

The Companies Act 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

Articles of Association for

**SNIPEF LIMITED**

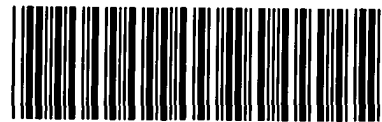
Company Number:

**SC661335**

Adopted on:

**22 May 2020**

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COMPANIES HOUSE

## Articles of Association for

### SNIFE LIMITED

(the "company")

#### INTERPRETATION AND LIMITATION OF LIABILITY

##### 1. DEFINED TERMS

In the articles, unless the context requires otherwise:

- "articles" means the company's articles of association;
- "chairman" has the meaning given in article 12;
- "chairman of the meeting" has the meaning given in article 31;
- "Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
- "director" means a director of the company, and includes any person occupying the position of director, by whatever name called;
- "document" includes, unless otherwise specified, any document sent or supplied in electronic form;
- "electronic form" has the meaning given in section 1168 of the Companies Act 2006;
- "member" has the meaning given in section 112 of the Companies Act 2006, which member shall act through its member representative;
- "Managing Director" means the person appointed as managing director of the company;
- "member representative" shall mean each member's duly authorised representative or duly authorised alternate representative who is authorised to represent the member at the company's general meetings and to exercise the member's voting rights (as further set out in and subject to the Rules);
- "ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;
- "participate", in relation to a directors' meeting, has the meaning given in article 10;
- "President" is the person appointed as such in accordance with the Rules;
- "Rules" means the rules passed by the directors from time to time which govern specific activities of the Company;
- "special resolution" has the meaning given in section 283 of the Companies Act 2006;
- "subsidiary" has the meaning given in section 1159 of the Companies Act 2006;
- "Vice-President" is the person appointed as such in accordance with the Rules; and
- "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

**Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.**

## **2. LIABILITY OF MEMBERS**

- a) The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for:
- i. payment of the company's debts and liabilities contracted before he ceases to be a member;
  - ii. payment of the costs, charges and expenses of winding up; and
  - iii. adjustment of the rights of the contributories among themselves.

## **DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

## **3. DIRECTORS' GENERAL AUTHORITY**

Subject to the articles and the Rules, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

## **4. DIRECTORS MAY DELEGATE**

- a) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
- i. to such person or committee;
  - ii. by such means (including by power of attorney);
  - iii. to such an extent;
  - iv. In relation to such matters or territories; and
  - v. on such terms and conditions, including by way of terms of reference as part of the Rules, as they think fit.
- b) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- c) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **5. COMMITTEES**

Committees to which the directors delegate any of their powers must, unless the board decides otherwise or as otherwise provided in the Rules, follow those provisions of the articles which govern the taking of decisions by directors.

### **DECISION-MAKING BY DIRECTORS**

## **6. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with the Rules.

## **7. UNANIMOUS DECISIONS**

- a) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- b) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- c) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

## **8. CALLING A DIRECTORS' MEETING**

- a) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- b) Directors' meetings may be called at 14 days' notice. However, if a majority of directors confirm that they are willing to attend a meeting at less than 14 days' notice, then the meeting may be convened at shorter notice.
- c) Notice of any directors' meeting must indicate:
  - i. its proposed date and time;
  - ii. where it is to take place; and if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting;
  - iii. Notice of a directors' meeting must be given to each director, but need not be in writing.

## **9. PARTICIPATION IN DIRECTORS MEETINGS**

- a) Subject to the articles, directors participate in a directors' meeting, or part of a director's meeting, when:
  - i. the meeting has been called and takes place in accordance with the articles; and
  - ii. they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- b) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- c) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **10. QUORUM FOR DIRECTORS' MEETINGS**

- a) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- b) The quorum for directors' meetings may be fixed from time to time by a decision of the directors or in accordance with the Rules.
- c) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
  - i. to appoint further directors; or
  - ii. to call a general meeting so as to enable the members to appoint further directors.

