



Supporting the hair, beauty
and barbering industries

**THE RULES OF
NATIONAL HAIR & BEAUTY FEDERATION LIMITED**

A Registered Society

Registered Office: One Abbey Court, Fraser Road, Priory Business Park, Bedford,
MK44 3WH
Registration No: 30905R

For implementation September 2020

A Registered Society

Registered under the Co-operative and Community Benefit Societies Act 2014 (“the Act”)

Registration Number: 30905R

1. NAME

- 1.1. The name of this society is National Hair & Beauty Federation Limited (“the Federation”) also known as NHBF.

2. OBJECTS

- 2.1. The Federation exists to represent the interests of hairdressing salon, barber shop and beauty therapy business owners in Great Britain, self-employed hairdressers, barbers or beauty therapists working in salons and educators. The aim of the Federation is to be universally recognised as the premier organisation within the hairdressing, barbering and beauty therapy sector that supports and enables members to excel in their business.
- 2.2. In achieving that aim the objects of the Federation (“the Objects”) are :-
 - 2.2.1. To carry on the industry, trade or business of a trade association of hairdressing, barbering and beauty therapy as a bona fide co-operative society.
 - 2.2.2. To create a framework capable of uniting all aspects of the craft of hairdressing, barbering and beauty therapy (“the Craft”) within one organisation and to use its influence to further the advancement of the Craft generally.
 - 2.2.3. To initiate and promote changes (improvements) in the law or support or oppose alterations to the law affecting the Craft and for these purposes to petition Parliament and take such steps and proceedings deemed necessary to further the Objects of the Federation.
 - 2.2.4. The provision of benefits and services to members and the provision of a fund or funds for the protection of members.
 - 2.2.5. To foster and promote good practice in the relationships between employer and employee and to raise the status of the Craft generally.
 - 2.2.6. To foster and support the apprenticeship system for the Craft.
 - 2.2.7. To encourage the provision of facilities for technical classes for trainees and academies for training in the higher arts of the Craft.

- 2.2.8. To foster, encourage and support professional standards for hairdressers, barbers and beauty therapists.
 - 2.2.9. To encourage hairdressers, barbers and beauty therapists resident outside the British Isles to support the Objects.
 - 2.2.10. To liaise or work with or through or promote or join in the promotion of or subscribe for or acquire any shares or other securities in any other organisation authority firm or company to promote the Objects whether or not that other organisation has similar objects to the Federation.
- 2.3.1 The Federation shall not trade for profit and any profits shall only be applied for the purpose of furthering the Federation's objects and / or in accordance with these rules.
- 2.3.2 Nothing shall be paid by way of profit to members of the Federation.

3. POWERS

- 3.1. In addition to and without limitation of any other powers it may have the Federation has the following powers in order to further the Objects but does not have power to receive money on deposit:-
- 3.1.1. To promote public awareness and support for the Objects.
 - 3.1.2. To call meetings of members including an Annual General Meeting of the Federation.
 - 3.1.3. To publish a Code of Professional Conduct for its members.
 - 3.1.4. To act as a mediator or arbitrator in order to facilitate the resolution of disputes between members.
 - 3.1.5. To apply for or promote any Act of Parliament or other legislation, primary or secondary ("Legislation") and to obtain any authorisation, licence or concession ("Consent") of any government or other regulatory body and to support or oppose any Legislation or Consent.
 - 3.1.6. To buy, take on lease or in exchange, hire or otherwise acquire or take and receive an option to so acquire property and to maintain alter and equip it for use; or to acquire easements rights and privileges over any property.
 - 3.1.7. To sell lease or otherwise dispose of all or any part of the property belonging to the Federation and this may include transferring any property to another organisation with the same or similar Objects.
 - 3.1.8. To erect, demolish, repair, alter or otherwise deal with any buildings on land owned or occupied by the Federation.

