121. In this Article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant Director" means any Director or former Director of FMB or an associated company.

Insurance

122. The Directors may decide to purchase and maintain insurance, at the expense of FMB, for the benefit of any relevant Director in respect of any relevant loss.

123. In this Article:

- (a) a "relevant Director" means any Director or former Director of FMB or an associated company and their executors or administrators,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to FMB, any associated company or any pension fund or employees' share scheme of FMB or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Dissolution

124. If a resolution signifying the desire of the Members to dissolve FMB shall be passed by a majority of not less than three-quarters of the votes cast at a National AGM or National EGM, duly convened under these Articles, of which notice specifying the intention to propose the resolution has been duly given, and if such identical resolution shall be confirmed by a simple majority of those Members who shall be present in person at a subsequent National EGM duly convened, and of which notice has been given, and which shall be held not less than fourteen days or more than one calendar month from the date of the first National EGM, then FMB shall be dissolved.

125. Upon such dissolution the net assets remaining after the satisfaction of all debts, liabilities and undertakings shall be given or transferred to some other institution or institutions having objects similar to FMB and engaged in activities within the construction industry. The decision on the disposal of the net assets shall be taken by the Members of FMB at the second National EGM mentioned in Article 124.

126. Under no circumstances shall the net assets be distributed among the Members, and the same prohibition shall be enforced in regard to any institute to which any distribution of FMB's assets is considered.

In the case of any inconsistencies between any provision of these Articles and the FMB Rules, the Articles will prevail.

Limited Company Details

Federation of Master Builders Limited Registered Office: Star House, Star Hill, Rochester, Kent ME1 1UX. Registered in England and Wales (368163).

VAT Registration No. GB 673 0538 34.

About the Federation of Master Builders

The Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing thousands of firms in England, Scotland, Wales and Northern Ireland. Established in 1941 to protect the interests of small and medium-sized (SME) construction firms, the FMB is independent and non-profit making, lobbying for members' interests at both the national and local level.

The FMB is a source of knowledge, professional advice and support for its members, providing a range of modern and relevant business services to help them succeed. The FMB is committed to raising quality in the construction industry and offers a free online service to consumers called 'Find a Builder'.

Please visit www.fmb.org.uk

September 2021

FMB Code of Conduct

The aim of this Code is to uphold the good reputation of the Federation of Master Builders (FMB) both internally (to members and employees) and externally.

Members of the FMB agree to comply with the requirements of the Code of Conduct when they join. The Code of Conduct sets out the standards expected from FMB Members, covering day to day dealings with clients, and those additional responsibilities placed on members who sit on the FMB Board of Directors, on Area Boards or Committees.

The starting point for this Code of Conduct is that everyone associated with the FMB is required to demonstrate high levels of integrity in their interactions with others, and act in a positive and non-discriminatory way, reflecting the ethos of the FMB.

Code of Conduct

General Principles

All members of the FMB are required to:

- a) Act with honesty, in good faith, with integrity and in the best interests of the FMB.
- c) Comply with equality legislation and value diversity and inclusion
- d) Treat others with courtesy and respect, including clients, fellow members and staff employed by the FMB.
- e) Comply with the findings/sanctions of the Standards Committee regarding any proven breach of the Code of Conduct.

This includes information that is in electronic form, for example emails and interactions on in social media platforms.

The FMB reserves the right to carry out background checks on all members, to ensure continued compliance with FMB membership criteria.

This Code of Conduct is regularly reviewed by the FMB Standards Committee, made up of fellow Master Builders and independent members.

Part I: Dealing with Clients

Before work begins

It is a condition of being a member of the FMB that you have sufficient current public liability insurance, in addition to employer's liability insurance, which is a legal requirement. All of your advertising material must be clear, legal and truthful. It must be compliant with all relevant UK legislation.

Your full company name and trading name should be displayed on your website and all other formal communications. This name must also be registered with the FMB. ONLY the company registered with the FMB is entitled to carry the FMB logo, which is a registered trademark and must not be used by unauthorised businesses.

Any images displayed on your website must be pictures of your own work, or if using stock images, or images provided by sub-contractors, this must be acknowledged, so that consumers are not misled.

You must make sure that your workforce is competent to complete the work. You will fulfil

all financial dealings and contractual obligations with your client with the utmost integrity, and the work must be completed in a timely manner.

Unless otherwise agreed in writing, you will give a written quotation together with a description of the work and ensure it complies with all relevant legislation including the Consumer Rights Act 2015 and the Consumer Contracts Regulations 2013.

Working with sub-contractors

As the main contractor, you will retain responsibility for the project as a whole, including any sub-contracted work. If you sub-contract entire projects to any other builder, you must make sure they are also members of the FMB. The client must also agree to the change of contractor and their agreement should be confirmed in writing.

It should always be clear to clients who they should contact in case of any concerns about their project, or for any snagging issues once complete.

Using a contract

You should always use a written contract. The FMB has a range of contracts to suit all types of projects which are available to members only from the Member Dashboard at www.fmb.org.uk/members.

Agree any deposits or staged payments with the customer by including them in your quote and contract. These should be fair and proportionate. Never take full payment from a customer before starting work.

You should make your clients aware of insurance-backed warranties, which are available through FMB Insurance at www.fmbinsurance.co.uk.

Work in progress

As a FMB member when work is in progress you are expected to:

- Use your best endeavours to maintain a good relationship with your client and their appointed representatives as appropriate.
- Proceed with the work with due diligence according to the written contract or quotation between you. If you encounter any technical difficulties with the project you must seek further advice. The FMB can assist.
- Brief your client regularly on progress, particularly if there are likely to be any delays or unforeseen problems.
- Notify Building Control and any other authorities as required.
- Confirm in writing any change to the work and any extra costs and agree these with the

client before work begins.

- Ensure the working site remains a safe, clean and tidy environment and comply with all health and safety law, including the CDM 2015 Regulations where applicable.
- You are responsible for the work of all of your employees and sub-contractors, so you must ensure they are competent and adequately supervised.
- Supply the client with samples of materials and fittings for prior approval if required.
- Use your best endeavours to maintain reasonable relationships with any neighbours affected by the building works you are carrying out.

Completed work

When the work is complete you are expected to:

- Leave the site clean, tidy and ready for use. Any waste must be properly disposed of in compliance with relevant legislation.
- Ensure that instruction manuals and maintenance requirements are handed over to the customer, and they understand any essential maintenance.
- Documents including guarantees, warranties or certificates must be passed to the client. It may be an offence to withhold these, even if payments are outstanding.
- Agree a return date with the client to complete any rectifications or snagging items which may arise, or as stated within the terms of the contract. The FMB can provide template completion documents if needed.
- Make sure your client knows who to contact if there are any defects arising from the work.

Disagreements

The FMB is a Certified Alternative Dispute Resolution (ADR) provider, and as an FMB member you therefore have access to an ADR service in case of any dispute. You must inform consumers of this on your website and other communications.

You should have your own complaints policy in place and keep a log of any complaints received.

In the event of a disagreement, you should follow the process outlined below:

- If you have a disagreement with the client you are expected to try to resolve the disagreement by discussion and by reference to the terms of the contract.
- If the disagreement still cannot be resolved the FMB can assist through its Dispute Resolution Scheme. You can issue your client with a 'deadlock letter' in order to trigger the process, or your client can contact the FMB directly.
- Once a dispute is lodged with the FMB, your participation in the Dispute Resolution Service is mandatory, in accordance with the FMB Rules. The dispute may be referred to an independent Alternative Dispute Resolution (ADR) organisation, but we will always inform you if this is the case and you will not be charged for this service.
- The purpose of the FMB Dispute Resolution Service is to assist members and their clients in reaching a settlement to their disagreement, not to apportion blame.
- If, however, in the course of dealing with the Dispute serious or repeated breaches of this Code of Conduct are alleged, the FMB reserves the right to refer the matter to the Standards Committee for consideration.

Part II: Additional Responsibilities for Members on the FMB Board of Directors, Area Boards and Committee Members

For the sake of brevity, the word 'committee' is taken to include 'working groups'.

Members who are elected, appointed or co-opted to sit on FMB committees have additional responsibilities to those outlined above. They are also entitled to receive an induction on taking on their role, which will include familiarisation with this Code of Conduct.

