



COMPANY NUMBER 1263540



NATIONAL FEDERATION OF SELF EMPLOYED AND SMALL BUSINESSES LIMITED
("the FSB")

THIS EDITION INCORPORATES ALL AMENDMENTS UP TO
16 MARCH 2020

ARTICLES OF ASSOCIATION

GENERAL

In this document the words in the first column of the Table below shall unless the context otherwise requires have the meanings set opposite to them.

WORDS

The Act

The Companies Act

The Code of Conduct

The Constitution

FSB

The National Council

The National Chair

The National Vice Chairs

National Councillor

The Directors

MEANINGS

The Companies Act 2006 and any statutory modifications or re-enactments thereof.

The Companies Acts (as defined in Section 2 of the Companies Act 2006) and any further statutory modifications or enactments thereof.

The Code of Conduct set down by the Directors from time to time in consultation with the National Council to regulate the conduct of members.

These Articles of Association of FSB from time to time in force.

National Federation of Self Employed and Small Businesses Limited (The Company).

The National Council for the time being of FSB.

The Chair of FSB.

The two National Vice Chairs of FSB.

A Member elected to represent their Region on the National Council or a Substitute appointed in accordance with the Regional Rules.

The National Chair, two National Vice Chairs and up to a maximum of nine other Directors elected in General Meeting also known as The Board of Directors.

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| Procedures Committee | A Committee of National Council to include a Director nominated by the Directors but otherwise appointed by the Chair of the Procedures Committee from time to time subject to approval by National Council and the Directors to fulfil the role of the Procedures Committee as determined by the Directors and National Council from time to time. |
| The Head Office | The registered office of FSB. |
| Region | A sub-unit of FSB, constituted and organised as provided for in the Constitution. |
| Internal Audit | A committee of the National Council appointed in accordance with the Constitution to scrutinise the functions of FSB. |
| Member | A person who has paid their subscription, subject to the provisions of the Constitution and any regulations made by the Directors from time to time. |
| Ballot | A written vote conducted amongst the whole of the membership other than at a meeting. |
| Poll | A count of votes conducted amongst Members present in person or by Proxy at a General Meeting of FSB. |
| Proxy | A person appointed by a Member who is entitled to attend, speak and vote at a General Meeting to attend, speak and vote on behalf of that Member. |
| The United Kingdom | Great Britain and Northern Ireland as at 1 January 2014. |
| Month | Calendar month. |
| In writing | Written, printed, and other modes of representing or reproducing words in a visible form. |

Any words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only will include the feminine gender; and words importing persons will include corporations. The words 'their' or 'they' have been used instead of 'his' 'her' 'he' or 'she' and should be construed as singular rather than plural unless the context requires otherwise.

Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these Articles become binding on FSB will, if not inconsistent with the subject or context, bear the same meanings in these Articles. These Articles form the constitution of FSB.

1. The name of the Company (known as "FSB") is the "NATIONAL FEDERATION OF SELF EMPLOYED & SMALL BUSINESSES LIMITED".
2. The registered office of FSB is situated in England.
3. The liability of the members is limited.
4. (a) Every Member of FSB guarantees to contribute no more than £1 to the assets of FSB, in the event of the same being wound up while they are a Member, and within one year after they cease to be a Member.

(b) FSB is a non-profit making company limited by guarantee and any surplus income over expenditure cannot be distributed by way of dividend or otherwise to its members or any other party except where the company goes into liquidation or otherwise ceases to trade.
5. The objects for which FSB is established are as follows:
 - (A) To make representations to any government within the United Kingdom on legislation and other public matters which affect the business or professional interests of its Members.
 - (B) To protect, promote and further the interests of persons who are self-employed or direct or control a business and to provide a national voice and platform for such persons.
 - (C) To engage in such commercial activities as will on a broad interpretation promote the success of the Company and assist in achieving the objectives set out in clauses 5 (A) and (B) above.