## **11. CHAIRING OF DIRECTORS' MEETINGS**

- a) The President, and in the President's absence the Vice-President, shall act as the chairman of the board of directors, if neither the President nor the Vice-President are present within 10 minutes of the time at which a board meeting is due to start or they have indicated that they will not be attending, the directors present shall appoint a director to chair such meeting.
- b) The Vice-President shall assume the President's roles when the President is not present.

## **12. CASTING VOTE AT DIRECTORS' MEETINGS**

If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

## **13. MANAGING DIRECTOR**

- a) The Managing Director shall be appointed by the board of directors. The Managing Director shall have overall responsibility for the day to day running of the company.
- b) The Managing Director shall have power to enter into contracts on behalf of the company and shall be entitled to an indemnity.

## **14. CONFLICTS OF INTEREST**

- a) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- b) But if paragraph c) below applies, a director who is Interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- c) This paragraph applies when:
  - i. the members by ordinary resolution approve that an interested director should be counted as participating in the decision-making process;
  - ii. the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - iii. the director's conflict of interest arises because he is a representative of a particular member, but the matter to be considered concerns all members or officers (or all members within a category of members) in a similar way.
- d) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- e) Subject to paragraph f), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- f) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

**15. RECORDS OF DECISIONS TO BE KEPT**

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

**16. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

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

**17. RULES**

The board of directors shall have power to make, repeal and amend such Rules (which shall not conflict with the articles but in the event that they do, the Rules shall take precedence) as they may from time to time consider necessary for the well-being of the company. These Rules, repeals, and amendments shall have effect until they are set aside by the board of directors or at a general meeting.

**APPOINTMENT OF DIRECTORS**

**18. METHODS OF APPOINTING DIRECTORS**

Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director in terms of the Rules.

**19. TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a director as soon as:

- a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- b) a bankruptcy order is made against that person;
- c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- e) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

## **20. DIRECTORS' REMUNERATION**

The only director of the company who is entitled to receive any remuneration or expense cover from the company (or any subsidiary of the company) is the Managing Director pursuant to the Managing Director's contractual rights.

## **MEMBERSHIP**

## **21. APPLICATIONS FOR MEMBERSHIP**

No organisation shall become a member of the company unless:

- a) that organisation has completed an application for membership in a form approved by the directors; and
- b) it has been approved in accordance with the Rules.

Companies or organisations wishing to join the company shall apply to the company in writing and shall provide such reasonable information as shall be requested of them describing the nature and extent of their business activities. New members must comply with the membership criteria as set out under these articles and the Rules.

## **22. MEMBERSHIP CRITERIA**

- a) Membership will be open to firms, companies, sole traders and other organisations as determined by the Rules.
- b) Membership is non-transferrable.
- c) Members shall be active in the plumbing, heating and mechanical services industry in Scotland and Northern Ireland or any other industry as determined by the board of directors.
- d) There shall be two types of members: voting members and non-voting members.
- e) The category of membership to which a member shall belong shall be determined in accordance with the Rules.

## **23. MEMBERSHIP CATEGORIES**

- a) At the date of adoption of these articles, membership of the company comprises the following Member categories:
  - i. Voting members – those members who comprise the board of directors of the company.
  - ii. Non-voting members – all other members of the company excluding the Voting members.
- b) Member categories may be amended by the board of directors from time to time and reflected in the Rules.
- c) The membership criteria for each membership category is defined within the company's Rules and may be amended by the board of directors from time to time.

## **24. VOTING RIGHTS OF MEMBERS**



Only members of the board of directors of the company shall be entitled to vote.

**25. SERVICES TO NON-VOTING MEMBERS**

Non-voting members shall be entitled to such benefits as may be specified in the Rules.

**26. SUBSCRIPTIONS**

The directors shall determine the amount of all subscriptions payable by the members on the basis set out in the Rules.

**27. RESIGNATION AND TERMINATION OF MEMBERSHIP**

- a) A member may resign from the company at any time by giving notice in writing to that effect to the company.
- b) If a member resigns from the company then it shall still be liable to pay that proportion of the relevant annual subscription equal to the number of months elapsed since the beginning of that year. If a member resigns part way through a year and if it has already paid its subscription, then it will not qualify for a rebate.
- c) A member's membership terminates when that member ceases to exist.