Members of FMB's board(s) and committees must:

- Demonstrate the highest levels of integrity in their interactions with others, and act in a positive and non-discriminatory way, reflecting the ethos of the FMB.
- Contribute their personal skills, experience and knowledge to the work of the FMB.
- Comply with FMB policies on personal data, including (but not limited to) storing and disposing of papers securely and treating all papers private to Board or committee members confidentially.
- Undertake any training or CPD required to enable the effective working of the FMB Board or committee.
- In the case of FMB Board members, play their part in ensuring that the Board operates within the limits of its powers as set out in the FMB's Articles of Association.
- In the case of Area Boards and committees members must play their part in ensuring that the committee operates within its Terms of Reference.
- If required to represent the FMB at external meetings or in the media, members must liaise with the relevant FMB staff about policy lines and outcomes and represent the best interests of the FMB and its members.
- Act in accordance with the standards set out in Articles 44-47 of the FMB Articles of Association, and with the relevant committee Terms of Reference in relation to any potential conflicts of interest.
- Familiarise themselves with the up to date Terms of Reference for their Board or committee, which are updated by the FMB Board from time to time, and abide by all terms set out there.

Breaches of this Code

If a client of an FMB member believes that the member has breached this Code of Conduct in the course of carrying out building work for them, they should lodge their complaint via the Dispute Resolution pages of the FMB website at www.fmb.org.uk

Any other possible breaches of this Code should be set out in writing and addressed to the FMB Chief Executive (contact details available via www.fmb.org.uk). These concerns will be dealt with through the relevant FMB procedure.

In either case, any possible breaches of this Code may result in referral to the FMB Standards Committee, who will decide on the matter in accordance with their Terms of Reference.

Updated 29.9.21

FMB Code of Conduct

The aim of this Code is to uphold the good reputation of the Federation of Master Builders (FMB) both internally (to members and employees) and externally.

Members of the FMB agree to comply with the requirements of the Code of Conduct when they join. The Code of Conduct sets out the standards expected from FMB Members, covering day to day dealings with clients, and those additional responsibilities placed on members who sit on the FMB Board of Directors, on Area Boards or Committees.

The starting point for this Code of Conduct is that everyone associated with the FMB is required to demonstrate high levels of integrity in their interactions with others, and act in a positive and non-discriminatory way, reflecting the ethos of the FMB.

Code of Conduct

General Principles

All members of the FMB are required to:

- a) Act with honesty, in good faith, with integrity and in the best interests of the FMB.
- c) Comply with equality legislation and value diversity and inclusion
- d) Treat others with courtesy and respect, including clients, fellow members and staff employed by the FMB.
- e) Comply with the findings/sanctions of the Standards Committee regarding any proven breach of the Code of Conduct.

This includes information that is in electronic form, for example emails and interactions on in social media platforms.

The FMB reserves the right to carry out background checks on all members, to ensure continued compliance with FMB membership criteria.

This Code of Conduct is regularly reviewed by the FMB Standards Committee, made up of fellow Master Builders and independent members.

Part I: Dealing with Clients

Before work begins

It is a condition of being a member of the FMB that you have sufficient current public liability insurance, in addition to employer's liability insurance, which is a legal requirement. All of your advertising material must be clear, legal and truthful. It must be compliant with all relevant UK legislation.

Your full company name and trading name should be displayed on your website and all other formal communications. This name must also be registered with the FMB. ONLY the company registered with the FMB is entitled to carry the FMB logo, which is a registered trademark and must not be used by unauthorised businesses.

Any images displayed on your website must be pictures of your own work, or if using stock images, or images provided by sub-contractors, this must be acknowledged, so that consumers are not misled.

You must make sure that your workforce is competent to complete the work. You will fulfil

all financial dealings and contractual obligations with your client with the utmost integrity, and the work must be completed in a timely manner.

Unless otherwise agreed in writing, you will give a written quotation together with a description of the work and ensure it complies with all relevant legislation including the Consumer Rights Act 2015 and the Consumer Contracts Regulations 2013.

Working with sub-contractors

As the main contractor, you will retain responsibility for the project as a whole, including any sub-contracted work. If you sub-contract entire projects to any other builder, you must make sure they are also members of the FMB. The client must also agree to the change of contractor and their agreement should be confirmed in writing.

It should always be clear to clients who they should contact in case of any concerns about their project, or for any snagging issues once complete.

Using a contract

You should always use a written contract. The FMB has a range of contracts to suit all types of projects which are available to members only from the Member Dashboard at www.fmb.org.uk/members.

Agree any deposits or staged payments with the customer by including them in your quote and contract. These should be fair and proportionate. Never take full payment from a customer before starting work.

You should make your clients aware of insurance-backed warranties, which are available through FMB Insurance at www.fmbinsurance.co.uk.

Work in progress

As a FMB member when work is in progress you are expected to:

- Use your best endeavours to maintain a good relationship with your client and their appointed representatives as appropriate.
- Proceed with the work with due diligence according to the written contract or quotation between you. If you encounter any technical difficulties with the project you must seek further advice. The FMB can assist.
- Brief your client regularly on progress, particularly if there are likely to be any delays or unforeseen problems.
- Notify Building Control and any other authorities as required.
- Confirm in writing any change to the work and any extra costs and agree these with the

client before work begins.

- Ensure the working site remains a safe, clean and tidy environment and comply with all health and safety law, including the CDM 2015 Regulations where applicable.
- You are responsible for the work of all of your employees and sub-contractors, so you must ensure they are competent and adequately supervised.
- Supply the client with samples of materials and fittings for prior approval if required.
- Use your best endeavours to maintain reasonable relationships with any neighbours affected by the building works you are carrying out.

Completed work

When the work is complete you are expected to:

- Leave the site clean, tidy and ready for use. Any waste must be properly disposed of in compliance with relevant legislation.
- Ensure that instruction manuals and maintenance requirements are handed over to the customer, and they understand any essential maintenance.
- Documents including guarantees, warranties or certificates must be passed to the client. It may be an offence to withhold these, even if payments are outstanding.
- Agree a return date with the client to complete any rectifications or snagging items which may arise, or as stated within the terms of the contract. The FMB can provide template completion documents if needed.
- Make sure your client knows who to contact if there are any defects arising from the work.

Disagreements

The FMB is a Certified Alternative Dispute Resolution (ADR) provider, and as an FMB member you therefore have access to an ADR service in case of any dispute. You must inform consumers of this on your website and other communications.

You should have your own complaints policy in place and keep a log of any complaints received.

In the event of a disagreement, you should follow the process outlined below:

- If you have a disagreement with the client you are expected to try to resolve the disagreement by discussion and by reference to the terms of the contract.
- If the disagreement still cannot be resolved the FMB can assist through its Dispute Resolution Scheme. You can issue your client with a 'deadlock letter' in order to trigger the process, or your client can contact the FMB directly.
- Once a dispute is lodged with the FMB, your participation in the Dispute Resolution Service is mandatory, in accordance with the FMB Rules. The dispute may be referred to an independent Alternative Dispute Resolution (ADR) organisation, but we will always inform you if this is the case and you will not be charged for this service.
- The purpose of the FMB Dispute Resolution Service is to assist members and their clients in reaching a settlement to their disagreement, not to apportion blame.
- If, however, in the course of dealing with the Dispute serious or repeated breaches of this Code of Conduct are alleged, the FMB reserves the right to refer the matter to the Standards Committee for consideration.

Part II: Additional Responsibilities for Members on the FMB Board of Directors, Area Boards and Committee Members

For the sake of brevity, the word 'committee' is taken to include 'working groups'.

Members who are elected, appointed or co-opted to sit on FMB committees have additional responsibilities to those outlined above. They are also entitled to receive an induction on taking on their role, which will include familiarisation with this Code of Conduct.

Members of FMB's board(s) and committees must:

- Demonstrate the highest levels of integrity in their interactions with others, and act in a positive and non-discriminatory way, reflecting the ethos of the FMB.
- Contribute their personal skills, experience and knowledge to the work of the FMB.
- Comply with FMB policies on personal data, including (but not limited to) storing and disposing of papers securely and treating all papers private to Board or committee members confidentially.
- Undertake any training or CPD required to enable the effective working of the FMB Board or committee.
- In the case of FMB Board members, play their part in ensuring that the Board operates within the limits of its powers as set out in the FMB's Articles of Association.
- In the case of Area Boards and committees members must play their part in ensuring that the committee operates within its Terms of Reference.
- If required to represent the FMB at external meetings or in the media, members must liaise with the relevant FMB staff about policy lines and outcomes and represent the best interests of the FMB and its members.
- Act in accordance with the standards set out in Articles 44-47 of the FMB Articles of Association, and with the relevant committee Terms of Reference in relation to any potential conflicts of interest.
- Familiarise themselves with the up to date Terms of Reference for their Board or committee, which are updated by the FMB Board from time to time, and abide by all terms set out there.