- 3.1.9. To borrow money and to mortgage or charge the whole or any part of the property or assets of the Federation or issue debentures or other securities as security for payment of any money borrowed.
- 3.1.10. To co-operate with other organisations, societies, voluntary bodies and statutory authorities and to exchange information and advice with them.
- 3.1.11. To establish or support any organisations, societies, associations or institutions formed for any of the Objects or to make a donation of cash or assets to such organisation in furtherance of the Objects.
- 3.1.12. To acquire, merge with or enter into any partnership or joint venture arrangement with any other society or organisation formed for any of the Objects.
- 3.1.13. To set aside income as a reserve against future expenditure.
- 3.1.14. To promote, monitor, enforce, and report upon compliance with accounting standards.
- 3.1.15. To employ and remunerate and make pension provision for such staff as are necessary for carrying out the work of the Federation. The Federation may employ or remunerate a member of the Board only to the extent that it is permitted to do so by Rule 10.
- 3.1.16. To deposit or invest funds.
- 3.1.17. To appoint a professional fund manager.
- 3.1.18. To arrange for the investments or other property of the Federation to be held in the name of a nominee.
- 3.1.19. To provide indemnity insurance for the officers of the Federation in relation to any such liability as is mentioned in Rules 31 and 32 but subject to the restrictions specified in Rule 31.4.
- 3.1.20. To pay out of the funds of the Federation the costs of forming and registering the Federation as a Registered Society.
- 3.1.21. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other negotiable instruments and to operate the bank accounts.
- 3.1.22. To foster and undertake research into any aspect of the Objects or the work of the Federation and to disseminate the results of any such research.
- 3.1.23. To co-operate and enter into arrangements with any authorities or organisations national, local or otherwise.

- 3.1.24. To co-operate with any other organisation whether incorporated or unincorporated and with any other commercial organisation whose objects and policies are not opposed to or incompatible with the Objects.
- 3.1.25. To cause to be written and printed or otherwise reproduced and circulated, gratuitously or otherwise, periodicals, magazines, books, leaflets or other documents or films or recorded tapes, compact discs (CDs), digital versatile discs (DVDs) or similar.
- 3.1.26. To hold exhibitions, lectures, classes, seminars and other courses either alone or with others.
- 3.1.27. To raise funds.
- 3.1.28. To do all such other lawful things as are necessary for the achievement of the Objects.

But the validity of an act done by the Federation shall not be called into question on the ground of lack of capacity by reason of anything in these rules.

4. REGISTERED OFFICE

- 4.1. The registered office of the Federation to which all communications and notices to the Federation may be addressed is One Abbey Court, Fraser Road, Priory Business Park, Bedford, MK44 3WH.
- 4.2. The location of the registered office may be changed by resolution of the Board of the Federation (“NHBF Board”) and notice in the prescribed form shall be sent to the Financial Conduct Authority within 14 days of the change.

5. MEMBERSHIP

The Board shall have power to make regulations regarding all matters relevant to membership of the Federation including without limitation the categories, rights and terms of membership (“the Membership Regulations”).

Membership applications must be made to the Chief Executive on the appropriate form (online or paper) and accompanied by the relevant subscription fee as set out in the Membership Regulations.

The Chief Executive shall allocate the appropriate membership category to each member. If there is any dispute as to whether membership will be approved or the category of membership applicable, the appeal process is set out in the Membership Regulations.

5.1. Categories of Membership

- 5.1.1. Full membership is open to:

