



FEDERATION OF
**MASTER
BUILDERS**

fmb.org.uk

Rules
of The Federation of
Master Builders Limited
(‘FMB’)

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Part 1

Definitions

- 1 In these Rules, unless inconsistent with the subject or context, the words in bold below shall bear the meaning set opposite to them. Definitions which are set out in the FMB Articles of Association apply to the Rules also.

Articles means the Articles of Association of FMB from time to time.

Board means the Board of Directors of FMB from time to time.

Companies Act means the Companies Act 2006.

Commencement Date has the meaning given to it in Rule 44.

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.

Master Builders means any party actively engaged in work within the Construction Industry or its allied trades.

Member means the company, partnership, sole trader or other type of construction business which has been admitted to membership in accordance with these Rules as a Member and pursuant to section 112 of the Companies Act.

Month means a Calendar Month.

Office means the principal office of FMB from time to time.

Officers means the Members of FMB possessing voting and other rights and such powers as described in these Rules.

Officials means paid employees holding executive positions and exercising such functions as described in these Rules.

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 by proxy) at a meeting to make the proceedings of that meeting valid.

Register means a register of the Members or Retired and Honorary Members maintained by the FMB in accordance with Rule 18.

Reported conduct has the meaning given to it in Rule 33.

Rules means the rules of FMB from time to time.

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.

UK Areas means the areas of England (being South West, Southern Counties, Eastern, London, North West, Northern Counties, Yorkshire and Trent, Midlands), Scotland, Wales and Northern Ireland or those regions of FMB as determined by the Board from time to time.

UK Area Board means the board in each UK Area.

UK Area Commencement Date has the meaning given to it in Rule 52.

Words importing the singular number only shall include the plural number and vice versa, and Words importing the masculine gender only shall include the feminine gender and Words importing persons shall include the categories mentioned in the definition in this Rule 1 of "Master Builder".

Year means a Calendar Year.

The Principal Office

- 2 The principal office of FMB shall be situated at such place as the Board shall from time to time resolve.

Part 2

Membership

- 3 The Board shall have the authority to set and amend the classes of, and the criteria for and the application processes for membership which are not defined within these Rules.
- 4 As a minimum there shall be the following classes of Member forming the Membership:
 - (a) Member, as referred to in the Articles;
 - (b) Retired Member, as referred to below; and
 - (c) Honorary Member, as referred to below.
- 5 No person shall become or remain a Member of FMB or hold any class of membership unless:
 - (a) that person has completed an application for membership in the FMB approved form; and
 - (b) that person has met and continues to meet the criteria set out in the approved form; and
 - (c) the Directors or the staff of the FMB nominated by the Directors have approved the application or the continued membership as applicable, such approval to be entirely within the discretion of the said Directors or staff of the FMB.
- 6 No person shall be admitted as a Member or continue as a Member unless they are or have been a Master Builder.
- 7 Where an application for membership or continued membership is rejected the applicant shall be informed in writing within 20 days of that decision of:
 - (a) the decision to refuse the application; and
 - (b) the applicant's right to request a review of the decision and the manner in which such a request for review may be made.
- 8 The Directors shall set procedures for the review of a decision to reject an application for membership or continued membership.

Retired Membership

- 9 Retired Members shall mean persons who have been a Member of FMB who have retired and are no longer actively engaged in the Construction Industry.
- 10 Retired Members shall be entitled to receive FMB communications (as in 20(a)), but shall not be entitled to attend, vote and hold office at UK Area Board level and shall not be eligible for membership of the Board.

Honorary Membership

- 11 Honorary Members may be elected by the Board and shall be persons who are distinguished in public life, commerce, finance, or the professions, or of such other status as the Board may consider appropriate for Honorary Membership.