Breaches of this Code

If a client of an FMB member believes that the member has breached this Code of Conduct in the course of carrying out building work for them, they should lodge their complaint via the Dispute Resolution pages of the FMB website at www.fmb.org.uk

Any other possible breaches of this Code should be set out in writing and addressed to the FMB Chief Executive (contact details available via www.fmb.org.uk). These concerns will be dealt with through the relevant FMB procedure.

In either case, any possible breaches of this Code may result in referral to the FMB Standards Committee, who will decide on the matter in accordance with their Terms of Reference.

Updated 29.9.21

FMB Company Number 00368163

Rules
of the Federation of
Master Builders Limited ('FMB')

September 2021

CONTENTS

DEFINITIONS	
PART I: MEMBERSHIP	
PART II: ORGANISATION OF UK AREA BOARDS.....	
PART III: FINANCE.....	
PART IV: STATUTORY OBLIGATIONS AND MISCELLANEOUS	

DEFINITIONS AND INTERPRETATION

In these Rules, unless inconsistent with the subject or context, the words in the column headed **“WORDS”** below will have the meaning set opposite to them in the column headed **“MEANINGS”**. Definitions which are set out in the Articles apply to the Rules also.

WORDS	MEANINGS
AGM	means Annual General Meeting.
Articles	means the Articles of Association of FMB.
FMB Board	means the Board of legal Directors of FMB.
Casting Vote	means the Chair's vote, which is cast to break a tied position and achieve a decision. The Chair will not otherwise vote, but the Chair's participation in a meeting will count towards the quorum.
Companies Act	means the Companies Act 2006.
EGM	means Extraordinary General Meeting.
In writing	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
Meeting	means a meeting of two or more parties in person or virtually.
Member	means the company, partnership, sole trader or other type of construction business which is a member of FMB.
Month	means a Calendar Month.
Position Holder	means a Member elected or appointed to hold National or Area Office.
Presidential Team	means the National President, the National Vice-President and the Immediate Past-President.
Quorum	means the minimum number of voting Members who must be present (physically or virtually) at a Meeting to make the proceedings of that Meeting valid. The required quorum will be rounded up. For example, for an Area Board of eight members, a two thirds quorum would be 6.
Rules	means the Rules of FMB.
Staff	means paid employees of FMB carrying out the executive functions of the Board.
UK Areas	means the areas of England (Central, South West, Southern Counties, London, North West, Northern

	Counties, Yorkshire and Trent), Scotland, Wales and Northern Ireland.
UK Area Board	means the board in each UK Area.
Year	means a Calendar Year.

In the case of any inconsistencies between any provision of these Rules and the Articles, the Articles will prevail.

PART I: MEMBERSHIP

Membership Criteria

1. The Board has the power to set the criteria and processes for managing membership, and can delegate powers for day to day operation of these to the FMB's Staff.
2. A business must meet the criteria for membership which are approved by the Board, in order to be accepted into membership and to remain in membership. Details of current criteria are available on request.
3. In cases when an application for membership is rejected, or where a current Member no longer meets the criteria for membership, and their membership must therefore be terminated, the applicant or Member will be informed and advised of their right to request a review of that decision.
4. All decisions about membership will be communicated to the responsible owners or directors of the business in writing, within five working days, in line with the provisions set out in Rule 78.
5. Where false information in relation to membership is found to have knowingly been supplied, the membership will be terminated, and the Member advised of their right to request a review of that decision.

Membership Types

6. **Member**, as defined in section 112 of the Companies Act 2006, includes the subscribers of a company's memorandum and articles of association who are deemed to have agreed to become members of the company, and must be entered as such in its register of members. The FMB will maintain an accurate database of all Members, which will comply with FMB's Privacy Policy.
7. The Board has the power to set classes of membership, and to delegate powers to the Staff to operate these on a day to day basis.
8. **Retired Membership** is available for individuals who are no longer actively engaged in the construction industry but wish to support the aims of the FMB. Retired Members are entitled to receive FMB communications, but are not entitled to vote or hold office on any FMB Board. A subscription of less than 25% of full membership will be charged for a Retired Member.
9. **Honorary Fellow:** where the Board considers that an individual has given outstanding exemplary service to FMB, the Board can, at its sole discretion, award Honorary Fellowship of the FMB. This award can be proposed to the Board, following a majority vote at a UK Area Board. The Board will communicate its decision on the approval of the Honorary Fellowship, to the relevant UK Area Board and proposed Honorary Member in writing within ten working days. Honorary Fellows of the FMB will be presented with a certificate at a subsequent National or Area AGM, according to their preference. Honorary Fellows are not charged subscriptions and do not have access to all of the benefits and rights of Members under Rules 20 - 26, but will receive communications from FMB. Honorary Fellowship is awarded for life, unless decided otherwise, at the absolute discretion of the Board. Honorary Fellowship is separate from an individual's business membership, which will be subject to the normal membership criteria, obligations and rights of FMB membership, including the right for an individual who is an Honorary Fellow to be elected to an FMB office, through their separate business membership.

Membership Policies and Procedures

UK Area Membership

10. Each Member will be allocated to the UK Area within which their main contact address is situated. A Member may submit an application to the Board to be reallocated to a different area, explaining the reason for this request, which will be decided on a case by case basis.

Transfer of Membership

11. Members cannot transfer their FMB membership from one business to another in any circumstances, even when the new business is under the same ownership.

Change of Business Name

12. Only the business named in the FMB Membership records is entitled to receive the benefits and rights of Membership. If the directors or owners of a Member business wish to change the legal or trading name of the business registered with the FMB, they must apply to FMB. The Member business will be asked to supply the proposed new business details, and the reasons for the change. Checks (including financial) will then be carried out. If an application for such a change is rejected because the new business does not meet the FMB's criteria, the membership will be terminated, the business will be informed in writing within five working days of that decision, and advised of their right to reapply. Registered limited companies and LLP's can apply to Companies House to change their name. In this case a copy of their Certificate of Incorporation on Change of Name, issued by Companies House must be provided to the FMB.

Subscriptions

13. The Board has the power to agree subscriptions and application fees, and to review these from time to time.
14. The subscription payable by the Member becomes due on the date of admission to membership, and is renewable on the same date annually. Subscriptions can be paid monthly or annually, and are not refundable in any circumstances, except by agreement of the Board.

Member Obligations

15. Members must supply up to date contact details to the FMB and respond to any other reasonable requests for information from the FMB.
16. Members must comply with all mandatory requirements of membership, including supplying details of work for inspection, and responding in writing in a timely manner to any complaints submitted to FMB by their clients.
17. Members must immediately notify FMB of any changes within their business, such as changes of directors or owners, or change of legal status, and apply to FMB with regard to changes of legal or trading name. See Rule 12 above. FMB reserves the right to terminate a membership where such a change means that the business no longer meets FMB's criteria.
18. By joining the FMB, every Member is bound to promote excellence and good practice in the construction, repair and maintenance of buildings, and to promote fair practice in business.
19. Every Member must observe and comply with these Rules, and with the FMB Code of Conduct.

Member Benefits and Rights

20. Every Member will enjoy the benefit of membership services relevant to their type of membership, as agreed by the Board.
21. Every Member will enjoy the benefit of collective action by the FMB to safeguard their interests.
22. Every Member will be entitled to use the official current branding as supplied by the FMB, relevant to their type of membership, and in line with FMB guidelines. Such branding and any claims to membership must be removed immediately as soon as a business ceases to be a Member, for whatever reason.
23. Every Member is entitled to receive communications from the FMB.
24. Every Member is entitled to be listed on the FMB website as a member.
25. Every Member is entitled to vote, and to participate in the governance of their UK Area, and in FMB national elections.
26. Members will be provided with opportunities to share their opinions on business issues within their UK Area or nationally, via surveys and other fora to contribute to development of FMB policy.

Ceasing to be a Member

27. A Member may resign from membership by giving thirty days' notice to FMB in writing. No subscriptions will be refundable in this case.
28. A Member will cease to be a Member immediately if their business ceases to trade, whether by liquidation, bankruptcy, winding up or any other form of company dissolution.
29. A Member will cease to be a Member immediately upon the death of the responsible owner of the business, whether that be a sole trader or sole director of a limited company.
30. A Member will cease to be a Member immediately upon non-payment of subscriptions for three calendar months in which case, membership cannot be reinstated automatically and the business must re-apply for membership. Any such Members will not be able to show continuous membership from their original joining date, but only from the new joining date. All arrears, and an application fee will be payable upon re-joining.
31. Individuals who are directors of member companies or are sole traders who simply cease to trade due to retirement from business are entitled to apply for Retired Membership as set out in Rule 8, above.

