

The Companies Act 2006

Company limited by guarantee and not having a share capital

**Articles of Association**

**Company Number 14248089**

National Organisation for Responsible Micro, Small and Medium-sized  
Businesses

For clarity, the “meaning of words” is covered in an appendix at the end of these articles.

## **PART 1**

### **COMPANY, PURPOSE, AND LIMITED LIABILITY**

#### **1. The Company**

1.1 The name of the company, herein referred to as The Organisation, is the “National Organisation for Responsible Micro, Small and Medium-sized Businesses.”

1.2 The Organisation has been incorporated specifically to protect the company previously known as the Organisation for Responsible Businesses CIC, company number 6830936, incorporated on 26<sup>th</sup> February 2009, a Community Interest Company limited by shares, so that it cannot be held in private ownership and The Organisation’s purpose as detailed is never compromised.

1.3 Within two months of incorporation of The Organisation, company number 6830936 in its entirety including all assets, liabilities, and intellectual property, will be merged into The Organisation. Henceforth, The National Organisation for Responsible Micro, Small and Medium-sized Businesses, shall trade under the name of Organisation for Responsible Businesses, abbreviated to ORB as appropriate.

#### **2. Purpose, and Fundamental Processes And Procedures**

This section outlines the purpose of The Organisation and the fundamental processes and procedures that should be maintained for the organisation to meet that purpose.

2.1 The Organisation has a vision of thriving, vibrant cities, towns, and villages where small businesses play a vital role in their local communities, contributing to social, environmental, and economic sustainability and setting an example of ethical and responsible business behaviour in the UK and across the world.

2.2 Our purpose is to realise that vision by:

(a) Encouraging and promoting a better way of doing business; a way that is good for business but also good for people (the workforce, local community, and society at large,) and good for the environment;

(b) Supporting and promoting our members;

(c) Providing learning and certification options accessible to members and non-members that develop and authenticate responsible business practices;

(d) Carrying out any other appropriate activities to further our purpose, including but not limited to events, research, surveys, studies, actions intended to influence public opinion, government, and other bodies, either on our own account, by commissioning others, or in collaboration with other organisations.

## 2.3 Fundamental processes:

- (a) Membership is restricted to organisations that are micro, small, or medium-sized at the time of joining (0-249 full-time pro-rata employees);
- (b) A Member may be an individual in the case of unincorporate organisations, or may be any other type of incorporated body;
- (c) Larger companies may be offered alternative engagement options such as Corporate Supporters, as an example, but cannot become members;
- (d) The membership process must include completion of an online questionnaire; signing online of the Members' Pledge detailed in Article 2.3f, and a physical or online meeting with a senior member of ORB to vet applicants if they are not already known to The Organisation.
- (e) Directors have the right to refuse any application for membership as they see fit.
- (f) The Pledge:  
  
"We pledge to operate our business in an honest and ethical manner; to consider people and the environment when making business decisions; and endeavour to make a positive contribution to the local community and society at large."
- (g) The highest level of certification offered by The Organisation is to be known as the Responsible Business Standard and must adhere to robust, evidence-based processes that are continually monitored and updated as appropriate.

## 3. Not For Profit

3.1 The Organisation will operate on what is termed a Not-for-Profit basis. Any surplus funds will be re-invested into the business for development purposes or used in other ways as deemed appropriate by the Board, and within the terms of the Articles, to further its purpose.

3.2 Profits and income derived from the sale of assets may not be distributed to Directors or Members, subject to Article 3.3.

3.3 Employees, including salaried Directors, may receive performance-based bonuses if approved by the Board subject to a maximum of 5% of their basic annual salary.

## 4. Members

4.1 The First Members of The Organisation are those members registered as members in the Memorandum

4.2 Within a transfer period of two months from the date of incorporation, all individuals, companies, and other organisations accepted as members of company number 6830936 as

per the process detailed in Article 2.3 will automatically become Members of The Organisation under the terms of these Articles of Association and in accordance with the Companies Act 2006.

## **5. Winding Up**

5.1 The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of The Organisation in the event of it being wound up while a current member or within one year after membership has ceased for:

- (a) payment of The Organisation's debts and liabilities contracted before he ceases to be a member,
- (b) payment of the costs, charges and expenses of winding up, and
- (c) adjustment of the rights of the contributories among themselves.