**28. EXPULSION OF MEMBER**

Expulsion of a member shall be determined in accordance with the Rules.

**GENERAL MEETINGS**

**29. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- a) A voting member's representative is able to exercise the right to speak at a general meeting when that member's representative is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that member's representative has on the business of the meeting.
- b) A voting member's representative is able to exercise the right to vote at a general meeting when:
  - i. that voting member's representative is able to vote, during the meeting, on resolutions put to the vote at the meeting;
  - ii. that vote of the voting member's representative can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other voting members attending the meeting; and
  - iii. the voting member is not restricted on voting on a particular matter by virtue of the company's Rules.
- c) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- d) In determining attendance at a general meeting, it is immaterial whether any two or more voting members' representatives attending it are in the same place as each other.

- e) Two or more members' representatives who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

**30. CHAIRING GENERAL MEETINGS**

- a) The President shall chair general meetings.
- b) In the President's absence, the Vice-President shall chair general meetings.
- c) If neither the President nor the Vice-President are present at a general meeting or if neither is willing to chair the meeting:
  - i. the directors present; or
  - ii. (if no directors are present), the meeting, must appoint a director or member's representative to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- d) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

**31. ATTENDANCE AND SPEAKING BY NON-MEMBERS**

The chairman of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting.

**32. ADJOURNMENT**

- a) The chairman of the meeting may adjourn a general meeting if:
  - i. the meeting consents to an adjournment; or
  - ii. it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any member attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- b) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- c) When adjourning a general meeting, the chairman of the meeting must:
  - i. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
  - ii. have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- d) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
  - i. to the same members to whom notice of the company's general meetings is required to be given; and
  - ii. containing the same information which such notice is required to contain.

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

## **VOTING AT GENERAL MEETINGS**

### **33. ANNUAL GENERAL MEETING**

The annual general meeting of the company shall be held each year in accordance with the Rules.

### **34. GENERAL MEETINGS AND VOTING RIGHTS**

- a) In all cases members shall be entitled to vote in person or by proxy, by delivering a signed proxy or by sending such proxy to the CEO in accordance with article 34 b). The form of the proxy shall be determined by the board of directors.
- b) Subject to articles 34 c) and 34 d), a proxy notice must be delivered to a proxy notification address not less than 48 hours before the meeting or adjourned meeting to which it relates.
- c) In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered;
  - i. in accordance with article 34 b); or
  - ii. at the meeting at which the poll was demanded to the chairman.

### **35. PROCEDURE AT GENERAL MEETINGS**

- a) The quorum for any general meeting shall be determined in accordance with the Rules.
- b) Resolutions shall be passed by a simple majority of votes cast. In the event of an equality of votes the chairman of the meeting shall have a casting or an additional vote.

### **36. VOTING: GENERAL**

A resolution put to the vote of a general meeting must be decided on a show of hands of voting members unless a poll is duly demanded in accordance with the articles.

### **37. ERRORS AND DISPUTES**

- a) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- b) Any such objection must be referred to the chairman of the meeting whose decision is final.

### **38. POLL VOTES**

- a) A poll on a resolution may be demanded:
  - i. in advance of the general meeting where it is to be put to the vote; or
  - ii. at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- b) A poll may be demanded by;
  - i. the chairman of the meeting;
  - ii. the directors; or
  - iii. two or more persons having the right to vote on the resolution.
- c) A demand for a poll may be withdrawn if:
  - i. the poll has not yet been taken; and
  - ii. the chairman of the meeting consents to the withdrawal.
- d) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

### **39. DELIVERY OF PROXY NOTICES**

- a) A person 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 proxy notice has been delivered to the company by or on behalf of that person.
- b) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice 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 proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf.