- 5.1.1.1. individuals (whether trading alone or in partnership), or corporate bodies (including without limitation companies, limited liability partnerships and other Registered Societies), whose constitution permits membership and who are
 - 5.1.1.2. hairdressing salon, barber shop and/or beauty therapy business owners in Great Britain, self- employed hairdressers, barbers or beauty therapists working in salons, educators and retired salon business owners who although no longer commercially active within the sector have a personal interest in the furtherance of the Objects.
 - 5.1.2. Trade member status is open to:
 - 5.1.2.1. individuals (whether trading alone or in partnership), or corporate bodies (including without limitation companies, limited liability partnerships and other Registered Societies), whose constitution permits affiliation and who, although not directly engaged in the Craft are interested in furthering the Objects and undertake to support and promote the Objects and who shall be termed Trade members.
 - 5.1.3 Honorary membership is open to:
 - 5.1.3.1. a person appointed an Honorary Member of the Federation by the Board where the Board considers it appropriate to do so or where a person is nominated for honorary membership on the nomination by a Region Committee.
- 5.2. The Federation shall keep at its registered office a register of members (“the Register”) containing:
 - 5.2.1 the names and addresses of the members and any other contact details e.g. email address;
 - 5.2.2 their class of membership;
 - 5.2.3 their share qualification;
 - 5.2.4 the date of entry in the register as a member;
 - 5.2.5 the date when any person ceased to be a member;

and a duplicate register (“the Duplicate Register”) containing the above information except for any details of a member’s share qualification or other interest in the property of the Federation.

A member may inspect the Register relating to their own membership details. An officer of the Federation, a person authorised by general meeting of the Federation and the Financial Conduct Authority may also

inspect the full Register. Any other person may only inspect the Duplicate Register.

- 5.3 For the purposes of service of any notice upon the member under these rules or any of the regulations of the Federation the Register shall be conclusive evidence of the name and last known address or contact details of the member.
- 5.4 The Federation shall have at least 3 members at any one time or its registration may be subject to cancellation by the Financial Conduct Authority.
- 5.5 Categories of Membership shall be decided by the Board.
- 5.6 Every full member shall have the right to receive notice of and attend and vote at General Meetings of the Federation or act as a proxy unless their membership subscription fee for the current period or any other sum owing to the Federation has not been paid.
- 5.7 Every full member shall have one vote.
- 5.8 A member under the age of 18 years shall enjoy all membership rights but may not be a member of the Board.
- 5.9 Membership is not transferable to anyone else.
- 5.10 These rules shall bind the Federation and the members of the Federation and all persons claiming through them but shall not without their prior consent in writing increase the liability of that member or person to contribute to the share capital of the Federation.
- 5.11 The Board may increase the level of subscription payable in each category by up to 2% above the retail price index. Any other proposed increase must be referred to an Annual General Meeting for approval. This rule does not apply to Trade members whose fees can be increased with the approval of the Board.

6. **REMOVAL OF MEMBERS**

6.1 Membership of the Federation continues automatically from year to year unless a member resigns their membership or is removed from membership. A member may only resign with effect from the day immediately before the anniversary of joining as a member and must give at least one month's notice of resignation.

6.2 A member may be removed from membership if the member:-

- 6.2.1 dies or ceases to exist;
- 6.2.2 ceases to qualify for membership;
- 6.2.3 breaches the Federation's Code of Conduct;

- 6.2.4 fails to pay the annual subscription fee appropriate to their class of membership;
- 6.2.5 becomes insolvent;
- 6.2.6 is guilty of conduct likely to bring the Federation into disrepute;
- 6.2.7 without prejudice to the above is in breach of any of the Membership Regulations

7. THE NHBF BOARD

- 7.1 The NHBF Board shall be the governing body of the Federation and shall conduct the general affairs of the Federation subject to the approval of the members where provided in these rules or any regulations.
- 7.2 The Board shall comprise:-
 - 7.2.1 The President of the Federation
 - 7.2.2 The Vice President of the Federation
 - 7.2.3 The Immediate Past President of the Federation
 - 7.2.4 One member from each of the Regions, elected by the members of the Regions, except in the case of the President, Vice President and Immediate Past President who will be the Board member for their region.
- 7.3 A Board member is only eligible for appointment after being a member of the Federation for at least 1 year, remains in office for three years and is eligible for re-election but only for a maximum of 3 consecutive terms of office (3 terms of three years) after which they are not eligible for re-election or re-appointment to the Board.
- 7.4 The Board may co-opt a further two individuals to the Board who have specific expertise which the Board considers it requires the benefit of e.g. financial adviser, legal adviser, accountant for fiscal policy, government adviser for a period of time to be determined by the Board.

