

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

NEW ARTICLES OF ASSOCIATION FOR THE SCOTTISH ASSOCIATION OF MEAT WHOLESALERS

Company Registration No. SC181706 (Scotland)

Adopted by Special Resolution passed on 27 April 2019

INTERPRETATION

1. In these Articles: -

"the Act" means the Companies Act, 2006, but so that any reference to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

"the Council" means the Council of Management of the Association.

"person" means any individual or any corporation or body having independent legal identity.

"Secretary" means any person appointed to perform the duties of the secretary of the Association.

"the United Kingdom" means Great Britain and Northern Ireland.

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.

LIABILITY OF MEMBERS

2. The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Association.

OBJECTS

3. The Association is established for the objects expressed in the Memorandum of Association.

MEMBERS

4. Membership of the Association shall be restricted to all slaughterers, processors, manufacturers, wholesale distributors, traders and any other business involved with or operating in the Scottish red meat industry. Applicants for admission as members must be approved by the Council.
5. The Council shall determine the terms and conditions subject to which persons may from time to time be admitted as members and, notwithstanding any other provision of these articles, shall have absolute discretion in deciding whether any person shall or shall not be admitted to membership of the Association.
6. Membership of the Association shall be divided into the following classes:
 - I. "Members" who shall comprise persons who are or were engaged in the red meat industry in Scotland; and
 - II. "Associate Members" who shall comprise any other persons or businesses approved by the Council.
7. The Members and the Associate Members of the Association (herein collectively referred to as "the members") shall have the same rights and be subject to the same conditions under the Memorandum of Association of the Company and these Articles.
8. Every member shall notify the Association of their address and of any change in their address from time to time.

ANNUAL SUBSCRIPTIONS

9. Every member shall pay the current Annual Subscription determined by Council from time to time and the Association Secretary shall notify members and applicants for membership accordingly. Any person joining the Association in any year after the 30th of September and paying a subscription for that year, shall not be required to pay any subscription for the following year.

CESSATION OF MEMBERSHIP

10. A member may resign from the Association by giving notice in writing not less than one month before the first day of the accounting period of the Association in which they wish their resignation to take effect.
11. Unless the Council otherwise determines, the membership of a member shall terminate if the annual subscription payable is in arrears more than twelve months after the date on which it became payable, but the member shall nevertheless be liable to pay the amount of the annual subscription and any other sums due to the Association.
12. Membership shall cease on death or, in the case of a member which is a corporation or other body having independent legal identity, on dissolution or on the appointment of an administrator, receiver or liquidator, whichever shall be the earlier.
13. Membership shall not be transferable unless the said member undergoes a change of ownership.

GENERAL MEETINGS

14. The Association shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it, and not more than 15 months shall elapse between the date of one Annual General Meeting of the Association and that of the next. The Annual General Meeting shall be held at such time and place as shall have been announced at the preceding Annual General Meeting or failing that, at such time and place as the Council shall appoint.
15. All General Meetings other than Annual General Meetings shall be called General Meetings.
16. The Council may call General Meetings and, on the requisition of members pursuant to the provisions of the Acts, shall forthwith proceed to convene a General Meeting in accordance with the provisions of the Acts.

NOTICE OF GENERAL MEETINGS

17. An Annual General Meeting and a General Meeting shall be called by at least twenty one clear days' notice. A meeting may be called by shorter notice if it is so agreed:
 - (a) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote at the Annual General Meeting; and
 - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than sixty percent of the total voting rights at that meeting of all the members.

- 18 Any member wishing to propose any motion for consideration at any General Meeting shall give notice of such motion to the Association Secretary not less than thirty days before the date of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 19 No business shall be transacted at any meeting of members unless a quorum is present. Save as otherwise provided in these articles, 10% of the members present in person or by proxy or, in the case of a corporation, by representative be a quorum (and if 10% of the members is not a whole number, any fractions will be rounded up to the nearest whole number).
- 20 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Council may determine.
- 21 The President, and failing him or her, one of the Vice-Presidents shall preside as Chair at every General Meeting, or if there are no such President or Vice-Presidents, or if none of them are present within fifteen minutes after the time appointed for the holding of the meeting, the members of the Council present shall elect one of their number to be Chair of the meeting.
22. If at any meeting no member of the Council is willing to act as Chair or if no member of the Council is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chair of the meeting.
23. The Chair of the General Meeting may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place.
- 24 No business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.
- 25 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- (a) by the Chair; or
 - (b) by at least two members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting;
- 26 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chair. If a poll is demanded, it must be taken in such manner as the Chair directs.