### **40. AMENDMENTS TO RESOLUTIONS**

- a) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - i. notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
  - ii. the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- b) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - i. the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - ii. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

- c) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **ADMINISTRATIVE ARRANGEMENTS**

### **41. MEANS OF COMMUNICATION TO BE USED**

- a) The company can send, deliver or serve any notice or other document to or on a member:
- i. personally;
  - ii. by sending it through the postal system addressed to the member at his registered address or by leaving it at that address addressed to the member;
  - iii. where appropriate, by sending or supplying it in electronic form to an address notified by the member to the company for that purpose;
  - iv. where appropriate, by making it available on a website and notifying the member of its availability in accordance with this article 41; or
  - v. by any other means authorised in writing by the members.
- b) Subject to the articles and Rules, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- c) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

### **42. ACCESS TO COMPANY FINANCIAL AND ACCOUNTING RECORDS**

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member. The board of directors shall ensure that the approved accounts of the company and the company's budget shall be made known to the members in a form determined by the board of directors.

### **43. ALTERATION TO ARTICLES OF ASSOCIATION**

These articles may be altered by a special resolution of the voting members.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **44. INDEMNITY**

- a) Subject to paragraph b), a relevant director of the company or an associated company may be indemnified out of the company's assets against:
- i. any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company.

- ii. any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006).
  - iii. any other liability incurred by that director as an officer of the company or an associated company.
- b) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- c) in this article:
- i. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - ii. a "relevant director" means any director or former director of the company or an associated company.

#### **45. INSURANCE**

- a) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- b) In this article:
- i. a "relevant director" means any director or former director of the company or an associated company,
  - ii. a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
  - iii. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.



**SNIPEF**

SNIPEF LIMITED

# Rules

Adopted 22 May 2020

**TITLE**

1. The Company shall be called SNIPEF Limited.

**OBJECTS**

2. The objects of the Company shall be:

- (i) to promote any measures and take any steps that may be considered advisable for the furtherance or protection of the Plumbing and Heating Industry in Scotland and Northern Ireland.
- (ii) to promote the formation of Local Associations throughout Scotland and Northern Ireland.
- (iii) to deal with all matters affecting the general interests of Members and in particular:
  - (a) to promote quality in plumbing and heating work and just and honourable practice in the conduct of business and to suppress malpractice.
  - (b) to promote and participate in any scheme for the statutory or voluntary registration of persons and/or firms engaged in the Plumbing and Heating Industry.
  - (c) to promote good relations between Members and operatives and conduct negotiations with employees' representatives and amicably or by arbitration arrange rates of wages and working conditions for the Industry.
  - (d) to protect and defend the interests of Members against employees or combinations of employees seeking by strikes or other means to impose restrictive conditions upon the Industry.
  - (e) to promote, manage, or participate in the operation of Holidays with Pay, Sickness and Accident Benefit and other schemes for persons employed in the Industry.
  - (f) to promote, encourage and participate in schemes for the education and training of apprentices and others engaged in the Industry.
  - (g) to maintain contact with and make any necessary representations to Government Departments,



Local Authorities and other bodies in regard to all matters affecting the Industry.

- (h) to co-operate with other trade associations in all questions of common interest.
- (i) to originate and promote improvements in the law and to support or oppose alterations therein and to effect improvements in administration and for the purpose aforesaid to take all steps and proceedings as may be deemed necessary.
- (j) to give all such assistance as shall be considered proper and desirable.
- (k) to promote, arrange and establish equitable forms of contract and otherwise negotiate such standard conditions for the Industry as may seem to be necessary and desirable.
- (l) to promote, undertake and manage or participate in or arrange for the promotion and management of the wholesale or bulk purchasing and distribution of plumbing materials, appliances and equipment and to distribute or participate in or arrange for the distribution of any or all of the profits arising from these operations or any of them as may seem to be desirable.
- (m) to circulate among Members information on all matters affecting the Industry and to print, publish and circulate such periodicals, paper and circulars and other literature as may appear necessary and desirable.
- (n) to set up and provide on a fee paying basis an advisory service on wages and conditions of employment of plumbing operatives for the benefit of individuals, companies, Local Authorities and public bodies employing such labour.
- (o) to establish, undertake, superintend, administer and contribute to any charitable, benevolent or educational fund, institution or undertaking which may seem to benefit the Industry or those employed or those who have been employed in it.
- (p) to undertake and execute any trusts which may be necessary to any of its objects.