8. POWERS OF THE NHBF BOARD

- 8.1 The Board may exercise all the powers of the Federation which are not required to be exercised by the members in General Meeting. The members of the Board may make regulations concerning their proceedings as they think fit. The quorum for a meeting of the Board shall be not less than one half of the total number of members of the Board or such number as they shall agree from time to time.
- 8.2. The Board may borrow money from any person for the purposes of the Federation of a sum not exceeding £50,000. Any borrowing in excess of this figure requires the approval of the members of the Federation in

general meeting. All such transactions must be at arms' length and on terms of repayment agreed and approved by the Board.

- 8.3. The annual surplus of the Federation arising out of any surplus of income over expenditure shall be placed in a reserve fund and applied for the benefit of the members for the purposes of the Federation. At no time shall the profits of the Federation be distributed to its members.
- 8.4. The Board may invest such reserve funds in such manner as the Board in their absolute discretion sees fit but on terms that are reasonably advantageous to the Federation.
- 8.5. In favour of a person dealing with the Federation in good faith the power of the Board to bind the Federation, or authorise others to do so, shall be deemed to be free of any limitation under these rules.

9. OFFICERS OF THE FEDERATION

- 9.1. The Officers of the Federation who with the exception of the Chief Executive shall all be members of the Federation shall be:
 - 9.1.1. The President;
 - 9.1.2. The Vice President;
 - 9.1.3. The Immediate Past President; and
 - 9.1.4. The Chief Executive.
- 9.2. The appointments and terms of office of the officers shall be:
 - 9.2.1 The President - who shall be appointed by the Board on an annual basis and installed at its Annual General Meeting and whose term of office shall last for 1 year and who shall be entitled to serve a maximum of 3 terms of office.
 - 9.2.2 Vice President - who shall be appointed by the Board on an annual basis and installed at its Annual General Meeting and whose term of office shall last for 1 year and who shall be entitled to serve a maximum of 3 terms of office.
 - 9.2.3 Immediate Past President - who shall be the outgoing President (unless removed by the Board) and who shall automatically assume this office on completion of the Presidency and whose term of office shall last for 1 year only from the date of assumption of office.
 - 9.2.4 Chief Executive - who shall be appointed by the Board under the terms of a formal contract of employment.

10. REMUNERATION OF OFFICERS

The President shall be entitled to an honorarium of an amount determined by the Board. The position of Chief Executive is a salaried post whose remuneration shall be determined by the Remuneration Committee. All other offices are unpaid save that any officer shall be entitled to claim their reasonable travelling and other expenses incurred in the performance of their duties.

11. POWERS AND DUTIES OF OFFICERS

11.1 The President shall be the chair of all general meetings of members and Board meetings. In their absence the Vice-President shall preside or if they are not available the chair shall be elected from amongst those attending the meeting.

11.2 The Chief Executive's functions shall include:

11.2.1 acting as secretary to the Board and any committee or sub-committee of the Board or by delegation of this function to another employee of the Federation;

11.2.2 summoning and attending all general meetings of the Federation and of the Board and keeping minutes of those meetings;

11.2.3 keeping the register of members and other registers and books required by these rules;

11.2.4 preparing and sending to the Financial Conduct Authority and any other statutory body all returns which are required to be made.

11.3 The Chief Executive, who shall be answerable to the Board and the President, shall carry out the day to day management of the Federation's business in accordance with these rules. The Chief Executive shall have power to act in the name of the Federation and any third party dealing with the Federation in good faith and without prior notice of any irregularity is not concerned to enquire whether the powers of the Chief Executive have been properly exercised.

12. REMOVAL OF OFFICERS AND BOARD MEMBERS

12.1 An officer of the Federation or a member of the Board shall cease to hold office if they resign their position on giving at least 3 months' written notice.