- 27 Unless a poll be so demanded a declaration by the Chair that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

VOTES OF MEMBERS

28. Every member shall have one vote.
29. No member shall be entitled to attend or vote at any general meeting if their subscription is in arrears for six months or more.
30. Any member entitled to attend and vote at a General Meeting shall be entitled to appoint another person acceptable to the Council (whether a member or not) as his or her proxy to attend and vote instead of them and any proxy so appointed shall have the same right as the member to speak at the Meeting. On a poll, votes may be given either personally or by proxy.
31. The appointment of a proxy shall be in writing, in a form as may be specified by the Association Secretary from time to time and shall be executed by or on behalf of the appointor.
32. The appointment of a proxy and any authority under which it is executed, or a copy of such authority certified notarial or in some other way approved by the Council from time to time.
33. In the case of an equality of votes, whether on a show of hands or on a poll, the chair shall be entitled to a casting vote in addition to any other vote he or she may have.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

34. Any corporation which is a member of the Association may by resolution of the corporation's directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Association and such representative shall be entitled to exercise the same powers on behalf of the corporation which he or her represents as that corporation could exercise if it were an individual member of the Association.

COUNCIL OF MANAGEMENT

35. The Council of the Association shall consist of not more than 20 persons and shall be restricted to members of the Association.
36. The Council from time to time may appoint one non-executive member to the Council, who need not be a member of the Association.

PRESIDENT AND VICE-PRESIDENTS

37. A President and two Vice-Presidents shall be elected from among the members of the Council.
38. The President and two Vice-Presidents shall serve for a period of two years then retire from office. The Vice-President shall become the President and the Junior Vice-President shall become the Vice-President, subject to the approval of members at the Annual General Meeting.
39. The Council may from time to time by resolution appoint any of its members to the office of President or Vice-Presidents to fill a casual vacancy occurring between Annual General Meetings. Any member of the Council so appointed shall hold such office only until the conclusion of the next following Annual General Meeting but shall be eligible for re-election.

ROTATION OF MEMBERS OF THE COUNCIL

40. The members of the Council serve for a period of three years, after which members have to retire from office.
41. A retiring member of the Council shall be eligible for re-election.
42. The Association at the meeting at which a member of the Council retires may fill the vacated office by electing an individual member or authorised representative thereto, and in default the retiring member of the Council shall, if offering himself or herself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such member of the Council shall have been put to the meeting and lost.
43. No individual other than a member of the Council retiring at the meeting as aforesaid shall unless recommended by the Council be eligible for election to the office of member of the Council at any General Meeting unless, not less than three nor more than twenty-one days before the date appointed for the meeting, there shall have been left at the registered office of the Association notice in writing signed by or on behalf of a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such individual for election, and also notice in writing signed by that individual of his willingness to be elected.
44. The Council shall have power at any time, to appoint any individual member or any authorised representative to be a member of the Council to fill a casual vacancy. Any member of the Council so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election, but shall not be taken into account in determining the members of the Council who are to retire by rotation at such meeting.
45. The Association may by ordinary resolution, of which special notice has been given in accordance with Section 355 of the Act, remove any member of the Council before the expiration of his or her period of office notwithstanding anything in these Articles or in any agreement between the Association and such member of the Council.

EXPENSES OF THE MEMBERS OF THE COUNCIL

46. The members of the Council may be paid all reasonable out of pocket expenses properly incurred by them in attending and returning from meetings of the Council or any committee of the Council or General Meetings of the Association or in connection with the business of the Association.