(q) to arrange, support and provide for social activities between Representatives, Members and their friends.

(iv) to do all such lawful things as are incidental or conducive to the attainment of the above objects or any of them.

### MEMBERSHIP

<p>3. The Membership of the Company shall consist of firms which terms shall include single man businesses, partnerships and companies who are established as contractors engaged in plumbing and heating in Scotland, Northern Ireland and such other places as may be agreed by the board of directors of the Company (in these Rules referred to as the "Board") and such firms shall be organised in and be Members of Local Associations ("Local Associations").</p>	Basis of Membership
<p>4. As from the date of incorporation of the Company and when these Rules come into effect existing Members of Local Associations shall also be Members of the Company.</p>	Existing Members
<p>5. All applications for Membership shall be made in such form and will be considered in accordance with procedures laid down by the Board from time to time.</p>	Application for Membership
<p>6. All applicants admitted to Membership having a branch in the area of another Local Association or Branch shall become a Member in respect of that area also, and shall pay the appropriate Annual Subscription in respect of that branch. All existing Members having or starting a branch in the area of another Local Association or Branch shall similarly become a Member in respect of that other area.</p>	Branches in another area
<p>7. For the purpose of representation each Member shall nominate the person who shall be the proprietor, a partner, a director or an employee with the executive rank who shall represent the Member at general meetings of the Local Association and shall vote on behalf of the Member. Other partners or directors may, if the Local Association so desires, become Associate Members on such conditions as the Local Association may lay down.</p>	Representation of Members
<p>8. All matters concerning the cessation of Membership shall be dealt with in accordance with clauses 9, 10 and 11 of these Rules.</p>	Cessation of Membership
<p>9. Membership shall cease upon a Member ceasing to carry on business as a contractor engaged in plumbing and heating in Scotland and Northern Ireland. A Member so excluded shall cease to be a Member, shall no longer have an interest in or claim upon</p>	Ceasing to carry on plumbing business

any of the funds of the Company or a Local Association but shall remain liable for any arrears of subscription.

- 10.** Any Member wishing to retire shall give three calendar months' notice in writing to the Company to that effect on or before 1<sup>st</sup> October in any year. The resignation shall take effect as from 31<sup>st</sup> December following and the Member retiring shall cease to have any interest in or claim upon any of the funds of the Company or a Local Association but shall remain liable for any arrears of subscriptions.

#### **CONDUCT**

- 11.** If any Member fails to observe or adhere to:
- (a) The Rules of the Company and/or;
  - (b) The Plumbing Industry Licensing Scheme ('PILS'), including failure to comply with a decision of the Complaints Panel, Disciplinary Panel or Board; and/or;
  - (c) The decisions of either the Company or the PILS;

Or if any Member acts in a way, or fails to act in a way, which is contradictory to the principles and objectives of the Company, its Local Associations, or the PILS, the Member shall be subject to rules 12 and 13.

#### **CONSEQUENCES OF BREACH OF RULE 11**

- 12.** Any Member whose conduct falls within the terms of rule 11 shall be dealt with by a Disciplinary Panel ('the Disciplinary Panel') in terms of rule 13, which said Panel is empowered to deal with any complaint in the following way:
- (a) To decide not to uphold the complaint;
  - (b) To admonish or warn the Member in relation to its conduct and behaviour;
  - (c) To suspend the Member for such period of time as the Disciplinary Panel shall consider appropriate;
  - (d) To expel the Member;
  - (e) In the event of either suspension or expulsion, the Disciplinary Panel may prescribe recommendations for re-entry to Membership which the Company are entitled to consider when deciding on the appropriateness of the Member's re-entry;
  - (f) To impose such conditions and restrictions on Membership as the Disciplinary Panel shall see fit, including (but not restricted to):
    - i. Periodic review and assessment of the Member's conduct, and/or
    - ii. Requests for the Member to provide information/data to the Disciplinary Panel in advance of any periodic review hearing, and/or

- iii. A requirement that the Member amends its conduct and/or the basis on which it conducts its affairs and business
- iv. The training of staff/employees in particular areas
- v. Liaising with third party organisations.