- 12 Honorary Members may, at the absolute discretion of the Board:
 - (a) Receive communications from the FMB.
 - (b) Receive notice of meetings of the FMB.
- 13 An Honorary Member, who is also a Member, may continue to exercise all the rights of membership so long as they remain a Member, but shall not otherwise, be entitled to vote at meetings.

Testimonial

- 14 Where there is clear evidence that a Member has given outstanding exemplary service to FMB over a considerable period of time, the Board can, at their sole discretion, consider awarding a testimonial.

UK Area Boards

- 15 The Board, subject to Rule 67 (and, for the avoidance of doubt, approval at the National AGM), shall have the 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 Areas shall operate;
 - (c) to determine the terms of reference and procedures for the operation of UK Areas through these Rules; and
 - (d) to dissolve any such UK Area in existence from time to time.
- 16 Each Member shall be designated to a UK Area.

UK Area Membership

- 17 Each Member shall be deemed to be a Member of the UK Area within whose area their registered office or principal place of business is situated, unless the Board decides to allocate that Member to another UK Area on a case-by-case basis.

Register of Members

- 18 In addition to its statutory register of Members, which shall contain the details of the Members, FMB shall maintain a register containing the names and addresses of and any other information on all Retired and Honorary Members.
- 19 Members are required to supply FMB with such information as is necessary to keep their entry on the register accurate. They could face sanctions under Rules 5-8 and 28-33.

Rights and Obligations of Members

- 20 Every Member shall, during Membership, enjoy the following rights and privileges and be subject to the following obligations:
 - (a) The right to receive such communications as FMB shall make available at such rates (if any) as the Board shall from time to time prescribe.

- (b) The benefit of collective action by FMB to safeguard their interests within and without the construction industry, with outside bodies including governments, and under existing and proposed legislation.
 - (c) To use the official logos of FMB on headed notepaper or signs and otherwise publicise their Membership. Members may also similarly use the logo of anybody to which FMB is affiliated and where the rules of such a body permit this.
 - (d) No Member shall exhibit the official logos or the words "**Federation of Master Builders**" or letters "**FMB**" or otherwise imply Membership in any advertisement or other means of publicity unless it states the full trading name of the Member as registered with FMB.
 - (e) Every Member who advertises in the press or other publicity media shall be bound to do so in conformity with FMB's corporate/branding guidelines in existence from time to time.
 - (f) Every Member shall be bound to promote excellence and good practice in the construction of buildings, just and honourable practice in the conduct of business and suppress malpractice.
 - (g) Every Member shall be bound to comply with the current FMB Code of Conduct as amended from time to time.
- 21 Every Member of FMB shall be and remain bound by and shall at all times observe and comply with provisions of these Rules, the Articles and the terms of all agreements entered into by FMB.

Transfer of Membership

- 22 Under no circumstances shall Membership of FMB be capable of transfer or assignment by a Member. Where a Member changes its name or alters the constitution of their business by way of sale or in any other way the facts must be immediately notified to the FMB. The Member must apply to the FMB to transfer Membership, which has the power to continue the Membership where appropriate in the new name, or direct that the Membership should cease.
- 23 No change in the composition of a partnership whether by way of death, retirement or admission of new or additional partners shall constitute a dissolution for the purposes of these Rules and accordingly the Membership of such partnerships shall continue and any new partner shall be deemed to have accepted the partnership Membership unless they specified their objection in writing within 21 days of their admission as a partner.

Subscriptions

- 24 Members shall pay to FMB such application fee and annual subscription as decided upon by the Board from time to time.
- 25 Retired Members shall pay to FMB an annual subscription of not more than 25% of the current subscription of Members.
- 26 No annual or other subscription shall be payable by an Honorary Member unless they are covered by the provisions in Rule 12.

- 27 The annual subscription payable by the Member or Retired Member shall become due on the date of admission to Membership and shall be renewable on the same date annually. Subscriptions are not refundable in any circumstances.