BORROWING POWERS

- 47 The Council may exercise all the powers of the Association to borrow money from its Members and others in order to further its objects, providing that the amount outstanding at any one time shall not exceed £50,000.

POWERS AND DUTIES OF THE COUNCIL

48. The business of the Association shall be managed by the Council. The Council shall exercise all such powers and do all such things as may be exercised, save such as are by these articles or by any statute for the time being in force required to be exercised or done by the Association in General Meeting, and may act notwithstanding vacancies. Without prejudice to the generality of the foregoing the Council shall have the power to manage the business of the Association and to appoint, dismiss and determine the remuneration of Association staff and to assign to any staff so appointed, such powers and duties as they think fit.
49. The Council shall ensure minutes are produced for the purpose: -
- (a) Minutes of the proceedings at every meeting of the Association and Council shall be recorded by the Association Secretary, circulated and submitted for approval at the subsequent meeting.
 - (b) of all resolutions and proceedings at all meetings of the Council, and of any committees.

DISQUALIFICATION OF MEMBERS OF THE COUNCIL

50. The office of member of the Council shall be vacated if the member: -
- (a) becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
 - (b) becomes prohibited from being a member of the Council by reason of any order made under any provision of the Act or any other statute or otherwise becomes prohibited by law from being a member of the Council; or
 - (c) 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;

- (d) resigns his or her office by notice in writing to the Association; or
- (e) shall for more than six consecutive months have been absent without permission of the Council from meetings of the Council held during that period and the Council resolves that his or her office be vacated; or
- (f) shall by his or her conduct, in the opinion of the Council, have brought the Association into disrepute and the Council resolves that his or her office be vacated; or
- (g) ceases to be an individual member of the Association or an authorised representative (as the case may be).

APPOINTMENTS AND INTERESTS OF THE MEMBERS OF THE COUNCIL

51. Subject to the provisions of the Act, the Council may appoint one or more of their number to the office of managing director or to any other executive office under the Association and may enter into an agreement or arrangement with any member of the Council for his or her employment by the Association or for the provision of any services outside the scope of the ordinary duties of a Council Member. Any such appointment, agreement or arrangement may be made upon such terms as the Council may determine and they may remunerate any such member of the Council for his or her services as they think fit. Any appointment of a member of the Council to an executive office shall terminate if he or she ceases to be a member of the Council for any reason but without prejudice to any claim to damages for breach of the contract of service between the member of the Council and the Association.

GRATUITIES AND PENSIONS

52. The Council may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any member of the Council who has held but no longer holds any executive office or employment with the Association or with any corporate which is or has been a subsidiary of the Association.

PROCEEDINGS OF THE COUNCIL

53. Subject to the provisions of these articles, the Council may regulate their proceedings as they think fit. A Council member may, and the Association Secretary at the request of a Council member shall, call a meeting of the Council. It shall not be necessary to give notice of a meeting to a Council member who is absent from the United Kingdom. Unless otherwise provided in these articles, questions arising at a meeting of the Council shall be decided by a majority of votes and each Council member shall have one vote. For the avoidance of doubt, if a Council member is a member of the Council in more than one capacity, he or she shall only have one vote. In the event of equality of votes, the President shall have a casting vote.

54. The quorum necessary for the transaction of the business of the Council may be fixed by the Council and unless so fixed shall be six members of the Council which must include one of the office bearers.
55. The President or, failing him or her, the Vice-Presidents being shall preside as Chair at every meeting of the Council but, if no such President or Vice-Presidents are elected, or if at any meeting none of them are present within five minutes after the time appointed for holding the same or are willing to act, the members of the Council present may choose one of their number to Chair the meeting.
56. The Council may delegate any of their powers to committees consisting of such majority of members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Council and shall fully and promptly report all acts and proceedings to the Council as soon as is reasonably practicable.
57. A committee may elect a Chair of its meetings; if no such Chair is elected, or if at any meeting the Chair is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to Chair the meeting.
58. All acts done by any meeting of the Council or of a committee of the Council, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the Council or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Council.
59. A resolution in writing, signed by all the members of the Council for the time being entitled to receive notice of a meeting of the Council, shall be as valid and effectual as if it had been passed at a meeting of the Council duly convened and held.