12.2 An officer or a Board member is liable to be removed by the Board if they:

12.2.1 are convicted of an offence punishable by imprisonment;

12.2.2 bring the office or the Federation into disrepute;

12.2.3 breach the Federation's Code of Conduct;

- 12.2.4 become incapable by reason of mental disorder, illness or injury of managing and administering their own affairs;
 - 12.2.5 become insolvent;
 - 12.2.6 fail to declare an interest in a competing organisation or an interest in any contract with the Federation in which they have a personal financial or material interest;
 - 12.2.7 cease to be a member or authorised representative of a corporate member; or
 - 12.2.8 are absent, without reasonable excuse, from meetings of the Board for more than 2 consecutive meetings.
- 12.3 If at least two thirds of the Board vote (excluding the Board member or officer concerned who may not vote) that there could be a case to answer under Rule 12.2, the matter will be referred to the Disciplinary Committee for consideration in accordance with the Disciplinary Regulations.

13 REGIONS

- 13.1 In order to facilitate and encourage activities and networking the membership will be divided into Regions.
- 13.2 The Board shall have absolute discretion to decide the size and composition of Regions.
- 13.3 Each of the Regions is entitled to elect a Board member in accordance with rule 7.2.5.

14 GENERAL MEETINGS

- 14.1 An Annual General Meeting must be held each year and not more than 15 months shall elapse between successive Annual General Meetings.
- 14.2 The Board may call a General Meeting at any time on 14 days' notice.
- 14.3 The quorum for a meeting (whether it is an Annual General Meeting or a General Meeting) called by the Board is 40 members including proxies.
- 14.4 The normal business of an Annual General Meeting shall be:
 - 14.4.1 the installation of the President, Vice President and Board members;
 - 14.4.2 the appointment of auditors;
 - 14.4.3 to receive the accounts for the Federation for the current financial period;

- 14.4.4 to receive a report from the Chief Executive on NHBF activities for the previous financial period;
 - 14.4.5 any other decision requiring members' approval;
 - 14.4.6 any item of business notified to the Chief Executive by a member at least 40 days in advance.
- 14.5 A General Meeting of the Federation shall also be called by the Board on the requisition of 100 fully paid up members of the Federation acting in good faith who have submitted details of the reason for calling such meeting to the Board at the time of requisitioning the meeting.
- 14.6 The quorum for a meeting under rule 14.5 above shall be 100 members.

15 NOTICE OF GENERAL MEETINGS

- 15.1 The minimum period of notice required to hold a general meeting of the Federation is:-
- 15.1.1 21 clear days for an Annual General Meeting;
 - 15.1.2 14 clear days for all other General Meetings.
- 15.2 The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an Annual General Meeting then the notice must say so.
- 15.3 The notice must be given to all the members including the members of the Board and the auditors.
- 15.4 The proceedings at a meeting shall not be invalidated because a person who is entitled to receive notice of the meeting did not receive it because of an accidental omission by the Federation.

16 PROCEEDINGS AT GENERAL MEETINGS

- 16.1 No business shall be transacted at any General Meeting unless a quorum is present.
- 16.2 Except as specified under Rules 14.5 and 14.6, a quorum is 40 members entitled to vote upon the business to be conducted at the meeting including proxies. The authorised representative of a corporate body shall be counted in the quorum.
- 16.3 The conduct of meetings shall be regulated by the Board. Any member may apply for a copy of the regulations concerning the conduct of meetings.

17 VOTING

- 17.1 Subject to the following paragraphs of this clause 17 and clause 18 a member, whether an individual or an organisation and every honorary member or honorary life member so appointed on or before 31st December 2009 shall have one vote.
- 17.2 If the member is a partnership then only the first named partner in the Register shall be able to exercise the vote.
- 17.3 Any organisation that is a member may nominate any person to act as its representative at any meeting of the Federation. The organisation must give written notice to the Federation of the name of its representative. The nominee shall not be entitled to represent the organisation at any meeting unless the notice has been received by the Federation. The nominee may continue to represent the organisation until written notice to the contrary is received by the Federation. Any notice given to the Federation shall be conclusive evidence that the nominee is entitled to represent the organisation or that their authority has been revoked. The Federation shall not be required to consider whether the nominee has been properly appointed by the organisation.
- 17.4 No member shall be entitled to vote if that member owes money to the Federation.
- 17.5 Trade members and those members falling in the category of Honorary membership where such Honorary membership was granted on or after 1st January 2010 do not have a right to vote at any general meeting of the Federation.
- 17.6 Honorary Members and Honorary Life Members granted such membership on or before 31st December 2009 shall have the right to vote at any general meeting of the Federation.
- 17.7 The Board may permit decisions to be taken at general meetings by a combination of postal voting, by secure electronic voting procedures, voting in person or by proxy provided that each member has only one vote. The Board may make and issue regulations to govern such procedures in accordance with Rule 21 as may be required from time to time.

