

Information for our Members about changes to NALA's legal documents you are being asked to vote on

Introduction

This document tells you about three documents in the information pack. Two are legal documents we have updated and we ask you to vote on at the Extraordinary General Meeting (EGM) on 22 March 2024. The third document is a new document for members that we are sharing for your information and we briefly mention here.

Pages 1 – 6 of this document sets out answers to the following questions:

1. What are the two updated legal documents we are asking you to vote on?
2. Why have we updated them?
3. What are we asking you to do now?

Pages 7 to 11 has a summary of the changes to the Constitution.

Page 12 has a summary of the changes to the Procedural Rules.

Pages 13 to 16 has a plain English summary of some legal terms we need to use.

1. What are the legal documents?

The legal documents we have updated and now ask you to vote to accept or not are our:

- Constitution
- Procedural Rules

Constitution – this document set outs:

- who NALA is,
- what it can do, and
- how it is run.

Our Constitution has two main parts:

1. Memorandum of Association – this part sets out details about NALA such as our full name, our purpose (object), and so on.
2. Articles of Association – this part gives details about how NALA is managed, your rights as NALA Members and the powers of our Board.

Procedural Rules – this document provides additional information on how certain things in NALA are designed and managed. It includes information on Membership of NALA, what types of Members we have and how much it costs to join.

2. Why have we updated them?

We have updated our Constitution and Procedural Rules for several reasons.

Legal requirements

We had to make some updates to these documents immediately to make sure we were in line with the law, particularly the Companies Act 2014.

To improve how we work

We wanted to make other changes to improve how we work and make it clearer how things should be done.

To make your rights and responsibilities clearer

We also wanted to make your rights and responsibilities as a NALA Member clearer.

Further background to updates and why Members now need to vote

We have been identifying the work on these changes to our Constitution and Procedural Rules since September 2022. We now need our Members to understand, discuss and then **vote** to accept the changes in full. Members can also vote to reject them.

That is why we are calling the Extraordinary General Meeting on 22 March 2024.

We made changes based on:

- advice from our lawyers about current laws and best practice in the charity sector, and
- discussions with NALA's staff, subcommittees and Board.

The changes we made to our Constitution and Procedural Rules were approved by NALA's Board in December 2022 and the Charities Regulatory Authority (CRA) in June 2023. The CRA is a statutory organisation that oversees all charities in Ireland, including NALA. We had to get CRA's approval before we could ask you to vote on them.

3. What are we asking you to do now?

We now ask you to please keep reading and to:

a) Register for NALA's Extraordinary General Meeting (EGM) on Friday 22 March 2024

It is very important that you register on time to come to the EGM. We want and need you there. To register, you can fill in the booking form for the EGM (document 4 in this information pack) **or** register on our website: www.nala.ie/egm-2024.

Please note you need to:

- register soon (by 18 March 2022),
- make sure you are still a Member on the date of the EGM - Friday 22 March 2024 or you won't be able to vote. Check this out soon.

(You can check the date your membership expires by logging into our membership area of our website: www.nala.ie/login/. Our friendly staff can also help you check this if you need to.

There is lunch after the EGM. This will give us a chance to catch up and thank you for being a Member.

b) Read the following 3 documents in the EGM information pack:

Our updated Constitution – Document A.

We have also included a version that shows you the **exact changes** we have made – Document B. In this document:

- anything underlined and blue in colour is new
- anything crossed out and red in colour is being removed or taken out.

Our Procedural Rules updated – Document C. This version shows you the updated Procedural Rules. We have also included the current version for your information if you would like to compare – Document D.

We are asking you to vote on the above documents. We provide summaries of the main changes in tables on pages 7 to 12.

The new document for Members – a Code of Conduct (Document E)

This is a standard document for charities who have Members. You don't have to vote on it and it is very short.

c) Vote on the updated Constitution and Procedural Rules

At the March EGM, our updated Constitution and Procedural Rules must be approved in full or not approved at all by NALA members. It is not possible to approve certain changes and reject others.

If Members vote not to approve all changes in full then the current Constitution and Procedural Rules will remain in place until such time that another updated version is put to our Members to vote on again.

At-a-glance view the updated changes

Before you start reading our updated Constitution and our Procedural Rules, you might find the following summary of changes we mentioned earlier helpful. These are the changes we are asking you to vote on at the EGM.