MEMBERSHIP AND ELIGIBILITY

6. Membership of FSB will be open to any person in accordance with the following:
 - (a) **Eligibility** – Membership of FSB will be limited to persons who at the time of joining are self employed persons and to persons who otherwise direct or control or intend to direct or control a small business in the United Kingdom who at the time of joining employ or control less than 250 employees and who are not wholly publicly funded or who are otherwise acceptable to the Directors.
 - (b) **Application for Membership** – All applications for membership will be submitted in the form prescribed for processing and registration in accordance with procedures laid down by the Directors from time to time.
 - (c) **Categories of Membership** – The categories of Membership and their rights as defined by the Directors from time to time are available from Head Office.
 - (d) **Registration Fee** – Any applicant for membership (including any former Member whose membership has lapsed) will in addition to the annual subscription pay an initial registration fee set from time to time by the Directors.
 - (e) **Holding of Office** – Only Members who have full voting and membership rights and are fully paid up Members will be eligible to be nominated for and to hold office at any level in FSB.
7. (a) The Directors may refuse to accept an application for membership.

- (b) The Directors may refuse to accept the renewal subscription from any Member.
8. (a) Subject to clause 7 (a) every person applying for Membership of FSB will sign a form of consent to become a Member and be entered onto the Register of Members and by doing so will agree to be bound by the Code of Conduct and will acknowledge that any activities undertaken on behalf of FSB will be as a volunteer.
- (b) The Member will then be allocated to the Region appropriate to his registered address or as otherwise requested by the Member. A Member may apply in writing to the Directors to change Region in accordance with procedures prescribed by the Directors from time to time.
9. (a) The ordinary annual subscription payable by each class of Member of FSB will be such sum as may from time to time be fixed by the Directors.
- (b) Subject to the Directors exercising their discretion to the contrary from time to time, any Member who resigns from FSB shall not be entitled to a refund of their subscription.
10. Members of FSB will cease to be Members if:-
- (a) Their renewal subscription has not been paid by the renewal date;
 - (b) by notice in writing to FSB that they resign their membership;
 - (c) they are expelled from FSB in accordance with the rules and procedures determined by the Directors from time to time;
 - (d) their application for membership or their renewal subscription is rejected under Articles 7 (a) or 7 (b).

Provided that :-

- (i) Upon subsequent applications for membership by persons who have previously ceased to be Members upon the grounds specified in (a) or (b) above the Directors may in the exercise of their discretion under Article 7 above require inter alia that they pay subscriptions in arrears and/or which have fallen due since their previous membership ceased.
- (ii) Members of FSB during any periods in which they have been suspended will not be entitled to vote or to seek nomination for any office within FSB.

REGIONS

11. The Directors in consultation with the National Council will determine the number of Regions from time to time subject to there being a minimum of twelve Regions.
12. Each Region within FSB will conform to the Regional rules and procedures set down from time to time by National Council subject to the agreement of the Directors.

FUNDS OF THE FEDERATION

13. The basis of the funding of Regions will be determined by the Directors from time to time in consultation with National Council taking into account the financial position and objectives of the company.

THE NATIONAL COUNCIL

14. (i) The National Council will consist of one National Councillor from each Region elected by that Region. Such National Councillor will serve on the National Council for three years and will be eligible for re-election (provided that no person shall be able to serve on National Council for more than six years consecutively).
- (ii) The Directors unless specifically excused will be required to attend and will be entitled to speak at National Council but will not have a vote.

DUTIES OF NATIONAL COUNCILLORS

15. The eligibility requirements, duties and responsibilities of a National Councillor elected in accordance with Article 14 to represent their Region on the National Council will be determined by the Directors from time to time with the agreement of the National Council.
16. The National Council will elect its own National Council Chair annually from amongst its number and a National Council Vice Chair who will preside if the National Council Chair is not present. If neither is present, the National Chair will appoint a Chair for the meeting from amongst the National Councillors present.
17. The National Council will meet together for the disposal of business as and when required with a minimum of four meetings per year or at any other time if not less than 50 per cent plus one of the National Council request a meeting by written notice to the National Council Chair with particulars of the reason for such a meeting being called.
18. The National Council Chair will convene such meetings of the National Council giving at least seven days' notice in writing to all National Councillors but with the consent of not less than three quarters of the members a meeting may be convened by such notice as those National Councillors may think fit. In the event that no National Council Chair has been elected by the National Council the National Chair will replace the National Council Chair for the purposes of Articles 17 and 18.
19. No business will be transacted at any meeting of the National Council unless a quorum of 50 per cent plus one of the National Councillors is present.
20. The procedure for the conduct of the meetings will be determined by the National Council from time to time.
21. The business of the National Council will be:-
 - (a) to receive reports from the Directors at each meeting of National Council and from the Internal Audit Committee, the Disputes and Disciplinary Committee and Procedures Committee at any meeting when requested by National Council;
 - (b) in the event that the Directors are considered to be failing to follow the strategic direction defined under (d) below or are acting in a manner which the National Council considers to be contrary to the best interests of FSB then the National