Termination of Membership

- 28 A Member may withdraw from membership of FMB by giving notice to FMB in writing. In default of such notice, a Member shall be liable to pay the outstanding subscription.
- 29 A Member's membership terminates when that Member dies, becomes insolvent (e.g. liquidation, bankruptcy) or ceases to exist (e.g. by being struck off at Companies House). These examples are for illustration and are not exhaustive.
- 30 A Member whose subscription is in arrears for two months, shall not be entitled to be present or vote at any meeting of FMB. Any Member whose subscription is in arrears for two months shall immediately cease to be a Member of FMB, but the arrears shall remain a debt due to and recoverable by FMB. All subscriptions are not refundable in any circumstances.
- 31 If a Member shall cease to be a Master Builder or being a company be wound up or go into liquidation, or have a receiver appointed for all or any of its assets, or be dissolved or become bankrupt, or in any other way cease to trade then such a Member shall cease to be a Member from the date the relevant event took place.
- 32 Members who simply cease to be a Master Builder may elect to become Retired Members, as in Rule 9. Any disputes between FMB and a Member shall be dealt with in accordance with FMB's complaints procedure which shall be approved by the Board. Disputes raised through FMB Disputes Service shall be dealt with in accordance with the procedure approved by the Board.
- 33 If a Member shall:
- (a) fail in the observance of any of these Rules or any other Rules, Code of Conduct, orders, undertakings, agreements or regulations of FMB (which are in force at the time of the failure); or
 - (b) be guilty of any dishonourable, improper or other conduct within or without FMB which is prejudicial to the good standing of FMB in general or the Construction Industry in general; or
 - (c) become associated with any organisation which the Board considers against the interests of FMB; or
 - (d) supply false information in relation to their Membership,
- then the failure and/or conduct ("reported conduct") shall be referred to the Standards Committee for consideration, such matter to be dealt with in a fair, just and reasonable manner in accordance with the Standards Committee's terms of reference, as well as any appeal (if appropriate) referred to the Appeals Committee thereafter. For the avoidance of doubt, the Standards Committee has a delegated power by a majority vote of its Members:

- (i) to decide that the reported conduct does not warrant any further action; or
- (ii) to issue a written warning to the Member about their action and advise that any further reported conduct could result in expulsion. Written warnings will be taken into consideration by the Standards Committee for a period of six years from the date of the written warning; or
- (iii) to decide that the Member will undergo compulsory training as appropriate at the Member's cost within a specified period, failure to do so could result in expulsion; or
- (iv) to expel the Member.

If the Member is expelled from FMB such Member shall cease to be a Member and shall forfeit all rights of membership, interests and privileges in FMB as of the date of the decision to expel. For the avoidance of doubt, an expelled member may only re-apply for membership after either a period of five years, or at the Board's determination.

- 34 Each UK Area shall hold its own AGM in every year at such time (but not later than the 30th June) and place as may be determined by the UK Area Board, and shall specify the meeting as such in the notices calling it. Voting at the AGM may be advance postal votes, 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.
- 35 The business of the UK Area AGM shall be:
- (a) to confirm the minutes of the previous AGM for that UK Area;
 - (b) to transact business of which notice has been given as in Rule 36;
 - (c) to elect an Area President (Board Chairman) and Area Vice-President for that UK Area;
 - (d) to elect Members to sit as UK Area Board Members for that UK Area, and such elected UK Area Board Members to elect a delegate to the Board for that UK Area at the first UK Area Board meeting convened after the UK Area AGM;
 - (e) to transact any other business as applicable to a UK Area AGM.
- 36 Every Member designated to the relevant UK Area will be given at least 14 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.
- 37 An EGM of an UK Area may be convened at any time at the request of:
- (a) the UK Area Board
 - (b) at the written request of any 20 Members designated to that UK Area.
- 38 The business of an EGM of a UK Area may include the following:
- (a) to dismiss any of the UK Area Officers and/or any of the UK Area Board Members;
 - (b) to transact any other business which may properly be transacted at an EGM of UK Area;
 - (c) to consider emergency motions on general policy within that UK Area.
- 39 The quorum for a UK Area AGM and any EGM of a UK Area shall be eight Members designated to that UK Area.
- 40 In the case of nomination of Members to the UK Area Board at an AGM if there shall be more than one nomination or in the event of a tie between nominees taking into consideration any votes cast by advance postal votes, by electronic voting or by proxy, then the Chairman for the time being shall call for a decision by a show of hands from those present or by ballot should this be requested. The Chairman of the AGM has the casting vote.