5.2 If on the winding up or dissolution of The Organisation there remains, after the satisfaction of all its debts and liabilities, any property whatsoever the same shall not be paid to or distributed among the members of The Organisation, but shall be given or transferred to some other organisation having objects or carrying on activities similar to those of The Organisation and prohibiting the distribution of its or their income and property among its or their members, and if and so far as effect cannot be given to such provision, then to some charitable purpose.

## **PART 2**

### **DIRECTORS, OFFICERS, BOARD MEMBERS AND THE BOARD OFFICERS**

#### **6. Directors' General Authority**

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

#### **7. Presidents, Vice Presidents and Patrons**

The directors shall have power to appoint a President, Vice Presidents and Patrons who shall continue in office for as long as the directors shall decide. The President, Vice Presidents and Patrons shall not be directors or Board members and shall not have any rights or duties in relation to the Board.

#### **8. Executive Directors**

There shall be a Chief Executive Officer of The Organisation, and any other Executive Directors as the Board of Directors deem appropriate, each of whom shall be appointed by the Board for such term and on such remuneration as may be

determined in accordance with Article 12 and on such conditions as they may think fit. Each Executive Director shall be a Board member and, as such, shall have equal status as a director with all Board members with a vote and in respect of their right to receive notice of and to attend all meetings of Board or of its Committees or working groups.

## **9. Number of directors**

Unless otherwise determined by special resolution, the number of directors forming the Board of Directors, shall be a maximum of twelve and not less than three.

## **10. Appointment of directors**

The Board of Directors will include:

- (a) The Chief Executive Officer and any other appointed Executive Director in accordance with Article 8
- (b) Up to three Directors nominated by the Member Council in accordance with Article 32.6
- (c) Any other person may be appointed to be a director by a decision of the directors in accordance with Article 9
- (d) Directors must be willing to act as a director and be permitted by law to do so
- (e) Directors must comply with any conditions for membership of the Board laid down by the Board from time to time.

## **11. 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 Organisation 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 Organisation from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms
- (f) they have been absent without permission of the Board for more than four consecutive meetings of the Board and the Board resolves that their office be vacated
- (g) in the case of all Board members other than the Chief Executive and/or other

Executive Directors, notice in writing is served upon them that their appointment as a Board member shall terminate immediately, signed by at least three-quarters of the other Board members

## **12. Directors' remuneration**

12.1 Directors may undertake any services for The Organisation that the directors decide.

12.2 Directors are entitled to such remuneration as the directors determine—

- (a) for their services to The Organisation as directors, and
- (b) for any other service which they undertake for The Organisation.

12.3 Subject to the articles, a director's remuneration may—

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

## **13. Directors' expenses**

The Organisation may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of debentures of The Organisation, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to The Organisation.

## **14. Members' reserve power**

14.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

14.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **15. Directors may delegate**

15.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories; and

(e) on such terms and conditions,  
as they think fit.

15.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

15.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **16. Committees**

16.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

16.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **17. Directors' decisions**

17.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 17.

17.2 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.

17.3 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

17.4 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.

17.5 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

## **18. Calling a directors' meeting**

18.1 Any director may call a Board meeting by giving notice of the meeting to the directors or by authorising The Organisation's secretary (if any) to give such notice.

18.2 All directors' meetings are to be carried out by electronic means unless exceptional circumstances prevail and/or as a unanimous decision of the directors.

18.3 Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place, subject to Article 18.2; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting together with relevant access information as necessary.

18.4 Notice of a directors' meeting must be given to each director, but need not be in writing.

18.5 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to The Organisation not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **19. Participation in directors' meetings**

19.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

19.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

19.3 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.

## **20. Quorum for directors' meetings**

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

20.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

20.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

(a) to appoint further directors, or

(b) to call a general meeting so as to enable the members to appoint further directors.

## **21. Chairing of directors' meetings**

21.1 The directors may appoint a director to chair their meetings.

21.2 The person so appointed for the time being is known as the chair.

21.3 For a period of three years from the date of incorporation, the chair must be one of the first directors, subject to Article 11. Thereafter, Article 21 applies

21.4 After a period of three years from the date of incorporation, and subject to Article 21

(a) Executive Directors are excluded from being appointed chair, unless no other directors are available to chair a meeting.

(b) The chair shall be appointed at the first directors' meeting after each annual general meeting of The Organisation' to hold office until the first Board meeting after the annual general meeting in the next year.

21.5 The directors may terminate the chairman's appointment at any time.

21.6 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## **22. Casting vote**

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

22.2 But this does not apply if, in accordance with the articles, the chair or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## **23. Conflicts of interest**

23.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with The Organisation 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.