18 THE APPOINTMENT OF A PROXY

- 18.1 The appointment of a proxy shall be in writing executed by or on behalf of the appointor and shall be in the form approved by the Board.
- 18.2 The appointment of a proxy may:
- 18.2.1 in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting not less than 48 hours before the meeting.

18.2.2 in the case of an electronic communication, where an address has been specified for the purpose of receiving electronic communications be received not less than 48 hours before the meeting.

19 SHARES

- 19.1 Each member shall hold one share in the Federation and where there are joint registered holders of a share conferring the right to vote any one of them may vote at any meeting as if they were the sole registered holder thereof; but if more than one of several joint-holders are present at a meeting that one of them so present whose name stands first in the register in respect of such share shall alone be entitled to vote.
- 19.2 The shares shall have a nominal value of £1 each which will be deducted from the next annual subscription fee payable following the registration of the Federation as a Registered Society. The shares cannot be transferred or redeemed or withdrawn.
- 19.3 On the death or cessation of a member the shares shall be forfeited and cancelled by the Federation. The amount subscribed for the share shall become the property of the Federation.
- 19.4 No member may hold more than one share.

20 COMMITTEES

- 20.1. The Board may delegate some or all of its powers to a committee subject to the remit of the committee being approved by the Board. There shall be a:
- 20.1.1 Remuneration Committee which will determine the remuneration package of all paid employees of the Federation comprising the President, Vice President, Immediate Past President and up to three other members of the Board elected by the Board;
- 20.1.2 Disciplinary Committee which will deal with accusations of professional misconduct or complaints against NHBF members, Board members, officers or the Chief Executive, comprising 3 Board members who are not officers and who have no involvement with the accusation or complaint;
- 20.1.3 and any other committee which the Board deems appropriate comprising at least 2 Board members, one of whom shall be the Chair.
- 20.2 In the event of any matters which require a vote of a committee, the Chair shall be entitled to a casting vote.

21 REGULATIONS

- 21.1 The Board shall have power to make any necessary regulations setting out the detail of any of the Federation's procedures.
- 21.2 The Board may from time to time make and amend such reasonable and proper regulations, rules, or bylaws as the Board may deem necessary or expedient for the proper conduct and management of the Federation.
- 21.3 The regulations may govern the following matters but are not restricted to them:-
 - 21.3.1 The admission of members of the Federation (including the admission of organisations to membership) and the rights and privileges of such members, the entrance fees, subscriptions and other fees or payments to be made by members.
 - 21.3.2 The conduct of members of the Federation in relation to one another and to the Federation's employees.
 - 21.3.3 The procedure at General Meetings and meetings of the Board and the committees of the Board in so far as such procedure is not regulated by the Act or these rules.
 - 21.3.4 The Federation's power to alter add to or repeal rules at a General Meeting of the Federation
 - 21.3.5 The Board must adopt such means as it considers sufficient to bring the regulations to the notice of members of the Federation but all members shall be bound by such regulations whether or not they have received a copy of them.
 - 21.3.6 If there is any inconsistency or conflict between the rules of the Federation and the regulations the rules shall prevail.