We present the 'At-a-glance' view of changes in three tables:

Table 1: Summarises the changes to the first part of our Constitution (its Memorandum of Association) – page 7

Table 2: Summarises the changes to the second part of our Constitution (Articles of Association) – page 8

Table 3: Summarises the changes to our Procedural Rules – page 12

The legal bit

We had to use some legal terms in our summaries. To find out what some of the legal words mean in relation to our Constitution and Procedural Rules, please use our **list of legal terms** explained on the last page of this document. We highlight words we have explained in plain English using an asterisk – *. For example, in Table 1, the first topic is called **Main Object***. Because we have an * after these words you know you can look up what this means in legal terms. We have also included one or two non-legal words in the list of legal terms to help.

When reading other documents, it may help to remember this list of legal terms and refer back to it.



Have a question?

If you have a question about the changes, please know you are welcome to join us online on at 11am on 5 March 2024 for an hour and listen to Colleen Dube, NALA's Chief Executive Officer and Michelle Reade, NALA's Governance and Compliance Officer, give an overview of changes. You will also have a chance to ask any questions you might have. Colleen and Michelle are looking forward to this webinar and to answering your questions so please register on our website at www.nala.ie/support-us/nala-members-information-webinar/ by 5 pm on 4 March 2024. We will post a recording of the webinar with captions, on our website, after the event, so you can view it, if you cannot attend.

Summary of Changes to our Constitution

Table 1: Changes to the first part of our Constitution* – Memorandum of Association*

Article* number and Topic	Summary of Change
3. Main Object*	<p>We changed our main object to refer to “digital skills”, rather than “basic information communication technology”.</p> <p>Our main object now reads:</p> <p>“The main object for which the Company is established is to advance education by promoting adult literacy, numeracy and digital skills (together being Literacy) in Ireland where Literacy is taken as an integral part of adult basic education and adult continuing education.”</p>
4. Subsidiary and Ancillary Objects*	<p>Where we described people before as having “literacy problems” or “literacy difficulties”, we now refer to people as having “unmet Literacy needs”.</p>
5. Powers	<p>We removed the following text from our powers as it does not match with NALA’s activities and resources:</p> <p>To provide places and facilities for curricular and extra-curricular activities for pupils and schools of the area.</p>

Table 2: Changes to the second part of our Constitution – our Articles of Association*

Article number and Topic	Summary of Change
<p>1. Definitions</p>	<p>The following are new or amended terms we define in the definitions section of our Constitution:</p> <ul style="list-style-type: none"> • Chairperson • Code of Conduct* • Individual Member • Organisational Member • Supporter* • Treasurer • Vice-Chairperson • Year <p>We need these terms to be defined to clarify and support the changes in the Constitution and elsewhere.</p>
<p>4. Appointment and Replacement of Members</p> <p>and</p> <p>5. Members’ Rights and Obligations</p>	<p>Changes to the Membership Process:</p> <ul style="list-style-type: none"> • We are introducing a Code of Conduct for Members • Directors* will review our list of members periodically rather than “admit names to membership”. The Constitution already includes a power for the Board to be able to remove Members. • There will be only 2 Categories of Membership – Individual and Organisational. • People who wish to support NALA but do not want to sign up to Membership may do so by becoming a “Supporter”* (see List of legal terms). • Membership subscriptions must be paid by 1 February each year from 2025. <p>Please also see the List of legal terms for more information on the difference between a Member and a Supporter.</p>

Article number and Topic	Summary of Change
9. Quorum*	<p>We need a certain minimum number of Members (called a Quorum) to attend, make decisions and vote at our general meeting.</p> <p>The new Quorum for general meetings will be the lower number of 10% of Members or 20 Members. It used to be that 20 Members were needed.</p> <p>If we get fewer than 20 members at our general meetings (AGM* or EGM*), we can't make any decisions or vote.</p>
12, 13 and 14. Voting at General Meetings	<p>Voting Rights:</p> <ul style="list-style-type: none"> • Individual Members will have 1 vote for each item being voted on. • Organisational Members will have as many votes that are specified in the Procedural Rules. We have kept this to 3 votes. <p>Voting by Proxy* for Individual Members:</p> <ul style="list-style-type: none"> • This will be reintroduced for Individual Members. This means that Individual Members will be able to nominate another person to attend and vote at the meeting on their behalf. This person does not need to be a Member of NALA. This is done by completing a Proxy Form which NALA will provide to Members when there is a general meeting coming up. <p>Voting by Organisational Members is in person:</p> <ul style="list-style-type: none"> • Organisational representatives must be present at our AGM* or EGM to vote. Therefore, Proxy voting does not apply to Organisational Members.
16. Appointment of Directors to the Board of NALA	<p>This section has been simplified and clarified to make it clearer that:</p> <ul style="list-style-type: none"> • Co-opted Directors* shall be appointed at the time they are co-opted, but their 3-year term* as a Director begins at the AGM after they have been appointed. • A casual vacancy* on our Board between general meetings can be filled by appointing someone to the vacancy by the Directors. They must then seek re-