Termination and Suspension of Membership

32. If anyone alleges that a Member:
 - a. has committed a serious breach of any of these Rules, the FMB Code of Conduct or any other regulations of FMB which are in force at the time; and/or
 - b. has, or is likely to, bring FMB into disrepute in any other way;

the procedure set out in the FMB Code of Conduct will be followed. This may result in the matter being referred to the FMB Standards Committee for consideration under its Terms of Reference.
33. A Membership may be suspended where there is a reasonable expectation that continued membership poses a high risk to the FMB's reputation. Suspension means temporary removal of all benefits and rights of membership as set out under Rule 20-26, except for the right to display the FMB logo. Suspension will be reviewed each month, until a decision on continued membership has been made, up to a maximum of three months. Subscriptions remain payable during suspension.
34. Notification of all Standards Committee decisions will be provided to a Member in writing after the relevant meeting of the Committee, at the latest within five working days. This notification will include details of the right to appeal the decision.
35. An appeal against the Standards Committee's decision may be made to the Appeals Committee, if there is substantial new information which was not available at the time of the Committee's consideration, or if it is alleged by the expelled Member that the relevant procedure was not followed.
36. An expelled Member cannot re-apply for membership until a five year period has elapsed. This applies to all directors of the expelled business, even where they have incorporated new businesses with other directors. Notice of expulsion will be published on the FMB website.
37. If a Member resigns their membership after receiving notice of being required to attend a Standards Committee meeting under Rule 32, above, but before the meeting has taken place, a note of that member having resigned whilst under investigation can be published on the FMB website.

PART II: ORGANISATION OF UK AREA BOARDS

Establishing UK Area Boards

38. The FMB Board, subject to approval at the National AGM, has the power :
- a. to establish or dissolve any UK Areas;
 - b. to define the respective geographical areas with reference to which such UK Areas will operate;
 - c. to determine the terms of reference and procedures for the operation of UK Areas.

Policies and Procedures: UK Area Boards

39. In accordance with the FMB Rules, a UK Area Board is responsible for:
- a. **Engagement:** providing a forum for members to discuss issues affecting the construction sector.
 - b. **Representation:** providing a forum to represent Members' interests in the UK Area and for recommendations to be made to the FMB Board.
 - c. **Governance:** electing an Area Board Member as an FMB Board representative (who will become a legal Director of the FMB) and implementing the policies and decisions of the FMB Board.
40. Each UK Area Board will consist of:
- a. Members elected by the UK Area's AGM or EGM;
 - b. the UK Area President, who acts as Chair, and a Vice-President;
 - c. an FMB Board representative.
41. In each UK Area, any Member may put their name forward for election to the UK Area Board when an election is held. A Member wishing to sit on the UK Area Board must be one of the following: a Director of a Limited Company which is a current member of the FMB, a Partner in an LLP which is a current member, a sole trader who is registered as a current FMB member, or a senior employee of one of the above.
42. The UK Area Board will have power to co-opt a maximum of two external industry stakeholders (Co-opted persons or CPs) to the UK Area Board. CPs do not have voting rights.
43. A CP will be nominated by a UK Area Board member and elected by a majority vote of the UK Area Board at any UK Area Board meeting. In the event of a tie between nominees, then the Chair will call for a decision by a show of hands from those present or by ballot should this be requested.
44. The maximum number of Members to sit on the UK Area Board will be fourteen (not including CPs) and the minimum must be eight. The quorum necessary for the transaction of business of the UK Area Board is two-thirds of voting Members, rounded up, including the Chair. For example, for an Area Board
45. The Members of the UK Area Boards, including CPs, will sit for a fixed term of two years.
46. Every two years at the first meeting after the relevant AGM, the UK Area Board will elect its three position holders: a UK Area President/Chair; a Vice-President and a representative to sit

on the FMB National Board, who will become a Director of the FMB. These positions should be held by separate individuals to avoid any conflict of interest.

47. UK Area or National Position Holders do not have an automatic right to remain on the UK Area Board after their two-year term has ended, and must be re-elected upon the expiry of each two year term.
48. The FMB will allocate a paid staff member for each UK Area, who will attend UK Area Board meetings with the option of other relevant staff members and the National President also attending.
49. Each UK Area Board has the power to convene meetings in accordance with the Rules. At least five working days' notice in writing of all meetings must be given to all Members of the UK Area Board, together with the agenda and relevant papers for discussion. The UK Area Board will meet at least twice in any calendar year.
50. Any UK Area Board member may propose a resolution for submission to the FMB Board. The resolution requires a seconder and must gain a majority vote for it to be adopted by the UK Area Board.
51. The Chair has no vote except in the event of a tie, when they will use their Casting Vote.
52. All UK Area Board members are bound by the terms of the FMB Code of Conduct.
53. If a Member, including a CP, is absent for more than three consecutive Area Board meetings, unless the absence is due to illness or any other reason approved by the Area Board, the Area Board will have the discretionary power to ask the Member to stand down.

UK Area AGMs

54. Each UK Area will hold its AGM before 30 June. All Members in the relevant UK Area will be notified in writing ten working days in advance.
55. The purpose of the UK Area AGM is:
 - a. to confirm the minutes of the previous AGM for that UK Area;
 - b. to carry out the business of the agenda of which notice has been given as in Rule 57;
 - c. every year, to elect Members to fill the vacancies on the UK Area Board for a two year period
 - d. to allow every Member in the UK Area an opportunity to raise business issues affecting the FMB, through their UK Area Board Members.
56. Voting for all items on the agenda will be in advance by electronic voting or in person at the meeting. Members must not vote both electronically and in person.
57. Every Member designated to the relevant UK Area will be given at least ten working days' notice in writing of the date and place of and the specific nature of the business to be transacted at every UK Area AGM, and any EGM of their UK Area, and such notice may be given through FMB's magazine or website.
58. The quorum for a UK Area AGM, and any EGM, of a UK Area will be eight Members designated to that UK Area. The quorum includes members attending and voting in person or electronically. The quorum also includes the Chair.
59. The FMB will invite applications from Members in a UK Area for vacancies on the Area Board no later than twenty working days before the UK Area AGM. Any Member wishing to put

themselves forward for election should then submit their application through the approved FMB process.

60. When electing Members to the UK Area Board at an AGM, if more members have put themselves forward than there are vacancies on the Board, or in the event of a tie between Members standing for election, the Chair will call for a decision by a show of hands from those present or by ballot should this be requested. The Chair of the AGM has the casting vote. The vote must take into consideration any votes cast by advance postal votes, by electronic voting or by proxy.
61. The UK Area Position Holders will be the Area President (Board Chair), Area Vice-President and elected FMB Board Representative Director. A Member must serve at least one year on the UK Area Board before they are eligible to be elected as a Position Holder.
62. The President of the UK Area will chair the UK Area AGM and any UK Area EGM. In their absence the Vice-President of that UK Area will chair, failing which the meeting will elect one of the other UK Area Board Members as Chair of the meeting.

UK Area EGMs

63. An EGM of a UK Area may be convened at any time at the request of:
- a. the UK Area Board; or
 - b. at the written request of any twenty Members designated to that UK Area.
 - c. The FMB Board, where Rule 67 applies.
64. The business of an EGM of a UK Area is to consider any emergency motion(s) on general policy within that UK Area, that cannot wait for an AGM.
65. The rules with regard to quorum, voting and Chairing of a UK Area EGM are the same as those set out for the UK Area AGM, in Rules 56-62.

UK Areas: Ability to Conduct Business

66. In order to conduct business, a UK Area must both:
- a) achieve the minimum of eight elected Area Board Members set out in Rule 44, and;
 - b) achieve the specified quorum of eight members designated to that UK Area voting at its AGM set out in Rule 58.
67. If, immediately following its scheduled AGM, any UK Area is unable to meet either of these two criteria, the FMB Board must be notified that the UK Area is unable to conduct business. The FMB Board will then take one of the following steps:
- a. Initiate an EGM for that UK Area, under rule 63 c), where there is a reasonable expectation that both criteria under Rules 66 a) and b) would then be met. The EGM must take place before the 30 June AGM deadline specified under Rule 54.
 - b. Alternatively, the FMB Board must make other arrangements for the representation of members of that UK Area within the FMB's Governance. This can include merging of the UK Area with another UK Area.