22 ALTERATION OF RULES

- 22.1 No rule may be amended, rescinded or created unless at least 66% of the members present or voting by proxy at a General Meeting of the Federation shall approve the alteration.
- 22.2 Generally the Board will put forward proposals involving the amendment revocation or creation of rules but the members have the right to put forward such proposals on a written requisition in accordance with the provisions of rule 14.5.
- 22.3 Although the members may vote in favour of an alteration of the rules that alteration will not come into effect until it is approved and registered by the Financial Conduct Authority.

23 ACCOUNTS

- 23.1 The Federation shall cause to be kept proper books of account with respect to its transactions, assets and liabilities necessary to give a true and fair view of the state of the affairs of the Federation and to explain its transactions.
- 23.2 The Federation shall also establish and maintain a satisfactory system of control of its books of account cash holdings and all receipts and remittances.
- 23.3 In respect of each year of account the Federation shall cause to be prepared:
- 23.3.1 a revenue account dealing with the affairs of the Federation as a whole for that year or two or more revenue accounts for that year dealing separately with particular businesses conducted by the Federation.
 - 23.3.2 a balance sheet giving a true and fair view as at the date of the balance sheet of the state of affairs of the Federation.

24 AUDIT

- 24.1 The Federation shall in accordance with the Act appoint each year a qualified auditor or auditors (qualified under the Act) to whom the accounts of the Federation for that year shall be submitted for audit and who have all such rights and duties in relation to notice of and attendance and right of audience at General Meetings of the Federation, access to books, the supply of information, reporting on accounts and otherwise as are provided by the Act.
- 24.2 Subject to the following rule the auditors shall be appointed by the Federation at a general meeting and the provisions of the Act shall apply to the reappointment and removal and to any resolution removing or appointing another person in place of any such auditors.
- 24.3 The Board may appoint an auditor to fill any casual vacancy occurring between General Meetings.

25 ANNUAL RETURN

- 25.1 The Federation shall make an annual financial return to the Financial Conduct Authority as required by the Act.

26 RIGHT OF INSPECTION OF BOOKS

- 26.1 Any member of the Federation shall be permitted to inspect the particulars contained in the register of members and officers required to be kept by the Federation under the Act and to be made available to the members under the provisions of the Act.

- 26.2 The Board may make regulations as to the time and manner of inspection provided these regulations have been approved by the members in General Meeting.
- 26.3 Any person authorised by the Financial Conduct Authority may, on producing evidence of their authority, at all reasonable hours inspect any particulars in any register or duplicate register of members and officers of the Federation.
- 26.4 On the application of ten members of the Federation, each of whom has been a member for not less than 12 months immediately preceding the date of the application, the Financial Conduct Authority may appoint an accountant or actuary to inspect the books of the Federation and report on them. Any accountant or actuary appointed for this purpose shall have power to make copies of any books of the Federation and to take extracts from the books at all reasonable hours at the Federation's registered office or any other place where the books are kept.

27 FINANCIAL CONDUCT AUTHORITY

- 27.1 Upon the application of one tenth of all the members of the Federation, or of one hundred members, if the membership exceeds one thousand, the Financial Conduct Authority may appoint an inspector to examine and report on the Federation's affairs. Such application must be made in accordance with regulations issued under the Act and shall be supported by evidence that the applicants have good reason for requiring the examination, are not actuated by malicious motives and, if the Financial Conduct Authority considers fit, security for costs.

28 AMALGAMATION TRANSFER OF ENGAGEMENTS AND DISSOLUTION

- 28.1 The Federation may amalgamate with another Registered Society provided the Federation and the other society have passed a special resolution approving such amalgamation in accordance with section 111 of the Act.
- 28.2 The Federation may transfer its engagements to another Registered Society provided the Federation and the other society have passed a special resolution approving such transfer in accordance with section 111 of the Act.
- 28.3 The Federation may by special resolution in accordance with section 113 of the Act determine to convert itself into or to amalgamate with or transfer its engagements to a company registered under the Companies Acts.
- 28.4 In rules 28.1 - 28.3 above "Special Resolution" means a resolution which is passed in accordance with the relevant specified provisions of the Act and further details of the procedure may be found in the relevant regulations.
- 28.5 The Federation may at any time be dissolved:

- 28.5.1 in accordance with section 119 of the Act by an instrument of dissolution;
- 28.5.2 in accordance with section 123 of the Act in pursuance of a winding up order or by resolution made or passed as directed in regard to companies by the Insolvency Act 1986; or
- 28.5.3 in accordance with section 125 of the Act, after administration and administrator issues a notice to dissolve the society without a prior winding up.