EXECUTIVE MANAGER

60. The Council shall from time to time appoint a committee consisting of such number of its members as it shall think fit for the purpose of considering and recommending a person for appointment as Executive Manager of the Association. The Council may enter into any agreement or arrangement with any such person recommended by said committee for appointment as Executive Manager.

ACCOUNTS

61. The Council shall cause accounting records to be kept in accordance with the provisions of the Act.
62. The books of account shall be kept at the registered office of the Association, or at such other place or places as the Council think fit. All records, books and papers shall at all reasonable times be open to the inspection of members.

63. All sums of money received and expended by the Association and the matters in respect of which such receipts and expenditure take place; and the assets and liabilities of the Association.
64. The funds of the Association shall be kept at a bank or elsewhere as agreed by the Council and disbursed or invested within budgets agreed from time to time by the members in general meeting. The Council shall consider reports on accounts from the Honorary Treasurer not less than twice a year. All payments from the funds of the Association equal to or in excess of £2,000 shall only be made with the authority of any two of the President, the Vice-President, and the Association Secretary; all payments of less than £2,000 may be made with the authority of any one of the aforementioned persons.
65. At every annual general meeting, the Council shall lay before the Association an account of income and expenditure for the period since the preceding account. A balance sheet shall be made out and laid before the Association at every annual general meeting, made up to a date not more than 6 months before such meeting, and a copy shall, 21 days prior to the meeting, be sent to, or made available to, the persons entitled to receive notices of General Meetings in the manner in which notices are to be given under these articles. Every such account and balance sheet shall be accompanied by a report of the Council and the account, report and balance sheet shall be signed by two Council members.

AUDIT

66. If required by the Act auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.

NOTICES

67. A notice may be given by the Association to any member either personally, by post or by email to him /her or their registered address, or (if he or she has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him or her to the Association for the giving of notice. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

DISSOLUTION

68. If upon the winding up or dissolution of the Association there remains, after the satisfaction of all its debts and liabilities any property or assets whatsoever, the same shall not be distributed among the members of the Association but shall be given or transferred to some other institution or institutions having similar objects to the objects of the Association or to another body the objects of which are the promotion of charity and anything which is incidental or

conducive thereto (whether or not the body is a member of the Association), such institution or institutions to be determined by the Council of the Association at or before the time of dissolution.

RULES OR BYE LAWS

69. The Council of the Association shall have power from time to time to make, alter and repeal all such bye-laws, rules and regulations as they deem necessary or expedient or convenient for the proper conduct and management of the Association.
- 70 All such bye-laws, rules, alterations and repeals shall, so long as they shall be in force, be binding on all members of the Association provided that: -
- (a) no bye-laws and rules shall be inconsistent with, or shall affect or repeal anything contained in, the Association's memorandum or articles of association and shall not be in breach of any statutory provision; and
- (b) all such bye-laws, rules, alterations and repeals shall be confirmed by a vote of two-thirds majority members present at a General Meeting of the Association. Notice of any proposed alteration must be lodged with the Secretary and sent to every Association member when calling the General Meeting at which the same is to be considered.

INDEMNITY

71. The Association may indemnify any Council member, Officers, and the Association Secretary (other than any person engaged by the Association as an auditor) out of the assets of the Association from and against any loss, liability or expense incurred by him or them in relation to the Association provided that this Article shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of the Acts. This Article does not allow for or provide (to any extent) an indemnity which is more extensive than as permitted by the Acts and any such indemnity is limited accordingly. This Article is also without prejudice to any indemnity to which any person may otherwise be entitled.
- 72 To the extent permitted by, and subject to the restrictions in the Acts and without prejudice to any indemnity to which he may otherwise be entitled, the Council shall have the power to provide funds to meet any expenditure incurred or to be incurred by any Council member, the Officers, and the Association Secretary (other than any person (whether an officer or not) engaged by the Association as an auditor) in defending any criminal or civil (including regulatory) proceedings, or in connection with an application under the Acts, or to enable him to avoid incurring such expenditure.