



## Model rules for trade associations

### Introduction

This factsheet sets out a model constitution for a trade or business association. It reflects the trade association best practice guide prepared by the UK based Trade Association Forum which, in turn, builds on the UK Government's Department of Trade & Industry (now Department for Business, Innovation and Skills) "Best practice guide for the model trade association".

Comments and suggestions are included in square brackets. This sheet is available in word if you wish to download and base your constitution on these model rules.

### Model rules

#### Introduction

1. The name of the Association is the "British Association of Advocacy and Lobby Firms" (hereinafter "BAALF").
2. BAALF established on ... [not essential to include this, but some associations do]
3. BAALF's purpose is to support and represent advocacy and lobby firms throughout the United Kingdom

#### Objectives

4. To deliver its purpose, BAALF has the following objectives:
  - a. To support advocacy and lobby firms through setting professional standards, promoting continuous professional development and providing legal advice and guidance
  - b. To represent members in discussions with the UK Government, the devolved administrations, the EU and other relevant organisations.
  - c. To gather and publish information and statistics relevant to advocacy and lobbying in the UK.
  - d. To promote advocacy and lobbying as a profession.

#### Members

5. Membership of the BAALF is open to businesses which are engaged in advocacy and lobbying activities and which agree to adhere to the BAALF code of conduct.
6. Registration as a member is subject to approval by the Executive Committee which will not be unreasonably withheld.

7. Members will pay an annual subscription and membership will lapse if the subscription is not paid
8. Members may use the "Member of BAALF" logo on their letterhead and publicity material

[There may be a need to include different classes of membership, perhaps to cover individuals, other membership bodies or associates. The rules should specify each of the different classes of membership and the rights pertaining to membership.]

#### **Meetings of the BWF**

9. BAALF shall hold an annual general meeting every year no later than six months after the end of the financial year.
10. The Executive Committee, or a minimum of 20 members in writing, may require the Secretary to convene a general meeting of the BWF.
11. The Secretary shall give to members not less than 21 days' notice of a general meeting

#### **Executive Committee**

12. There shall be Executive Committee which will be responsible for setting BAALF's strategy, for agreeing the annual business plan and budget, for ensuring that BAALF's legal obligations are met and for providing fiduciary oversight.
  13. The executive committee will have no fewer than seven and no more than 10 directors elected by the members [nb, if different classes of membership, may need to specify if each class is represented and elected separately; some associations specify that the largest members get automatic representation; the way in which directors are elected should be specified]
  14. One third of the elected directors will retire each year by rotation.
  15. Directors may serve [two] consecutive terms [and, after a break, will be again eligible for election]. [Elected directors, who are retiring after serving the maximum permissible period may not be immediately co-opted]
  16. The executive committee may, in addition to the elected directors, co-opt up to [three] appointed directors
  17. A director will cease to be a director if s/he resigns from a firm or association that is a member of the association, or the firm or association that s/he represents ceases to be a member of the association, or if s/he is declared bankrupt, or if s/he is guilty of bringing the association into disrepute
  18. Casual vacancies may be filled by the executive committee, but directors appointed in this way must stand down at the next election and the period will not count as a first term. They will be eligible for re-election
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19. The executive committee may prepare standing orders [bye-laws] provided that nothing in the standing orders contradicts the constitution
20. Each member of the Executive Committee shall have one vote. The Chairman shall have a second, or casting, vote in the event of equality.

### **Chairman**

21. The Executive Committee shall, at its first meeting after the annual general meeting, elect a Chairman to hold office until the first meeting after the following annual general meeting. [Some associations allow the Chairman to stay on the board longer than other directors, but there is no need and good practice would not allow it. Good practice would limit the length of time that one person can serve as Chairman]
22. The Executive Committee may also elect other officers as it believes appropriate to govern the organisation [you could specify officers such as Vice Chairman, Treasurer, Secretary, but there is no need, and more flexibility if you don't; you could specify additional officers in the standing orders]

### **Sub-Committees**

23. The Executive Committee may establish and maintain sub-committees as it sees fit. [You may want to specify that there will be a finance committee; there may be an audit committee, or the finance committee may additionally take on that responsibility]

### **Executive Director**

24. The Executive Committee may appoint an Executive Director [or Director General, or General Secretary] who shall be responsible to it for the management of BAALF and shall determine the terms and conditions including remuneration
25. The Executive Director will be the principal representative of BAALF and the principal policy adviser to the Executive Committee.

### **Code of conduct**

26. BAALF expects all its members and staff to adhere to a code of conduct which requires, inter alia, observing minimum standards of ethics [you may want to spell out two or three key requirements here].
27. The code of conduct may be changed by at least 75% of members voting for the change in a general meeting

### **Standing orders**

28. The Executive Committee may adopt standing orders to provide additional rules for specific aspects of BAALF's management. Standing orders may be amended by ordinary resolution of the management committee and will be published [on the internet, in hard copy to all members etc]
29. Standing orders may set out responsibilities for elected officers, for the conduct of elections etc

### **Delegation**

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30. The Executive Committee and the Executive Director may appoint additional staff, subject to resources being available, and may delegate any of their powers

## **Finance**

31. The financial year of BAALF shall run to 31 December but may be changed by resolution of the Executive Committee
32. The executive committee will ensure that accurate accounts are kept and that the accounts are audited annually in accordance with generally accepted accounting principles
33. BAALF may open bank accounts as necessary for the effective running of the association. Signatories for accounts will be approved by ordinary resolution of the executive committee
34. The executive committee will adopt procedures, set out in the standing orders, to ensure proper financial responsibility.
35. Subscription scales [for all classes of member and associate] shall be set by the Executive Committee and published annually

## **Publicity**

[There is no real need to have a section on publicity, but it may encourage a minimum level of publicity, so is to be encouraged]

36. BAALF shall publish an annual report and accounts and a list of subscribing members. [You may wish to specify the way in which these are published – on the website, in hard copy sent to every member etc]

## **Revision of the Constitution**

37. This constitution may be amended by the members in a general meeting, provided that at least 75% of the members of BAALF voting do so in favour of amendments of which prior notice has been given [you may wish to specify whether it is only members who attend the meeting who can vote or whether all members, irrespective of whether they attend, should be able to cast a vote.

## **Further information**

Further information on good practice and on preparing rules is available from the UK's Trade Association Forum: [www.taforum.org](http://www.taforum.org). The Membership and Association Managers' Network (MemNet) supports membership organisations in the private, public and voluntary sectors (see [www.memnet.biz](http://www.memnet.biz)). For associations wishing to incorporate, a model memorandum and articles of association (actually for a local support and development organisation, but it provides a good basis) is available from [www.navca.org/localvs/llo/structure](http://www.navca.org/localvs/llo/structure). The International Art Material Trade Association (see [namta.org](http://namta.org)) has a well-designed front page on its website clearly setting out its mission