PART III: FINANCE

Funds and Investments

68. The Board will require a Bank Account to be maintained in the name of FMB. All cheques drawn on such Bank Account can only be signed by such persons as the Board may from time to time prescribe.
- a. The funds and property of FMB, howsoever derived will be used solely for furthering FMB's Objects as set out in the Articles.
 - b. Any funds belonging to FMB, not immediately required, may be invested in such investments and generally in such manner and for such purposes as the Board in its absolute discretion from time to time determines, and the Board will also have the discretion to determine, to vary, transpose or realise all or any of the investments for the time being belonging to FMB.
69. The travelling and other out-of-pocket expenses incurred in the performance of their duties in connection with the affairs of FMB by any elected or nominated Member may be repaid to them out of the funds of FMB in accordance with the Guidelines on FMB Members' Expenses as approved by the FMB Finance Committee.

Account and Audit

70. The Board must keep proper books of account and accounting records of FMB in accordance with the provisions of the Companies Act.

Income

71. FMB's income may be raised by means of annual subscriptions, application fees, levies, by borrowing money, or by any other means of non-subscription income as the Board may decide from time to time.

PART IV: STATUTORY OBLIGATIONS AND MISCELLANEOUS

Annual Report

72. FMB will publish an Annual Report relating to its activities and make it available to all Members by including it in the magazine and/or on the FMB's website.

Alteration to the Rules

73. FMB may amend these Rules as follows:
- a. Any UK Area Board member may propose amendments to the Rules which requires a seconder and must gain a majority vote for it to be adopted by the UK Area Board. The chair will have the Casting Vote. The proposal will then be submitted to the next National AGM following the normal Rules regarding notification of business set out in the FMB Articles. Any adopted alterations will be effective if carried by a majority vote of not less than three-quarters of those present at the National AGM or EGM of those who are entitled to vote.
 - b. Any Board member may propose amendments to the Rules which requires a seconder and must gain a majority vote for it to be adopted by the Board. The chair will have the Casting Vote. The proposal will then be submitted to the next National AGM. Any adopted alterations will be effective if carried by a majority vote of not less than three-quarters of those present at the National AGM or EGM of those who are entitled to vote.

74. Each set of Rules and any associated documents such as Appendices or Codes of Conduct which is approved at an AGM supersedes all previous documents approved at prior AGMs.

Copies of Rules

75. Prior to joining FMB, every applicant to the FMB will have access to the FMB Rules.
76. FMB will, at the request of any person, supply them with a copy of these Rules.

Breach of the Rules

77. Where a Member wishes to complain that action contrary to these Rules has been taken by FMB or by a Position Holder or Staff of FMB, they may make a complaint in writing to the Chief Executive. If it concerns the Chief Executive, the complaint may be made in writing to the National President.

Notices

78. Every notice required by these Rules to be served on any Member will be served in writing. FMB will make all reasonable efforts to ensure that notices in writing are received by Members. Any such notice, if served by post, will be deemed to have been served six days after posting to the registered or last known address of the Member or three days if sent electronically to the Member's registered email address.

About the Federation of Master Builders

The Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing thousands of firms in England, Scotland, Wales and Northern Ireland. Established in 1941 to protect the interests of small and medium-sized (SME) construction firms, the FMB is independent and non-profit making, lobbying for members' interests at both the national and local level.

The FMB is a source of knowledge, professional advice and support for its members, providing a range of modern and relevant business building services to help them succeed. The FMB is committed to raising quality in the construction industry and offers a free online service to consumers called 'Find a Builder'.

Please visit **www.fmb.org.uk**

September 2021

FMB Company Number 00368163

Rules of the Federation of Master Builders Limited ('FMB')

September 2021

CONTENTS

DEFINITIONS	
PART I: MEMBERSHIP	
PART II: ORGANISATION OF UK AREA BOARDS	
PART III: FINANCE	
PART IV: STATUTORY OBLIGATIONS AND MISCELLANEOUS	

DEFINITIONS AND INTERPRETATION

In these Rules, unless inconsistent with the subject or context, the words in the column headed **“WORDS”** below will have the meaning set opposite to them in the column headed **“MEANINGS”**. Definitions which are set out in the Articles apply to the Rules also.

WORDS	MEANINGS
AGM	means Annual General Meeting.
Articles	means the Articles of Association of FMB.
FMB Board	means the Board of legal Directors of FMB.
Casting Vote	means the Chair's vote, which is cast to break a tied position and achieve a decision. The Chair will not otherwise vote, but the Chair's participation in a meeting will count towards the quorum.
Companies Act	means the Companies Act 2006.
EGM	means Extraordinary General Meeting.
In writing	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
Meeting	means a meeting of two or more parties in person or virtually.
Member	means the company, partnership, sole trader or other type of construction business which is a member of FMB.
Month	means a Calendar Month.
Position Holder	means a Member elected or appointed to hold National or Area Office.
Presidential Team	means the National President, the National Vice-President and the Immediate Past-President.
Quorum	means the minimum number of voting Members who must be present (physically or virtually) at a Meeting to make the proceedings of that Meeting valid. The required quorum will be rounded up. For example, for an Area Board of eight members, a two thirds quorum would be 6.
Rules	means the Rules of FMB.
Staff	means paid employees of FMB carrying out the executive functions of the Board.
UK Areas	means the areas of England (Central, South West, Southern Counties, London, North West, Northern

	Counties, Yorkshire and Trent), Scotland, Wales and Northern Ireland.
UK Area Board	means the board in each UK Area.
Year	means a Calendar Year.

In the case of any inconsistencies between any provision of these Rules and the Articles, the Articles will prevail.

PART I: MEMBERSHIP

Membership Criteria

1. The Board has the power to set the criteria and processes for managing membership, and can delegate powers for day to day operation of these to the FMB's Staff.
2. A business must meet the criteria for membership which are approved by the Board, in order to be accepted into membership and to remain in membership. Details of current criteria are available on request.
3. In cases when an application for membership is rejected, or where a current Member no longer meets the criteria for membership, and their membership must therefore be terminated, the applicant or Member will be informed and advised of their right to request a review of that decision.
4. All decisions about membership will be communicated to the responsible owners or directors of the business in writing, within five working days, in line with the provisions set out in Rule 78.
5. Where false information in relation to membership is found to have knowingly been supplied, the membership will be terminated, and the Member advised of their right to request a review of that decision.

Membership Types

6. Member, as defined in section 112 of the Companies Act 2006, includes the subscribers of a company's memorandum and articles of association who are deemed to have agreed to become members of the company, and must be entered as such in its register of members. The FMB will maintain an accurate database of all Members, which will comply with FMB's Privacy Policy.
7. The Board has the power to set classes of membership, and to delegate powers to the Staff to operate these on a day to day basis.
8. Retired Membership is available for individuals who are no longer actively engaged in the construction industry but wish to support the aims of the FMB. Retired Members are entitled to receive FMB communications, but are not entitled to vote or hold office on any FMB Board. A subscription of less than 25% of full membership will be charged for a Retired Member.
9. Honorary Fellow: where the Board considers that an individual has given outstanding exemplary service to FMB, the Board can, at its sole discretion, award Honorary Fellowship of the FMB. This award can be proposed to the Board, following a majority vote at a UK Area Board. The Board will communicate its decision on the approval of the Honorary Fellowship, to the relevant UK Area Board and proposed Honorary Member in writing within ten working days. Honorary Fellows of the FMB will be presented with a certificate at a subsequent National or Area AGM, according to their preference. Honorary Fellows are not charged subscriptions and do not have access to all of the benefits and rights of Members under Rules 20 - 26, but will receive communications from FMB. Honorary Fellowship is awarded for life, unless decided otherwise, at the absolute discretion of the Board. Honorary Fellowship is separate from an individual's business membership, which will be subject to the normal membership criteria, obligations and rights of FMB membership, including the right for an individual who is an Honorary Fellow to be elected to an FMB office, through their separate business membership.

Membership Policies and Procedures

UK Area Membership

10. Each Member will be allocated to the UK Area within which their main contact address is situated. A Member may submit an application to the Board to be reallocated to a different area, explaining the reason for this request, which will be decided on a case by case basis.

Transfer of Membership

11. Members cannot transfer their FMB membership from one business to another in any circumstances, even when the new business is under the same ownership.