Council may call a General Meeting and may propose such resolutions as it considers necessary for consideration by the Membership. The resolution to call a General Meeting in these circumstances will require a majority of National Councillors present of not less than 75 per cent;

- (c) not less than one month prior to the AGM to receive the income and expenditure account and balance sheet and the report by the Directors to members of FSB;
- (d) from time to time to review the aims and objectives of FSB based on representations from the Regions and to make recommendations for the strategic direction of FSB;
- (e) from time to time, review and make recommendations upon the policies to be pursued by the Policy Committee;
- (f) the National Council will nominate and elect the members of the Disputes and Disciplinary Committee as and when required;
- (g) the National Council will appoint three independent advisers to select and make appointments to the Internal Audit Committee;
- (h) to nominate and elect a Member to act as Chair of the Procedures Committee subject to the approval of the Directors;
- (i) to receive and consider reports and recommendations from the Procedures Committee concerning FSB's procedures and/or Members' affairs;
- (j) to consider any relevant matter referred to the National Council by the Directors.

THE DIRECTORS

- 22.(a) The Directors will consist of the National Chair, two National Vice Chairs and up to nine other Directors.
- (b) The Directors of FSB will be elected from the date of an AGM for a term of three years by Ballot of the Members and will be eligible for re-election provided that no person will be able to hold the same office for more than six years in total or seek election as a Director for more than twelve years in total.
 - (c) In exceptional circumstances if both the Board of Directors and National Council separately consent (by a majority of those present) a person may be re-elected either:
 - (i) to the same office beyond the six year limit; and/or
 - (ii) as a Director beyond the twelve years service;for one year on no more than three occasions in either case.
 - (d) In the event of the death, incapacity, removal or resignation of a Director during their period of office, or in the event of a vacancy arising for any other reason then, save where pursuant to the provisions of Article 25 below, the Members have elected a successor, the Directors may appoint a Member who is eligible to hold such office until the following AGM.
23. Any Member will be eligible to seek nomination by any two fully paid up Members to be a director provided that they do not hold a self-employed service contract with FSB or one of its subsidiaries or any service provider to FSB or its subsidiaries, that they have been a fully paid up member entitled to vote for a minimum continuous period of three years immediately prior to nomination and can demonstrate an understanding and knowledge of the objectives of FSB and have a proven track record and relevant experience consistent with the

proposed role as determined by the National Council from time to time.

24. The Directors may co-opt persons on the basis of their expertise. These co-opted persons may serve until the next AGM without the right to vote but shall be eligible to be co-opted again.
25. In addition and without prejudice to the provisions of Sections 168 and 169 of the Act, FSB may by Ordinary Resolution at a General Meeting remove any Director before the expiration of their period of office and FSB may by Ordinary Resolution appoint a replacement who shall hold office until the next AGM.
26. The office of a Director will be vacated:-
 - (a) if a receiving order is made against them or they make any arrangement or composition with their creditors;
 - (b) if they become of unsound mind;
 - (c) if they cease to be a member of FSB;
 - (d) if by notice in writing to FSB they resign their office;
 - (e) if they are removed from office by resolution duly passed pursuant to Section 168 of the Act;
 - (f) if they are removed from office by a special resolution duly passed;
 - (g) if they act in a manner likely to bring FSB into disrepute as determined by a majority of Directors present of not less than 75 per cent.
27. The business of FSB will be managed by the Directors who will have the authority to do all things which are not by statute or the Constitution reserved to the National Council or Members in General Meeting.
28. The Directors may act notwithstanding any vacancy in the Board of Directors.
29. The Directors will meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit. The quorum will be 50% plus one with a minimum of one Director from the National Chair and National Vice Chairs. Questions arising at any meeting will be decided by a majority of votes, and in case of an equality of votes the status quo will prevail.
30. Any three Directors may at any time, summon a meeting of the Directors by notice served upon all Directors.
31. The National Chair will be the chair of the Directors. If the National Chair is not present within five minutes from the time appointed to hold the meeting, a National Vice Chair will chair the meeting and in the absence of a National Vice Chair the Directors present will choose one of their number to be chair of the meeting.
32. A meeting of the Directors at which a quorum is present will be competent to exercise all the authorities, powers, and discretions by or under the Constitution for the time being vested in the Directors generally.
33. All bona fide acts done by any meeting of the Directors or of any sub-committee of the Directors or by any person acting as a Director will, notwithstanding it is later discovered that there was some defect in the appointment or continuance