Article number and Topic	Summary of Change
	election at the next AGM. If re-appointed their 3-year term begins at this AGM.
17 and 20. Officers of the Board (Chairperson, Vice-Chairperson and Treasurer)	<p>There is a new article* in relation to Officer* positions and an updated article in relation to the Chairperson*. These simplify and clarify the procedures to appoint Officers. They clarify that:</p> <ul style="list-style-type: none"> • Any Director can be elected to an Officer position • According to the Companies Act 2014, the Secretary* must be appointed by the Directors, not by the Members • Casual vacancies for Officer positions shall be filled by Directors from existing Directors until the next AGM • An Officer may serve a maximum of 6 years (2 terms of 3 years). They will then have an option to seek election as an Ordinary Director if they have not already served a term as Ordinary Director*.
18. Term of Office* of Directors	<p>The article relating to terms of office for Directors has been substantially changed.</p> <p>The changes are that:</p> <ul style="list-style-type: none"> • The term of office will be 3 years. This is an increase from 2 years • A Director may serve a maximum of 9 years (3 terms of 3 years). Previously it was 8 years. • A Co-Opted Director may be asked to put themselves forward for election by the Members after their first term of office • A Director that has served the maximum of 9 years on the Board must be retired for 3 years before they can run again for election. Previously this was 2 years.
18(e). Managing the change in terms for current Directors	<ul style="list-style-type: none"> • All Directors whose terms are currently due to end in 2024 will end as planned at NALA's 2024 AGM. • All Directors whose terms are currently due to end in 2025 will change to the new 3-year term and will end in 2026 instead of ending at NALA's 2025 AGM.

Article number and Topic	Summary of Change
(Transitional Arrangements*)	<p>This will result in 10 of our 14 Directors coming to the end of their terms in 2024. These Directors will have to seek to be re-elected to the Board in 2024 if they are eligible and if they want to. Members can also nominate people (including current Directors) for these 10 positions.</p> <p>If there are more than 10 people nominated (including the current Directors) then an election will be held at the AGM.</p>
23. Meetings of the Board of Directors	<p>There will be a reduction, from 6 to 5, in the number of times the Board must meet each year. The Board can still meet more than 5 times during the year if needed.</p>
28. Company Secretary*	<ul style="list-style-type: none"> • The Secretary must now be appointed by the Directors. This is to meet the current requirements of the Companies Act 2014. • The Directors have a duty to ensure that the person appointed as Secretary has the skills or resources necessary to carry out their statutory and other duties. • Unless the Secretary is also a Director, the Directors can appoint the Secretary for the term and under the conditions they consider to be appropriate.
Throughout the Constitution	<p>Throughout the Constitution you will see other changes to words or sentences. This is for a number of reasons such as to:</p> <ul style="list-style-type: none"> • remove gendered terms* • ensure existing parts (articles* and clauses*) accurately refer to new or amended parts • provide greater clarity to existing text.

Table 3: Summary of changes to the Procedural Rules

The following are the additional changes to note in the Procedural Rules. Some of the changes referred to in Tables 1 and 2 above are also referred to in the Procedural Rules so we are not repeating them here.

Section and Topic	Summary of Change
1. Categories of Member	<p>Individual Members</p> <p>We no longer refer to Free Members. Instead, there will be an option to have the fee waived at application and renewal. This means a person just has to say they cannot pay at the time and their request may be agreed to.</p> <p>Any individual (not an organisation) who becomes a Member will be an individual Member. All Individual Members will have the same rights and responsibilities.</p> <p>Organisational Members</p> <p>We no longer refer to Small and Large Organisation. Instead, we refer to the Organisational Members as Subcategory A and Subcategory B. These reflect previous categories of Small and Large Organisation respectively.</p> <p>This name change makes it easier to change the fees or the subcategories if necessary and if approved by our Members.</p>
7. Subscription Fees	<p>NALA is not proposing any changes to its Membership Subscription Fees at this time. As mentioned above Free Membership is being replaced with Individual Membership with the ability for the fee to be waived.</p> <p>NALA will be flexible about waiving fees.</p>
8. Supporters	<p>A new section has been added to reflect Supporters of NALA which has also been added to the Constitution.</p>
5. Elections	<p>This section has been removed as it is largely covered in the Constitution. We also write to tell you instructions before elections at our AGM, so you don't need extra detail.</p>
General	<p>NALA has updated the Procedural Rules to:</p> <ul style="list-style-type: none"> • reflect the changes mentioned in our Constitution • make them more understandable and easy to read.