29 SURPLUS ASSETS

- 29.1 On the dissolution or winding up of the Federation any surplus assets remaining shall be paid to the members of the Federation pro rata to their shareholding in the Federation.
- 29.2 Should the members of the Federation so resolve, the Board may at any time before and in expectation of the dissolution of the Federation resolve that any net assets after all its debts and liabilities have been paid or provision has been made for payment, shall on dissolution be applied or transferred:-
 - 29.2.1 directly for the Objects;
 - 29.2.2 by transfer to any society or other body for purposes similar to the Objects;
 - 29.2.3 to any charity from which hairdressers, barbers or beauty therapists may benefit.

30 DISPUTE RESOLUTION

- 30.1 The Board may make regulations as to the manner in which certain classes of dispute are to be decided. The classes of dispute are disputes between the Federation or one of its officers and:-
 - 30.1.1 a member of the Federation;
 - 30.1.2 any person aggrieved who has ceased to be a member not more than six months previously;
 - 30.1.3 any person claiming under the Federation's rules.
- 30.2 If disputes under 30.1 cannot be resolved by the application of the Board regulations relating to disputes the dispute is to be referred to mediation, the mediator to be appointed by the Centre for Effective Dispute Resolution or such body which succeeds to its function.
- 30.3 The Federation is a certified Alternative Dispute Resolution provider operating under the name Hair and Beauty Mediation.

31 INDEMNITY

- 31.1 Officers of the Federation, Board members, regional committee members working under the direction of the NHBF, and employees shall be indemnified out of the Federation's assets against:-
- 31.2 any liability incurred by that individual in connection with any negligence, default, breach of duty or breach of trust in relation to the Federation.
- 31.3 any other liability incurred by that officer as an officer of the Federation, Board member, regional committee member working under the direction of the NHBF, or employee.
- 31.4 This clause does not authorise any indemnity which would cover liability:-
- 31.4.1 for wilful default, fraud or dishonesty;
- 31.4.2 any liability for costs or expenses imposed by order of the Financial Conduct Authority.

32 INSURANCE

- 32.1 The Federation may decide to purchase and maintain insurance, at the expense of the Federation, for the benefit of any relevant officer in respect of any relevant loss.
- 32.2 In this clause a "relevant officer" means any officer or former officer of the Federation, any Board member, or any employee, regional committee member or volunteer working under the direction of the NHBF.
- 32.3 A "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Federation.

33 COPIES OF RULES

- 33.1 Any member may request a copy of the rules of the Federation by request in writing or electronically.
- 33.2 A person who is not a member of the Federation may request a copy of the rules but the Board shall have power to make a reasonable charge for provision of such copy.

34 NOTICES

- 34.1 Any notice to be given to or by any person pursuant to the rules or regulations of the Federation:
- 34.1.1 must be in writing; or

- 34.1.2 must be given using electronic communications.
- 34.2 The Federation may give any notice to a member either:
 - 34.2.1 personally; or
 - 34.2.2 by sending it by first class post in a prepaid envelope addressed to the member at their address; or
 - 34.2.3 by leaving it at the address of the member; or
 - 34.2.4 by giving it using electronic communications to the member's electronic address.
- 34.3 A member who does not register an address with the Federation or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Federation.
- 34.4 A member present in person at any meeting of the Federation shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 34.5 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- 34.6 Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- 34.7 A notice shall be deemed to be given:
 - 34.7.1 48 hours after the envelope containing it was posted; or
 - 34.7.2 in the case of an electronic communication, 48 hours after it was sent.