in office of any such member or person or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.

34. The Directors will cause proper minutes to be made of all appointments made by the Directors and of the proceedings of all meetings of the Directors and of all committees and all business transacted at such meetings, and all such minutes signed by the chair of such meeting or by the chair of the next succeeding meeting, will be accepted as correct without the need for any supporting evidence.
35. A resolution in writing signed by all Directors for the time being, or of any committee of the Directors, who are entitled to receive notice of a meeting of the Directors or any such committee will be as valid and effective as if it had been passed at a meeting of the Directors or of such committee duly convened and constituted.

SUBSIDIARY COMPANIES

36. The directors of a wholly owned subsidiary company may exercise all powers granted to them by the subsidiary company articles of association. The Directors will review the management and administration of the affairs of such a wholly owned subsidiary by its directors.
37. The chair and directors of any subsidiary company will be appointed and removed by the Directors and will be selected from the Directors.

POLICY COMMITTEE

38. (a) The UK Policy Committee chaired by a National Vice Chair will be responsible to the Directors for research, formulation and, where authorised, the execution of the policies of FSB.
(b) Members of this committee and any sub-committees of this committee will be appointed by a National Vice Chair in consultation with the Directors and all appointments will be subject to ratification by the National Council.

DISPUTES AND DISCIPLINARY COMMITTEE

39. The National Council will as and when required appoint a Committee consisting of up to six Members none of whom will at the date of appointment or during their term of office hold any other office above regional level within FSB which will be called the Disputes and Disciplinary Committee and the rules relating to the eligibility of its Members and operation and procedures will be determined by the Directors from time to time in consultation with the National Council.

GENERAL MEETINGS

40. FSB will hold a General Meeting in every calendar year as its AGM at such time and place as may be determined by the Directors, and shall specify the meeting as such in the notices calling it, provided that every AGM shall be held not more than fifteen months after the holding of the last preceding AGM, and within the next financial year following such AGM.

41. Subject to the rights attaching to different categories of membership referred to in Article 6 (c), Every Member will have one vote and will be entitled to vote at any General Meeting, either in person or by Proxy. In the case of the election of Directors by Ballot, the persons elected shall take office at the beginning of the day following their election. The Directors will be elected on a simple majority of votes cast and in the event of an equal number of votes being cast for each candidate the candidate with the longest continuous membership of FSB will be considered elected, except that for re-election, the candidate who has held office will take precedence over one that has not. Ballots will be conducted by an external provider of electoral services appointed by the Directors, and announced by the National Chair then in office at the General Meeting at which the Ballot is to take effect.
42. Unless expressly provided, only Members who are registered and who have paid their subscription and other sums (if any) due and payable to FSB in respect of their membership, or a Proxy appointed by them, will be entitled to participate in any Ballot and to attend any General Meeting and participate in any vote or Poll.
43. Every Member and any other person entitled under the Act (including the Auditors) will be given:-
(a) Not less than 21 days' notice in writing of every AGM or any adjournment of such meeting or any meeting convened to pass a special resolution.
(b) Not less than 14 days' notice of any other General Meeting.
All notices will specify the place, date and time of the meeting and in the case of special business the general nature of such business.
44. 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 will not invalidate any resolution passed, or proceeding had, at any meeting.
45. (a) Proxies may only validly be appointed by a notice in writing in the form specified by the Directors from time to time;
(b) Unless a Form of Proxy indicates otherwise, it must be treated as:
(i) allowing the Proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
(ii) appointing that Proxy in relation to any adjournment of the General Meeting to which it relates as well as the meeting itself.
46. (a) A Member who is entitled to attend speak or vote (either on a show of hands or on a Poll) at a General Meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Form of Proxy has been delivered to FSB by or on behalf of that person.
(b) An appointment under a Form of Proxy may be revoked by delivery to the appointed external provider of electoral services of a notice in writing given by or on behalf of the Member by whom or on whose behalf the Form of Proxy was given.
(c) 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.