A Member expelled in accordance with this Rule shall cease to be a Member and shall no longer have any interest or claim upon any of the funds of the Company or a Local Association but shall remain liable for any arrears of subscription.

In cases where a Member has been expelled or suspended from Membership because they have failed to or have refused to undertake remedial work which the PILS Complaints Panel decided was necessary, the Member shall be liable to pay the whole cost of any remedial work directed by the Complaints Panel.

**DISCIPLINARY PANEL AND RIGHT OF APPEAL**

**13.** Any complaint brought against any member as a result of conduct which falls within Rule 11 shall be dealt with by a Disciplinary Panel made up of no fewer than three Directors' of the Company. The Member shall be given an opportunity to make representations in person or in writing prior to such decision being reached. The Member will have the right to appeal against the decision of the Disciplinary Panel. Any appeal will be heard by no fewer than three of the Company's Office Bearers. The Member may be represented at any of the meetings by an appropriate representative (the appropriateness of the representation being decided by the Company in their sole discretion, acting reasonably) but shall be wholly liable for any costs for this representative's attendance.

**14.** The Office Bearers of the Company shall consist of the President, the Immediate Past President, the Vice-president and the Junior Vice-President.

Office Bearers

**15.** At the Annual General Meeting the Board shall elect from its Members a President of the Company who shall hold office and act as Chairman of the Board until the next Annual General Meeting.

President

**16.** At the Annual General Meeting the Board shall also elect from its Members a Vice-President and Junior Vice-President who shall hold office until the next Annual General Meeting.

Vice-President

**17.** The President, the Vice-President, the Junior Vice-President and the Immediate Past President shall be ex-officio Members of the Board. The President shall, in addition, be ex-officio a Member of any Committee.

Ex-Officio

**DIRECTORS'**

**18.** The management of the Company and the conduct of its business shall be carried out by the Board.

Powers

**19.** The Board shall have plenary powers in the management of the business and affairs of the Company including the management of its property and the investment of its funds and the application and disposal of such property and funds for any purpose which may be deemed advisable, including granting letters of guarantee and also the raising, pursuing and defending of actions at law and may delegate all or any of its powers and duties to a Committee or Committees.

Representative

**20.** Local Associations shall appoint representatives as Directors' of the Company. Local Associations will be entitled to appoint one Director and one additional maximum of one Director when they have more than 100 members.

Appointment and Substitution

The Board shall have power to review the representation of Local Associations at the Annual General Meeting on a recommendation from the previous Meeting of the Company.

**21.** The appointment of Directors' to the Company shall be made by each Association annually and shall take effect as from the Annual General Meeting of the Company. An alternate Director may be appointed by a Local Association to fill any vacancy occurring during any year and such Director shall have the full rights of a Director and shall take the place of the Director he is replacing on any Committee but shall not thereby assume any office on such Committee previously held by the Director he is replacing.

Those members appointed as Directors' may send an alternate to Company Meetings or the Annual General Meeting. The alternate will have the same voting powers as the nominated Director.

**22.** The Board shall meet at least two times each year.

Meetings

**23.** The Board meeting in the month of May, or as near thereto as possible, shall be the Annual General Meeting of the Company at which there shall be transacted such business as is laid down in these Rules to be conducted at the Annual General Meeting.

Annual General Meeting

**24.** The Administrative Year of the Company shall commence at the Annual General Meeting of the Company and end at the following Annual General Meeting.