- 41 Nominations shall not be taken from the floor of the meeting in the light of Rule 34 permitting advance voting including by advance postal votes, by electronic voting or proxy. Nominations for Members should be accompanied by a written acceptance from the person being nominated. Alternatively a Member may nominate themselves with a seconder. Nominations with the written acceptance from the nominee and or self nominations with written confirmation from a seconder must be received at the relevant UK Area office no later than 30 days before the UK Area AGM otherwise such nominations will be void.
- 42 Where voting takes place the Chairman of the meeting may appoint tellers whose duty is to count the votes and declare a result taking into consideration the advance votes by advance postal votes or by electronic voting or by proxy.
- 43 The UK Area Officers shall be the President (Board Chairman), Vice-President and Immediate Past President of that UK Area, and no Member shall be eligible for election to a UK Area Officer position unless they have first served at least one year on the relevant UK Area Board.
- 44 The UK Area President and Vice-President shall be elected at the AGM of the UK Area for two years (the "Commencement Date") but shall be eligible for re-election up to a maximum of four times from the Commencement Date. A UK Area President or Vice-President who has been re-elected four times and has served a ten-year term may not at the end of that term be re-elected immediately, but will be eligible for re-election after a two year gap, subject to Rule 45.
- 45 Notwithstanding Rule 44, if there is no other candidate standing for election, and if either of the existing UK Area President or Vice-President has already served a ten-year term, he may remain in office for a further two-year term if confirmed in writing by either a UK Area Board or the Board.
- 46 For the avoidance of doubt, the relevant elected UK Area President or Vice-President does not have an automatic right to remain in office after their two-year term has ended, and will need to be re-elected to the post each time in accordance with Rule 44 above.
- 47 The President of the UK Area shall preside at the UK Area AGM and at all UK Area EGMs. In their absence the Vice-President of that UK Area shall preside, failing which the meeting shall elect one of the other UK Area Board Members as Chairman of the meeting.

UK Area Boards

- 48 Each UK Area Board shall consist of:
 - (a) the UK Area Officers;
 - (b) Members elected by the UK Area's AGM under Rule 35 ("UK Area Board and Members"); and
 - (c) co-opted persons ("CPs") co-opted under Rule 50.
- 49 In each UK Area, any Member may put their name forward to sit on the UK Area Board. Any Member wishing to sit on the UK Area Board must be 'actively' engaged in business to be able to stand.