- (d) If a Form of Proxy is not executed by the Member appointing the Proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Member's behalf.

PROCEEDINGS AT GENERAL MEETINGS

47. All business will be deemed special that is transacted at a General Meeting, and all that is transacted at an AGM will also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Directors and of the Auditors, and the appointment of and the fixing of the remuneration of the Auditors.
48. No business will be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided, thirty members present personally or by proxy will be a quorum.
49. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of Members, will be dissolved. In any other case it will stand adjourned to the same day in the next week, at the same time and place or at such other place as the Directors 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 will be a quorum.
50. The National Chair will preside as chair at every General Meeting, but if at any meeting the National Chair is not present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, a National Vice Chair or if a National Vice Chair is not present, or is unwilling to preside, the Members present will choose a Member present to preside.
51. The chair 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 will 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 will be given in the same manner as of an original meeting. Save as aforesaid, the Members will not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.
52. At any General Meeting, a resolution put to the vote of the meeting will be decided on a show of hands, unless a Poll is, before or upon the declaration of the result of the show of hands demanded by the chair, or by not less than five Members present in person or by Proxy and unless a Poll be so demanded a declaration by the chair of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of FSB will be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a Poll may be withdrawn. On a show of hands every Member present will have one vote notwithstanding that the Member may also have been appointed as a Proxy for one or more members.

53. Subject to the provisions of Article 52, if a Poll be demanded in the manner aforesaid, it will be taken at such time and place, and in such manner, as the chair of the meeting directs, and the result of the Poll will be deemed to be the resolution of the meeting at which the Poll was demanded.
54. In the case of equality of votes, whether on a show of hands or on a Poll, the status quo will prevail.
55. The demand for a Poll other than on the election of a chair will not prevent the continuance of a meeting for the transaction of any business other than the question on which a Poll has been demanded.

NOTICES

56. A notice may be served by FSB upon any Member, either personally or by sending it through the post, prepaid, addressed to such member at his registered address as appearing in the Register of Members or in electronic format or on FSB's website subject to complying with the provisions of Schedule 5 of the Act.
57. Any Member described in the Register of Members as not being resident in the United Kingdom, who has from time to time given FSB an address within the United Kingdom at which notices may be served will be entitled to have notices served at such address but, save as aforesaid, and as provided by the Companies Acts, only those Members who are described in the Register of Members as having an address within the United Kingdom will be entitled to receive notices from FSB.
58. (a) Any notices, if served by post, will be deemed to have been served on the third day following that on which the notice is put prepaid into the post, and on proving such service it will be sufficient to prove that the notice was properly addressed, put into the Post Office and the date of posting properly recorded by the sender in the postal register of FSB.
(b) Any notice served in electronic format or on FSB's website will be deemed to have been served on the day after it had been sent or in respect of matters displayed on FSB's website the day after the electronic communication giving notice or notification that the information is available on the website.

AD HOC PAYMENTS

59. The Directors after consultation with National Council may utilise funds to make such payments as they deem appropriate to compensate Members who fulfil duties or services in the interest of FSB.

Such payments will be ad hoc and may increase or decrease. No Member is entitled to receive such payments for their voluntary work for FSB and such payments as are made are ex-gratia.

ARTICLE OF INDEMNITY

60. Every Director or other officer of FSB will be entitled to be indemnified out of the assets of FSB against all losses or liabilities which they may sustain or incur

in or about the execution of the duties of their office, or otherwise in relation thereto, including any liability incurred by them in defending proceedings whether civil or criminal in which judgement is given in their favour, or in which they are acquitted, and no such person shall be liable for any loss, damage or misfortune which may happen to or be incurred by FSB in execution of the duties of their office or in relation thereon. But this Article will only have effect insofar as its provisions are not avoided by any provision of the Companies Act or by any other provision of law.