Administrative Year

**25.** Voting at Board meetings shall be by show of hands, each Director except the Chairman being entitled to one vote. A majority of those present shall, in the event of a difference of opinion, bind

Voting

	the Board. In the event of an equality of votes the Chairman shall have a casting vote.	
26.	A quorum for Board meetings shall consist of one or more Directors' from at least four Local Associations.	Quorum
27.	A Special Meeting of the Board shall be convened by order of the President or at the written request of one or more Directors' from at least four Local Associations and specifying the reason for the request.	Special Meeting
28.	Notice of all meetings of the Board shall, if possible, be given not less than seven clear days before each meeting to all Directors' entitled to attend.	Notice of Meetings
29.	The Directors' may appoint a Sub-Committee or representatives to consider any matter and may delegate to such Sub-Committee such powers as the Board may deem expedient and proper, provided that such powers are within the powers of the Directors' as laid down in these Rules.	Power to Appoint Sub-Committee
<b>COMMITTEES</b>		
30.	The Board shall appoint from among its Members such Committees as it may consider necessary for carrying on the business of the Company under the control of the Board and may delegate to such Committees such powers as the Board may deem expedient and proper provided such powers are within the powers of the Board as laid down in these Rules.	Composition
31.	Each Committee shall have the power to co-opt any person who is a representative or a partner or director of a Member firm but not necessarily a representative of a Local Association as a Director of the Company. Such person shall have no voting powers. In addition each Committee shall have the power to co-opt persons who have special expertise, skills or experience of benefit to Committee.	Power to co-opt
32.	Each Committee shall appoint from its Members a Convenor and Vice-Convenor to act until the next Annual General Meeting of the Company.	Convenor and Vice-Convenor
33.	The Executive Committee of the Company shall consist of the Office Bearers. The President and Vice-President of the Company shall act as Chairman and Vice-Chairman respectively of the Executive Committee.	Executive Committee
34.	Voting at the Meetings of the Committees, including the Executive Committee, shall be by show of hands, each Member of the Committee being entitled to cast the number of votes equal to the	Voting

<p>number of representatives the Local Association is entitled at that time to send to the Board of the Company. A majority of those present shall, in the event of a difference of opinion, bind the Committee. In the event of an equality of votes, the Chairman shall have an additional or casting vote.</p>	
<p><b>35.</b> A Quorum for the Committees, excluding the Executive Committee, shall consist of at least four members of the Committee. A quorum for the Executive Committee shall consist of at least three members of the Committee.</p>	<p>Quorum</p>
<p><b>36.</b> Notice of all Meetings of the Committees, including the Executive Committee, shall, if possible, be given not less than seven days before each meeting to all Members entitled to attend.</p>	<p>Notice of Meeting</p>
<p><b>37.</b> Each Committee, including the Executive Committee, may appoint a Sub-Committee of Members of the Committee to consider any matter and may delegate to such Sub-Committee which powers as the Committee may deem expedient and proper, provided that such powers are within the powers of the Committee.</p>	<p>Power to appoint Sub-Committee</p>
<p><b>LOCAL ASSOCIATIONS</b></p>	
<p><b>38.</b> The functions of Local Associations shall include the dealing with all matters affecting the local interest of Members, the discussion locally of matters of general interest to Members and the presentation to the Board of the local views within the Local Association on such matters. They shall have power to formulate and amend their own constitution subject to Clause 39, arrange their own meetings, appoint their own Office Bearers, Secretaries and staff and deal with their own funds.</p>	<p>Functions</p>
<p><b>39.</b> Local Associations and their Secretaries shall observe the terms of these Rules and shall carry out without delay decisions of the Board and any of its Committees acting in accordance with powers granted to it by the Board all as conveyed to them by the Managing Director and shall not do anything which is contrary to these Rules or to national policy. Local Associations shall furnish the Company with all information which the Company may require.</p>	<p>Obligations</p>
<p>Failure of a Local Association or its Secretary to so act shall amount to a breach of these Rules and all facilities shall be withdrawn from the Local Association until the Local Association or its Secretary has so acted.</p>	
<p><b>SPECIALIST SECTIONS</b></p>	
<p><b>40.</b> The Board may authorise the formation of Specialist Sections of Members carrying out a certain class of work. Such Sections shall</p>	<p>Formation of Specialist Sections</p>