Change of Business Name

12. Only the business named in the FMB Membership records is entitled to receive the benefits and rights of Membership. If the directors or owners of a Member business wish to change the legal or trading name of the business registered with the FMB, they must apply to FMB. The Member business will be asked to supply the proposed new business details, and the reasons for the change. Checks (including financial) will then be carried out. If an application for such a change is rejected because the new business does not meet the FMB's criteria, the membership will be terminated, the business will be informed in writing within five working days of that decision, and advised of their right to reapply. Registered limited companies and LLP's can apply to Companies House to change their name. In this case a copy of their Certificate of Incorporation on Change of Name, issued by Companies House must be provided to the FMB.

Subscriptions

13. The Board has the power to agree subscriptions and application fees, and to review these from time to time.
14. The subscription payable by the Member becomes due on the date of admission to membership, and is renewable on the same date annually. Subscriptions can be paid monthly or annually, and are not refundable in any circumstances, except by agreement of the Board.

Member Obligations

15. Members must supply up to date contact details to the FMB and respond to any other reasonable requests for information from the FMB.
16. Members must comply with all mandatory requirements of membership, including supplying details of work for inspection, and responding in writing in a timely manner to any complaints submitted to FMB by their clients.
17. Members must immediately notify FMB of any changes within their business, such as changes of directors or owners, or change of legal status, and apply to FMB with regard to changes of legal or trading name. See Rule 12 above. FMB reserves the right to terminate a membership where such a change means that the business no longer meets FMB's criteria.
18. By joining the FMB, every Member is bound to promote excellence and good practice in the construction, repair and maintenance of buildings, and to promote fair practice in business.
19. Every Member must observe and comply with these Rules, and with the FMB Code of Conduct.

Member Benefits and Rights

20. Every Member will enjoy the benefit of membership services relevant to their type of membership, as agreed by the Board.
21. Every Member will enjoy the benefit of collective action by the FMB to safeguard their interests.
22. Every Member will be entitled to use the official current branding as supplied by the FMB, relevant to their type of membership, and in line with FMB guidelines. Such branding and any claims to membership must be removed immediately as soon as a business ceases to be a Member, for whatever reason.
23. Every Member is entitled to receive communications from the FMB.
24. Every Member is entitled to be listed on the FMB website as a member.
25. Every Member is entitled to vote, and to participate in the governance of their UK Area, and in FMB national elections.
26. Members will be provided with opportunities to share their opinions on business issues within their UK Area or nationally, via surveys and other fora to contribute to development of FMB policy.

Ceasing to be a Member

27. A Member may resign from membership by giving thirty days' notice to FMB in writing. No subscriptions will be refundable in this case.
28. A Member will cease to be a Member immediately if their business ceases to trade, whether by liquidation, bankruptcy, winding up or any other form of company dissolution.
29. A Member will cease to be a Member immediately upon the death of the responsible owner of the business, whether that be a sole trader or sole director of a limited company.
30. A Member will cease to be a Member immediately upon non-payment of subscriptions for three calendar months in which case, membership cannot be reinstated automatically and the business must re-apply for membership. Any such Members will not be able to show continuous membership from their original joining date, but only from the new joining date. All arrears, and an application fee will be payable upon re-joining.
31. Individuals who are directors of member companies or are sole traders who simply cease to trade due to retirement from business are entitled to apply for Retired Membership as set out in Rule 8, above.

Termination and Suspension of Membership

32. If anyone alleges that a Member:

- a. has committed a serious breach of any of these Rules, the FMB Code of Conduct or any other regulations of FMB which are in force at the time; and/or
- b. has, or is likely to, bring FMB into disrepute in any other way;

the procedure set out in the FMB Code of Conduct will be followed. This may result in the matter being referred to the FMB Standards Committee for consideration under its Terms of Reference.

33. A Membership may be suspended where there is a reasonable expectation that continued membership poses a high risk to the FMB's reputation. Suspension means temporary removal of all benefits and rights of membership as set out under Rule 20-26, except for the right to display the FMB logo. Suspension will be reviewed each month, until a decision on continued membership has been made, up to a maximum of three months. Subscriptions remain payable during suspension.
34. Notification of all Standards Committee decisions will be provided to a Member in writing after the relevant meeting of the Committee, at the latest within five working days. This notification will include details of the right to appeal the decision.
35. An appeal against the Standards Committee's decision may be made to the Appeals Committee, if there is substantial new information which was not available at the time of the Committee's consideration, or if it is alleged by the expelled Member that the relevant procedure was not followed.
36. An expelled Member cannot re-apply for membership until a five year period has elapsed. This applies to all directors of the expelled business, even where they have incorporated new businesses with other directors. Notice of expulsion will be published on the FMB website.
37. If a Member resigns their membership after receiving notice of being required to attend a Standards Committee meeting under Rule 32, above, but before the meeting has taken place, a note of that member having resigned whilst under investigation can be published on the FMB website.

PART II: ORGANISATION OF UK AREA BOARDS

Establishing UK Area Boards

38. The FMB Board, subject to approval at the National AGM, has the power :
- a. to establish or dissolve any UK Areas;
 - b. to define the respective geographical areas with reference to which such UK Areas will operate;
 - c. to determine the terms of reference and procedures for the operation of UK Areas.

Policies and Procedures: UK Area Boards

39. In accordance with the FMB Rules, a UK Area Board is responsible for:
- a. Engagement: providing a forum for members to discuss issues affecting the construction sector.
 - b. Representation: providing a forum to represent Members' interests in the UK Area and for recommendations to be made to the FMB Board.
 - c. Governance: electing an Area Board Member as an FMB Board representative (who will become a legal Director of the FMB) and implementing the policies and decisions of the FMB Board.
40. Each UK Area Board will consist of:
- a. Members elected by the UK Area's AGM or EGM;
 - b. the UK Area President, who acts as Chair, and a Vice-President;
 - c. an FMB Board representative.
41. In each UK Area, any Member may put their name forward for election to the UK Area Board when an election is held. A Member wishing to sit on the UK Area Board must be one of the following: a Director of a Limited Company which is a current member of the FMB, a Partner in an LLP which is a current member, a sole trader who is registered as a current FMB member, or a senior employee of one of the above.
42. The UK Area Board will have power to co-opt a maximum of two external industry stakeholders (Co-opted persons or CPs) to the UK Area Board. CPs do not have voting rights.
43. A CP will be nominated by a UK Area Board member and elected by a majority vote of the UK Area Board at any UK Area Board meeting. In the event of a tie between nominees, then the Chair will call for a decision by a show of hands from those present or by ballot should this be requested.
44. The maximum number of Members to sit on the UK Area Board will be fourteen (not including CPs) and the minimum must be eight. The quorum necessary for the transaction of business of the UK Area Board is two-thirds of voting Members, rounded up, including the Chair. For example, for an Area Board
45. The Members of the UK Area Boards, including CPs, will sit for a fixed term of two years.
46. Every two years at the first meeting after the relevant AGM, the UK Area Board will elect its three position holders: a UK Area President/Chair; a Vice-President and a representative to sit

on the FMB National Board, who will become a Director of the FMB. These positions should be held by separate individuals to avoid any conflict of interest.

47. UK Area or National Position Holders do not have an automatic right to remain on the UK Area Board after their two-year term has ended, and must be re-elected upon the expiry of each two year term.
48. The FMB will allocate a paid staff member for each UK Area, who will attend UK Area Board meetings with the option of other relevant staff members and the National President also attending.
49. Each UK Area Board has the power to convene meetings in accordance with the Rules. At least five working days' notice in writing of all meetings must be given to all Members of the UK Area Board, together with the agenda and relevant papers for discussion. The UK Area Board will meet at least twice in any calendar year.
50. Any UK Area Board member may propose a resolution for submission to the FMB Board. The resolution requires a seconder and must gain a majority vote for it to be adopted by the UK Area Board.
51. The Chair has no vote except in the event of a tie, when they will use their Casting Vote.
52. All UK Area Board members are bound by the terms of the FMB Code of Conduct.
53. If a Member, including a CP, is absent for more than three consecutive Area Board meetings, unless the absence is due to illness or any other reason approved by the Area Board, the Area Board will have the discretionary power to ask the Member to stand down.