23.2 But if Article 23.3 applies, a director who is interested in an actual or proposed transaction or arrangement with The Organisation is to be counted as participating in the decision-making process for quorum and voting purposes.

23.3 This Article applies when—

(a) The Organisation by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

(c) the director's conflict of interest arises from a permitted cause.

23.4 For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of The Organisation or any of its subsidiaries;

(b) subscription, or an agreement to subscribe, for securities of The Organisation or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of The Organisation or any of its subsidiaries which do not provide special benefits for directors or former directors.

23.5 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

23.6 Subject to Article 23.7, 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.

23.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

#### **24. Records of decisions to be kept**

The directors must ensure that The Organisation 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.

#### **25. 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.

### **PART 3**

#### **MEMBERS**

##### **BECOMING AND CEASING TO BE A MEMBER**

#### **26. Applications for membership**

26.1 No person or body shall become a member of The Organisation unless that person or body has completed an application for membership in a form approved by the directors and

the directors have approved the application as detailed in Article 2.3 of the Fundamental Processes of The Organisation

26.2 The Organisation reserves the right to refuse any application for Membership. All refusals may be considered by the Board of Directors and their decision will be final.

## **27. Number of members**

The number of members is unlimited.

## **28. Terms of membership**

All members will be subject to the Terms and Conditions of Membership as detailed on The Organisation's website.

## **29. Termination of membership**

29.1 New members may cancel their membership within seven days of their first payment and receive a full refund of any membership fees paid.

29.2 Members breaching the terms of membership and / or acting in a manner that is likely to bring ORB into disrepute may have their membership revoked with immediate effect without any refund of membership payments. The directors' decision will be final.

29.3 Membership is not transferable.

29.4 Membership will terminate if:

- (a) If a member ceases to exist, or dies in the case of a sole trader, the membership automatically terminates.
- (b) a bankruptcy order is made against a member who is a sole trader;
- (c) in the case of an incorporated organisation, membership will be terminated in the case of dissolution, winding up, or liquidation;
- (d) a composition is made with their creditors generally in satisfaction of their debts;
- (e) membership payment is three months or more in arrears, subject to any decision to the contrary by the directors.

## **30. Members right to vote**

Every member shall have one vote. All members have a right to vote at general meetings.

## **31. Member Council**

31.1 All members have a right to apply for membership of the Member Council

31.2 The Member Council will act as a representative body to ensure members views are shared with the Board of Directors.

31.3 The Member Council will consist of a minimum of eight members and a maximum of forty members.

### **32. Formation of the Member Council**

32.1 Within two months of incorporation of The Organisation, all members will be invited to apply direct to The Organisation to be a founding member of the Member Council.

32.2 The first members applying, up to a maximum of forty members, shall form the initial Member Council subject to Article 32

32.3 The Member Council shall agree amongst themselves who will act as initial chair and secretary.

32.4 When the Member Council is formed with a minimum of eight members and with a chair and secretary in place, future applications for Council membership will be passed to the Member Council for approval.

32.5 When the maximum of 40 members has been reached, the Member Council will agree amongst themselves a rolling process of council membership with existing members not remaining in place for longer than three years without re-election by the member board.

32.6 The Member Council may nominate, in a formal meeting and with majority votes, up to three of their number to hold office as a Director of The Organisation. Member Council Directors must be re-elected every three years by the Member Council, but there is no limit on the number of times they can be re-elected.

32.7 The Member Council will abide by the formal meeting rules as defined by and agreed with the directors from time to time. Three months' notice in writing will be given of any changes in formal meeting requirements.

32.8 Additional informal meetings can be held as required providing formal requirements have been duly met.

32.9 No formal business can take place at a formal meeting of the Member Council unless a quorum of 50% plus one of the Member Council are present.

32.10 Member Council Directors will have the same rights and responsibilities as all other directors of The Organisation.

32.11 Council Members may propose general or special resolutions providing a majority of all Council Members have signed the resolution.

### **33. Organisation of general meetings**

33.1 All General Meetings will be held online to ensure easy accessibility for all Members, and voting will be carried out using appropriate polling software.