- 50 The UK Area Board shall have power to co-opt CPs to the UK Area Board. The total number of CPs shall not be more than two and they shall not have voting rights at meetings of the UK Area Board.
- 51 The maximum number of Members to sit on the UK Area Board shall be 14 (not including CPs). The quorum necessary for the transaction of business of the UK Area Board shall be two-thirds of voting Members.
- 52 The Members of the UK Area Boards will sit for a fixed term of two years (**the “UK Area Commencement Date”**) but shall be eligible for re-election four times from the UK Area Commencement Date. A Member of a UK Area Board who has been re-elected four times and has served a ten-year term may not at the end of that term be re-elected immediately, but will be eligible for re-election after a two year gap, subject to Rule 53.
- 53 Notwithstanding Rule 52, if there is no other candidate standing for election, and if the existing UK Area Board Member has already served a ten-year term, he may remain a Member of the UK Area Board for a further two-year term if confirmed in writing by either the UK Area Board or the Board.
- 54 For the avoidance of doubt, Members and Officers of the UK Area Boards do not have an automatic right to remain on the Board after their two-year term has ended, and will need to be re-elected each time in accordance with Rule 52.
- 55 The FMB staff director for the UK Area should attend UK Area Board meetings with the option of a member of the Senior Management Team of FMB at national level also attending.
- 56 Except as expressly provided for in these Rules, each UK Area Board shall have power to regulate the convening of and the procedure at their meetings in accordance with the Rules provided that at least 14 days notice in writing of all meetings of a UK Area Board must be given to all Members of the UK Area Board, together with the agenda and relevant papers for discussion.
- 57 Each UK Area Board shall have power in accordance with the Rules to constitute such Committees or working groups as it may think fit and to reconstitute, change the Membership of and dissolve any Committees or working groups.
- 58 A UK Area Board shall act in accordance with the Rules and the policy and decisions of FMB and in general shall:
- (a) implement the policies and decisions of the Board within the UK Area.
 - (b) oversee representation to external bodies within the region.

Proceedings at Meetings and Directors’ responsibilities

- 59 Unless set out differently in these Rules proceedings at meetings of the UK Area Board and the AGM or EGM of an UK Area Board shall follow the provisions for the AGM and EGM or Board meetings of FMB, including that the chair will have casting vote.
- 60 All Members of the Board will have an induction into the role and responsibilities of being a legal Director of the FMB.

Funds and Investments

- 61 The Board shall cause a Bank Account to be maintained in the name of FMB. All cheques drawn on such Bank Account shall be signed by such persons as the Board may from time to time prescribe.
- (a) The Funds and Property of FMB, howsoever derived shall be supplied solely to furthering FMB's Objects as set out in the Articles.
 - (b) Any funds belonging to FMB may be invested in such investments and generally in such manner and for such purposes as the Board shall in its absolute discretion from time to time determine, and the Board shall have the like discretion to determine, to vary, transpose or realise all or any of the investments for the time being belonging to FMB.
- 62 The travelling and other out of pocket expenses incurred in the performance of their duties in connection with the affairs of FMB by any Member may at the discretion of the Board be repaid to them out of the funds of FMB.

Account and Audit

- 63 The Board shall keep proper books of account and accounting records of FMB in accordance with the provisions of the Companies Act.

Income

- 64 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 5

Statutory Obligations and Miscellaneous

Annual Report

- 65 FMB shall every year publish a report relating to its activities either:
- (a) by supplying a copy of it free of charge to all Members, or
 - (b) by including it in the magazine and/or including it on the FMB's website which is available to all Members.

Alteration to the Rules

- 66 Subject to Rule 67, FMB may amend these Rules as follows:
- (a) the UK Area Boards may submit suggested amendments to the Rules to the Board, 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; or
 - (b) 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.
- 67 Rule 15 may be amended by way of approval at the National AGM only.

Copies of Rules

- 68 Upon enrolment, every Member shall be supplied with a copy of the Rules of FMB.
- 69 FMB shall at the request of any person supply them with a copy of these Rules for such sum as the Board may from time to time determine.

Breach of the Rules

- 70 Where a Member wishes to complain that action contrary to these Rules has been taken by FMB or by an Officer or Officials 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

- 71 Every notice required by these Rules to be served on any Member may be served in writing either personally or by sending it through the post in a pre-paid letter or by email addressed to such Member at their registered address as appearing in the Register of Members or at the address supplied to FMB for the giving of notices to them or, where appropriate, by means of FMB's magazine or the Members' area of the FMB website.
- 72 Any such notice, if served by post, shall be deemed to have been served six days after the letter containing the same is posted and if served electronically shall be deemed to have been served within three days of despatch and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and stamped and put into any Post Office post box subject to the control of the Post Office or that the email was sent to the registered address.

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.





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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

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