UK Area AGMs

54. Each UK Area will hold its AGM before 30 June. All Members in the relevant UK Area will be notified in writing ten working days in advance.
55. The purpose of the UK Area AGM is:
 - a. to confirm the minutes of the previous AGM for that UK Area;
 - b. to carry out the business of the agenda of which notice has been given as in Rule 57;
 - c. every year, to elect Members to fill the vacancies on the UK Area Board for a two year period
 - d. to allow every Member in the UK Area an opportunity to raise business issues affecting the FMB, through their UK Area Board Members.
56. Voting for all items on the agenda will be in advance by electronic voting or in person at the meeting. Members must not vote both electronically and in person.
57. Every Member designated to the relevant UK Area will be given at least ten working days' notice in writing of the date and place of and the specific nature of the business to be transacted at every UK Area AGM, and any EGM of their UK Area, and such notice may be given through FMB's magazine or website.
58. The quorum for a UK Area AGM, and any EGM, of a UK Area will be eight Members designated to that UK Area. The quorum includes members attending and voting in person or electronically. The quorum also includes the Chair.
59. The FMB will invite applications from Members in a UK Area for vacancies on the Area Board no later than twenty working days before the UK Area AGM. Any Member wishing to put

themselves forward for election should then submit their application through the approved FMB process.

60. When electing Members to the UK Area Board at an AGM, if more members have put themselves forward than there are vacancies on the Board, or in the event of a tie between Members standing for election, the Chair will call for a decision by a show of hands from those present or by ballot should this be requested. The Chair of the AGM has the casting vote. The vote must take into consideration any votes cast by advance postal votes, by electronic voting or by proxy.
61. The UK Area Position Holders will be the Area President (Board Chair), Area Vice-President and elected FMB Board Representative Director. A Member must serve at least one year on the UK Area Board before they are eligible to be elected as a Position Holder.
62. The President of the UK Area will chair the UK Area AGM and any UK Area EGM. In their absence the Vice-President of that UK Area will chair, failing which the meeting will elect one of the other UK Area Board Members as Chair of the meeting.

UK Area EGMs

63. An EGM of a UK Area may be convened at any time at the request of:
 - a. the UK Area Board; or
 - b. at the written request of any twenty Members designated to that UK Area.
 - c. The FMB Board, where Rule 67 applies.
64. The business of an EGM of a UK Area is to consider any emergency motion(s) on general policy within that UK Area, that cannot wait for an AGM.
65. The rules with regard to quorum, voting and Chairing of a UK Area EGM are the same as those set out for the UK Area AGM, in Rules 56-62.

UK Areas: Ability to Conduct Business

66. In order to conduct business, a UK Area must both:
 - a) achieve the minimum of eight elected Area Board Members set out in Rule 44, and;
 - b) achieve the specified quorum of eight members designated to that UK Area voting at its AGM set out in Rule 58.
67. If, immediately following its scheduled AGM, any UK Area is unable to meet either of these two criteria, the FMB Board must be notified that the UK Area is unable to conduct business. The FMB Board will then take one of the following steps:
 - a. Initiate an EGM for that UK Area, under rule 63 c), where there is a reasonable expectation that both criteria under Rules 66 a) and b) would then be met. The EGM must take place before the 30 June AGM deadline specified under Rule 54.
 - b. Alternatively, the FMB Board must make other arrangements for the representation of members of that UK Area within the FMB's Governance. This can include merging of the UK Area with another UK Area.

PART III: FINANCE

Funds and Investments

68. The Board will require a Bank Account to be maintained in the name of FMB. All cheques drawn on such Bank Account can only be signed by such persons as the Board may from time to time prescribe.
- a. The funds and property of FMB, howsoever derived will be used solely for furthering FMB's Objects as set out in the Articles.
 - b. Any funds belonging to FMB, not immediately required, may be invested in such investments and generally in such manner and for such purposes as the Board in its absolute discretion from time to time determines, and the Board will also have the discretion to determine, to vary, transpose or realise all or any of the investments for the time being belonging to FMB.
69. The travelling and other out-of-pocket expenses incurred in the performance of their duties in connection with the affairs of FMB by any elected or nominated Member may be repaid to them out of the funds of FMB in accordance with the Guidelines on FMB Members' Expenses as approved by the FMB Finance Committee.

Account and Audit

70. The Board must keep proper books of account and accounting records of FMB in accordance with the provisions of the Companies Act.

Income

71. FMB's income may be raised by means of annual subscriptions, application fees, levies, by borrowing money, or by any other means of non-subscription income as the Board may decide from time to time.

PART IV: STATUTORY OBLIGATIONS AND MISCELLANEOUS

Annual Report

72. FMB will publish an Annual Report relating to its activities and make it available to all Members by including it in the magazine and/or on the FMB's website.

Alteration to the Rules

73. FMB may amend these Rules as follows:
- a. Any UK Area Board member may propose amendments to the Rules which requires a seconder and must gain a majority vote for it to be adopted by the UK Area Board. The chair will have the Casting Vote. The proposal will then be submitted to the next National AGM following the normal Rules regarding notification of business set out in the FMB Articles. Any adopted alterations will be effective if carried by a majority vote of not less than three-quarters of those present at the National AGM or EGM of those who are entitled to vote.
 - b. Any Board member may propose amendments to the Rules which requires a seconder and must gain a majority vote for it to be adopted by the Board. The chair will have the Casting Vote. The proposal will then be submitted to the next National AGM. Any adopted alterations will be effective if carried by a majority vote of not less than three-quarters of those present at the National AGM or EGM of those who are entitled to vote.

74. Each set of Rules and any associated documents such as Appendices or Codes of Conduct which is approved at an AGM supersedes all previous documents approved at prior AGMs.

Copies of Rules

75. Prior to joining FMB, every applicant to the FMB will have access to the FMB Rules.
76. FMB will, at the request of any person, supply them with a copy of these Rules.

Breach of the Rules

77. Where a Member wishes to complain that action contrary to these Rules has been taken by FMB or by a Position Holder or Staff of FMB, they may make a complaint in writing to the Chief Executive. If it concerns the Chief Executive, the complaint may be made in writing to the National President.

Notices

78. Every notice required by these Rules to be served on any Member will be served in writing. FMB will make all reasonable efforts to ensure that notices in writing are received by Members. Any such notice, if served by post, will be deemed to have been served six days after posting to the registered or last known address of the Member or three days if sent electronically to the Member's registered email address.

About the Federation of Master Builders

The Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing thousands of firms in England, Scotland, Wales and Northern Ireland. Established in 1941 to protect the interests of small and medium-sized (SME) construction firms, the FMB is independent and non-profit making, lobbying for members' interests at both the national and local level.

The FMB is a source of knowledge, professional advice and support for its members, providing a range of modern and relevant business building services to help them succeed. The FMB is committed to raising quality in the construction industry and offers a free online service to consumers called 'Find a Builder'.

Please visit www.fmb.org.uk

September 2021

Limited Company Details

Federation of Master Builders Limited Registered Office: Star House, Star Hill, Rochester, Kent ME1 1UX.
Registered in England and Wales (368163),
VAT Registration No. GB 673 0538 34.

Federation of Master Builders
Committee: National AGM
Date: 23rd September 2021
Items: 5-7



Introduction

This paper sets out a series of proposed changes, as recommended by the FMB Board, for Members to vote on at the AGM on 23rd September 2021. They include changes to the FMB Rules; FMB Articles of Association; FMB Code of Conduct; and the creation of 'FMB Central' region.

FMB Rules (agenda item 5)

The FMB has been reviewing its governance arrangements, which underpin the way the FMB operates as a modern, relevant membership organisation, with high standards of integrity at its heart.

The existing FMB Rules have served the organisation since 1941, but require updating in order to make them easy to understand for any member and for FMB staff who have to put the Rules into practice.

The revised Rules are therefore proposed by the FMB Board, in order to provide increased efficiency of operation for the FMB, and increased transparency to members.

Not all of the changes are set out here as many are simply minor changes of punctuation, capitalisation and language, for clarification.

Notable changes include:

- The creation of an Honorary Fellow membership category to enable the recognition of a member's outstanding service to the FMB, in line with professional bodies such as RICS and CIOB who award distinguished members with the title of Fellow as opposed to Member.
- Clarification has been introduced around some membership processes and procedures, such as suspension of membership which was not previously defined within the Rules, and changes of company name.