- 33.2 General Meetings may be held in conjunction with a physical meeting such as an awards ceremony, exhibition or similar. In such circumstances, the General Meeting element will still use all the applicable online features such as polling.
- 33.3 The Organisation will hold a General Meeting in every calendar year as its AGM. Every AGM shall be held not more than fifteen months after the holding of the last preceding AGM, and within the next financial year following such AGM.
- 33.4 The directors may call general meetings and, at the requisition of members under the provisions of the Companies Acts, shall convene a general meeting in accordance with the provisions of the Companies Acts.
- 33.5 Subject to the terms and conditions of membership and the introduction of different classes of membership, every Member will have one vote and will be entitled to vote at any General Meeting, either in person or by Proxy.
- 33.6 Every Member and any other person entitled under the Act will be given:
- (a) Not less than 21 day's notice in writing of every AGM or any adjournment of such meeting or any meeting convened to pass a special resolution.
  - (b) Not less than 14 days' notice of any other General Meeting
- 33.7 All notices will specify the time and date of the meeting and in the case of special business the general nature of such business.
- 33.8 The accidental omission to give notice of a meeting to, or the non-receipt of such notice by any person entitled to receive notice thereof, will not invalidate any resolution passed, or proceeding had, at any meeting.

#### **34. Attendance and speaking at a general meetings**

- 34.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 34.2 A person is able to exercise the right to vote at a general meeting when—
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 34.3 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.
- 34.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

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

### **35. Quorum for general meetings**

No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

### **36. Chairing general meetings**

36.1 If the directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.

36.2 If the directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting must appoint a director or member to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

36.3 The person chairing a meeting in accordance with this article is referred to as “the chair of the meeting”.

### **37. Attendance and speaking by directors and non-members**

37.1 Directors may attend and speak at general meetings, whether or not they are members.

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

### **38. Adjournment**

38.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

38.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

38.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

38.4 When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

38.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, The Organisation 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)—

(a) to the same persons to whom notice of The Organisation's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

38.6 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.

### **39. Errors and disputes**

39.1 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.

39.2 Any such objection must be referred to the chairman of the meeting whose decision is final.

### **40. Poll votes**

40.1 All general meetings will use electronic polls subject to Article 33.1

40.2 Polls must be taken immediately and in such manner as the chair of the meeting directs.

### **41. Content of proxy notices**

41.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

(a) states the name and address of the member appointing the proxy

(b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed

(c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to The Organisation in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

41.2 The Organisation may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

41.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

41.4 Unless a proxy notice indicates otherwise, it must be treated as—

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **42. Delivery of proxy notices**

42.1 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 Organisation by or on behalf of that person.

42.2 An appointment under a proxy notice may be revoked by delivering to The Organisation a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

42.3 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.

42.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **43. Amendments to resolutions**

43.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given to The Organisation 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

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

43.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

43.3 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.

## **PART 4**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **44. Means of communication to be used**

44.1 Subject to the articles, anything sent or supplied by or to The Organisation under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to The Organisation.

44.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

44.3 A director may agree with The Organisation 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.

#### **45. Company seals**

45.1 Any common seal may only be used by the authority of the directors.

45.2 The directors may decide by what means and in what form any common seal is to be used.

45.3 Unless otherwise decided by the directors, if The Organisation has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

45.4 For the purposes of this article, an authorised person is—

(a) any director of The Organisation;

(b) The Organisation secretary (if any); or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **46. No right to inspect accounts and other records**

Except as provided by law or authorised by the directors or an ordinary resolution of The Organisation, no person is entitled to inspect any of The Organisation's accounting or other records or documents merely by virtue of being a member.

#### **47. Provision for employees on cessation of business**

The directors may decide to make provision for the benefit of persons employed or formerly employed by The Organisation or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of The Organisation or that subsidiary.

#### **48. Directors' Indemnity and Insurance**

48.1 Subject to Article 48.4, a relevant director of The Organisation or an associated company may be indemnified out of The Organisation's assets against—

(a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to The Organisation or an associated company,

(b) any liability incurred by that director in connection with the activities of The Organisation 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),

(c) any other liability incurred by that director as an officer of The Organisation or an associated company.

48.2 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.

48.3 In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant director" means any director or former director of The Organisation or an associated company.

48.4 The directors may decide to purchase and maintain insurance, at the expense of The Organisation, for the benefit of any relevant director in respect of any relevant loss. In this Article—

(a) a "relevant director" means any director or former director of The Organisation or an associated company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to The Organisation, any associated company or any pension fund or employees' share scheme of The Organisation or associated company, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

**APPENDIX**  
**MEANING OF WORDS**

“Articles” means the company’s Articles of Association;

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

“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;

“Member” has the meaning given in section 112 of the Companies Act 2006;

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

“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;

“The Organisation” means the National Organisation for Responsible Micro, Small and Medium-sized Businesses.

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.