List of legal terms explained

The following explanation of terms and abbreviations is how we understand and use them in this document and at our Board meetings and with you and other members.

A

AGM: annual general meeting. This is a yearly meeting of NALA. Its purpose is to:

- approve the previous year's financial statements;
- confirm appointments to our Board;
- make decisions in which you, as one of our Members, must be involved; and
- confirm the appointment of a person to review the annual accounts (the auditor).

Article: An article is a section in a legal document

Articles of Association: part of our Constitution that details how NALA is managed, your rights as NALA Members and the powers of our Board.

C

Casual vacancy: a vacancy on the Board that becomes open between AGMs. This may happen when a Director leaves the Board before the end of their term.

Chairperson: the person who leads our Board. Currently our Chairperson is Margaret Kelly.

Clause: a clause is a smaller part of an article and an article is a section in a legal document

Code of Conduct: a document that sets out how we expect Members to behave towards NALA staff and each other and when at NALA events. It also sets out the procedures in place if these expectations are not met.

Company: in these documents 'Company' means NALA.

Company Secretary (also 'Secretary'): a person appointed by the Directors of NALA to perform the duties of the secretary of the Company. The Secretary has specific legal, financial and administrative duties.

Constitution: a document that sets out NALA's purpose and the basic rules for governance. For organisations that are structured as companies, the Companies Act 2014 requires us to have a constitution which must include certain information. Our

constitution is a combination of a Memorandum and Articles of Association into one document.

Co-opted Director: a person appointed by our Board to serve as a Director

CRA: Charities Regulatory Authority: Ireland's national statutory regulatory agency for charitable organisations. The CRA is an independent agency.

D

Director: a member of our Board

E

EGM: Extraordinary general meeting. A general meeting of a company like NALA that takes place before its next scheduled annual general meeting.

G

Gendered terms: these are words that specify if someone is a male or female such as he, she, his, him or her.

M

Main Object: the purpose NALA was formed for and the activities it is allowed to do

Member: you.

Memorandum of association: a part of our Constitution that sets out details about NALA such as our full name, our purpose (object), and so on.

O

Officer: a member of our Board and also the Chairperson, Vice-Chairperson, Treasurer or Secretary.

Ordinary Director: a member of our Board that is not an Officer.

P

Procedural Rules: a document that provides additional information on how certain things are designed and managed. Our rules give you additional information about Membership of NALA, including types of members and how much it costs to join.

Proxy: Individual Members will be able to nominate another person to attend and vote at the meeting on their behalf. This person does not need to be a Member of NALA. This is done by completing a Proxy Form which NALA will provide to Members when there is a general meeting coming up.

Q

Quorum: the number of members that must attend for the meeting to take place. If fewer members than the quorum attend a meeting, then we can't make any decisions at that meeting.

R

Roles of Members and Supporters: We wish to ensure that all the duties expected of a member of NALA are clear. We hope that all our current Members will continue as Members.

For those who do not wish to do so, we are adding a new category of Supporter, so that everyone can continue to help promote our work.

Role of a Member:

- Legal Duties:
 - To pay the membership fee, or have it waived
 - If NALA has to be closed down, a Member would need to pay towards NALA's debts up to a maximum of €1.00. This charge will apply even where the membership fee was waived.
 - To agree to a Code of Conduct for NALA members
 - To make their details available for public inspection and use by other members
- Other roles which are not compulsory:
 - To support and promote the work of NALA where possible
 - To take part in events, meetings and surveys to give views, where possible
- To attend and vote in AGMs and EGMs where possible

Role of a Supporter

- No legal duties
- No fee is required
- All are welcome to donate to NALA
- Supporters may attend EGMs and AGMs but have no voting rights
- Supporters are encouraged to:
 - support and promote the work of NALA
 - take part in events, meetings and surveys to give their views

S

Secretary or ‘Company Secretary’: any person appointed to perform the duties of the secretary of NALA. The Secretary has specific legal, financial and administrative duties.

Subsidiary and Ancillary objects: Other activities NALA is allowed to do. These activities must be to support our Main Object*

Supporter: a person who wishes to support the aims of NALA but is not a Member. A Supporter does not have any of the rights or obligations that are associated with being a Member.

T

Term of Office: The length of time a person is allowed to spend on our Board as a Director.

Transitional Arrangements: The arrangements we are putting in place to determine the term of office for current Directors on our Board during this time when the terms of office are changing.

Finally, thanks very much for supporting our work. We very much looking forward to greeting you at our EGM. Register now and get in touch if you would like help. Call or email Michelle on:

- 087 291 6383
- membership@nala.ie