- A minimum number for an Area Board to operate has been defined, and agreed by the Board, to be eight members.
- The ten-year limit for members sitting on boards has been removed, and associated references to 'commencement dates' which were relevant to that rule.
- The purposes of UK Area Boards have been clarified, and the role of FMB Board members as representatives rather than delegates has been consistently applied.
- A change to the way that UK Area Boards elect their position holders; President, Vice-President and FMB Board Representative has been introduced, so that all three are elected at the first meeting of the Area Board after the AGM. This is because the vote cannot be held until after it is clear which individuals have been voted onto the Area Board at the AGM itself. This creates a clearer two-stage process, to elect the Area Board first, and then the three position holders.

FMB Articles of Association (agenda item 5)

The proposed changes, as recommended by the FMB Board, to the Articles of Association are made in order to align them with the alterations to the Rules described above.

For example,

- References to the UK Area Commencement Date have been removed, because these are relevant to the ten-year rule only, which has been removed.
- The word delegate has been replaced with representative, in order to align with the Rules.
- Article 9 was superfluous and has been deleted as the requirement for re-election after a two year term is previously set out in Articles 6 and 7.
- Article 31 has been amended to allow for both virtual and face to face meetings, including the national AGM and any EGM.
- Any references to the Behavioural Code or Code of Conduct have been revised to take account of the merging of both documents into one.
- A note has been added so that the Articles will prevail if there should be any inconsistency between the Articles and the Rules.
- Definitions of Casting Vote, and rounding up of quorum requirements, have been amended in line with the changes to the Rules.

FMB Code of Conduct (agenda item 6)

As part of the FMB Governance review, the FMB Board has also given consideration to the merging of two existing codes into one, for the purposes of simplicity and transparency.

Previously the FMB published its Code of Conduct, which is referred to in the Rules and is the standard document that all members agree to abide by when they join FMB.

Alongside this a Behavioural Code document was also introduced, which set out the standards that Board Members, Area Board Members and Committee and Working Group Members were expected to abide by.

However, this could potentially create some confusion, so consideration has been given to taking those terms from the Behavioural Code which could reasonably be expected to apply to all FMB members, and adding them to the body of the Code of Conduct (for example the requirement to treat others with courtesy and respect). A section has also been added to the Code of Conduct (Part II) which sets out the additional responsibilities applicable to Board, Area Board, and Committee members (for example ensuring that their committee works within its Terms of Reference).

This means that all standards applicable to FMB members are contained in one document, available to all members from the start of their membership. Again, this adds to efficiency and transparency. It also serves to make all members more aware of the work and responsibilities of our Committees and Boards.

FMB Central Region (agenda item 7)

For many years the Eastern Region has not had a quorate Area Board. To overcome this situation, it is recommended by the FMB Board that the existing Eastern Region and the Midland Region are merged to create a new region called FMB Central Region.

Recommendation

Members are invited to vote on the adoption of

- The revised 2021 FMB Rules (agenda item 5)
- The revised 2021 FMB Articles of Association (agenda item 5)
- The revised 2021 FMB Code of Conduct (agenda item 6)
- Creation of FMB Central Region (agenda item 7)

Author: Brian Berry, Chief Executive/Hayley Lorimer, Director of Membership Services
Contact: 07834 919187 brianberry@fmb.org.uk/07769 687242 hayleylorimer@fmb.org.uk
Date: 28th July 2021

Post AGM note:

I confirm that the above mentioned changes were approved at the FMB's AGM on 23rd September 2021.

A handwritten signature in black ink, appearing to be 'Jan Etchells', written in a cursive style.

Jan Etchells
NATIONAL PRESIDENT

Signed on behalf of the FMB Board:
Date: 23rd September 2021

Limited Company Details

Federation of Master Builders Limited Registered Office: Star House, Star Hill, Rochester, Kent ME1 1UX.
Registered in England and Wales (368163),
VAT Registration No. GB 673 0538 34.

Federation of Master Builders

Committee: National AGM

Date: 23rd September 2021

Items: 5-7



Introduction

This paper sets out a series of proposed changes, as recommended by the FMB Board, for Members to vote on at the AGM on 23rd September 2021. They include changes to the FMB Rules; FMB Articles of Association; FMB Code of Conduct; and the creation of 'FMB Central' region.

FMB Rules (agenda item 5)

The FMB has been reviewing its governance arrangements, which underpin the way the FMB operates as a modern, relevant membership organisation, with high standards of integrity at its heart.

The existing FMB Rules have served the organisation since 1941, but require updating in order to make them easy to understand for any member and for FMB staff who have to put the Rules into practice.

The revised Rules are therefore proposed by the FMB Board, in order to provide increased efficiency of operation for the FMB, and increased transparency to members.

Not all of the changes are set out here as many are simply minor changes of punctuation, capitalisation and language, for clarification.

Notable changes include:

- The creation of an Honorary Fellow membership category to enable the recognition of a member's outstanding service to the FMB, in line with professional bodies such as RICS and CIOB who award distinguished members with the title of Fellow as opposed to Member.
- Clarification has been introduced around some membership processes and procedures, such as suspension of membership which was not previously defined within the Rules, and changes of company name.

- A minimum number for an Area Board to operate has been defined, and agreed by the Board, to be eight members.
- The ten-year limit for members sitting on boards has been removed, and associated references to 'commencement dates' which were relevant to that rule.
- The purposes of UK Area Boards have been clarified, and the role of FMB Board members as representatives rather than delegates has been consistently applied.
- A change to the way that UK Area Boards elect their position holders; President, Vice-President and FMB Board Representative has been introduced, so that all three are elected at the first meeting of the Area Board after the AGM. This is because the vote cannot be held until after it is clear which individuals have been voted onto the Area Board at the AGM itself. This creates a clearer two-stage process, to elect the Area Board first, and then the three position holders.

FMB Articles of Association (agenda item 5)

The proposed changes, as recommended by the FMB Board, to the Articles of Association are made in order to align them with the alterations to the Rules described above.

For example,

- References to the UK Area Commencement Date have been removed, because these are relevant to the ten-year rule only, which has been removed.
- The word delegate has been replaced with representative, in order to align with the Rules.
- Article 9 was superfluous and has been deleted as the requirement for re-election after a two year term is previously set out in Articles 6 and 7.
- Article 31 has been amended to allow for both virtual and face to face meetings, including the national AGM and any EGM.
- Any references to the Behavioural Code or Code of Conduct have been revised to take account of the merging of both documents into one.
- A note has been added so that the Articles will prevail if there should be any inconsistency between the Articles and the Rules.
- Definitions of Casting Vote, and rounding up of quorum requirements, have been amended in line with the changes to the Rules.

FMB Code of Conduct (agenda item 6)

As part of the FMB Governance review, the FMB Board has also given consideration to the merging of two existing codes into one, for the purposes of simplicity and transparency.

Previously the FMB published its Code of Conduct, which is referred to in the Rules and is the standard document that all members agree to abide by when they join FMB.

Alongside this a Behavioural Code document was also introduced, which set out the standards that Board Members, Area Board Members and Committee and Working Group Members were expected to abide by.

However, this could potentially create some confusion, so consideration has been given to taking those terms from the Behavioural Code which could reasonably be expected to apply to all FMB members, and adding them to the body of the Code of Conduct (for example the requirement to treat others with courtesy and respect). A section has also been added to the Code of Conduct (Part II) which sets out the additional responsibilities applicable to Board, Area Board, and Committee members (for example ensuring that their committee works within its Terms of Reference).

This means that all standards applicable to FMB members are contained in one document, available to all members from the start of their membership. Again, this adds to efficiency and transparency. It also serves to make all members more aware of the work and responsibilities of our Committees and Boards.

FMB Central Region (agenda item 7)

For many years the Eastern Region has not had a quorate Area Board. To overcome this situation, it is recommended by the FMB Board that the existing Eastern Region and the Midland Region are merged to create a new region called FMB Central Region.

Recommendation

Members are invited to vote on the adoption of

- The revised 2021 FMB Rules (agenda item 5)
- The revised 2021 FMB Articles of Association (agenda item 5)
- The revised 2021 FMB Code of Conduct (agenda item 6)
- Creation of FMB Central Region (agenda item 7)

Author: Brian Berry, Chief Executive/Hayley Lorimer, Director of Membership Services
Contact: 07834 919187 brianberry@fmb.org.uk/07769 687242 hayleylorimer@fmb.org.uk
Date: 28th July 2021

Post AGM note:

I confirm that the above mentioned changes were approved at the FMB's AGM on 23rd September 2021.

A handwritten signature in black ink, appearing to be 'Jan Etchells', with a stylized, flowing script.

Jan Etchells
NATIONAL PRESIDENT

Signed on behalf of the FMB Board:
Date: 23rd September 2021