<p>have the right to set up their own Executive Committee, the Members of which shall be elected by the Members of the Section in general meeting</p>	
<p>41. Subject to the general control of the Board a Specialist Section or its Executive Committee shall be empowered to deal with matters solely affecting the interests of the Section but no resolution or act of any Section or its Executive Committee shall be put into effect without the authority of the Board.</p>	<p>Powers</p>
<p><b>FINANCE</b></p>	
<p>42. Every Member on admission shall pay to SNIPEF Management Limited an Entrance Fee the amount of which shall be determined by the Board.</p> <p>Every Member shall pay to SNIPEF Management Limited an Annual Subscription which will be due on 1<sup>st</sup> January each year. New Members who join during the year will pay a proportion of the Annual Subscription for that year and shall thereafter pay the full amount of the subscription on 1st January thereafter.</p>	<p>Entrance Fees and Subscriptions</p>
<p>43. The composition of the Annual Subscription payable by each Member shall be determined by resolution of the Board which shall also determine the proportion of the Annual Subscription to be paid to Local Associations.</p>	<p>Composition of Subscription</p>
<p>44. A Member whose subscription is unpaid for a period of 2 months in any year shall be regarded as being in arrears. A Member in arrears shall forfeit all the privileges of Membership until such time as the arrears are paid. A Member still in arrears after 4 months shall cease to be a Member and the Company and the Local Associations are hereby empowered to take any action necessary to recover the arrears, in which event Membership may be restored in accordance with the procedure for admitting New Members on such terms and conditions as may be considered fair and reasonable.</p>	<p>Member Arrears</p>
<p>45. The Company shall reimburse representatives of Local Associations and Specialist Sections all reasonable expenses incurred when engaged on Company business.</p>	<p>Reimbursement of Representative Expenses</p>
<p>46. All financial matters shall be under the control of a Finance Committee which shall be one of the Committees to be appointed in accordance with these Rules.</p>	<p>Finance Committee</p>
<p>47. The Financial Year of the Company and Local Associations shall commence on 1 January each year and end on 31 December following.</p>	<p>Financial Year</p>



48.	The Accounts of the Company which shall have been duly audited shall be submitted at the Annual General Meeting of the Company.	Accounts
<b>SECRETARIAT</b>		
49.	A Managing Director, known as the Chief Executive and Secretary or such other title as may be decided by the Board from time to time, and staff at National level shall be appointed by or under the authority of the Board. Local Associations shall be responsible for appointing the Secretaries of their own Local Associations and Branches.	Appointment
50.	The Managing Director shall be responsible for giving information and advice to the Company, Local Associations and Members, for carrying out the policy and instructions of the Company, for performing the necessary secretarial services at National level, for operating any Schemes for the benefit of Members as may be decided upon by the Company, for co-ordinating and assisting the work of Local Associations and taking all necessary steps as required by the Company and Local Associations and in accordance with these Rules for the efficient running of the organisation.	Duties of Managing Director
<b>ANNUAL REPORT</b>		
51.	The Annual Report of the activities of the Company for the previous Administrative Year shall be submitted at the Annual General Meeting of the Company.	
<b>APPOINTMENTS TO EXTERNAL BODIES</b>		
52.	All persons appointed by the Board to external bodies or organisations shall be limited to a maximum period of appointment of 3 years with the option for the Board to renew such appointments for a further period of 3 years when appropriate.	External Bodies
<b>AMENDMENT OF RULES</b>		
53.	Alterations to these Rules may be made at a Meeting of the Board by a majority of at least two-thirds of the recorded votes, provided intimation of the proposed alterations has been given in the notice calling the Meeting.	Amendment Procedure
<b>DISSOLUTION</b>		
54.	The Company may be dissolved at a Meeting of the Board specially called for the purpose, of which meeting notice shall be given by the Secretary to all members of the Board fourteen clear days	Dissolution Procedure

<p>before the date thereof, and such notice shall contain the business to be transacted at the Meeting. The dissolution shall take place only in the event of a majority of at least two-thirds of those present at such meeting voting for such dissolution.</p>	
<p><b>55.</b> Upon the resolution for dissolution being approved at such Special Meeting, the Board shall then resolve on the basis of a simple majority of the voted cast, the manner in which any funds of the Company remaining after liquidation of all its just liabilities shall be disbursed or any contributions shall be made by Members to meet any deficiency.</p>	<p>Division of Funds</p>