

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE

Registration Number 01971245

MEMORANDUM OF ASSOCIATION

- of -

Dairy UK Ltd¹



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1. The name of the company (hereinafter called "Dairy UK") is "Dairy UK Ltd"^{*}.
2. Dairy UK's registered office will be situated in England and Wales.
3. Dairy UK's objects are:
 - (A) To promote and protect the interests of its members and persons who are represented by its members in connection with the production of milk from cows, goats and sheep, the manufacture, processing, marketing, promotion and distribution of milk and other dairy produce and products thereof and generally to promote the interests of the United Kingdom dairy industry or any part thereof.
 - (B) To negotiate with, make representations to and if thought fit enter into any arrangement with any government, government department, ministry or other authority or body, international, national, municipal, local or otherwise, in relation to all matters which are of local, national or international interest to the dairy trade or the dairy industry generally, and to obtain from any such government, government department, ministry, authority or other body any rights, concessions and privileges as may be considered conducive to its objects or any of them.
 - (C) To assist and represent employers of labour engaged in the production, manufacture, processing, marketing, promotion and distribution of milk and

¹ As amended by special resolution dated 20 March 2002

other dairy produce and products thereof in England and Wales or any other part of the United Kingdom in the consideration and negotiation of matters relating to the employment of labour by such employers with the relevant trade unions, governmental departments and other appropriate bodies and to be an employers' association within the meaning of section 28(2) of the Trade Union and Labour Relations Act 1974 or any statutory modification or re-enactment thereof.

(D) To give advice and provide services to employers of labour engaged in the production, manufacture, processing, marketing, promotion and distribution of milk and other dairy produce and products thereof in the United Kingdom or any part thereof in respect of matters relating to the employment of labour by such employers (including training matters) and to act as or on behalf of the Industry Training Organisation for the dairy industry.

(E) To acquire and take over all or substantially all of the property, assets and liabilities of the unincorporated association known as the Dairy Trade Federation.

(F) To make application for, to make any arrangements necessary to ensure receipt of, and to receive funds on behalf of the dairy trade or dairy industry or any part thereof or any person engaged therein in the United Kingdom or any part thereof, or otherwise, and to make such payments out of such funds, and on such terms, as may be thought fit in accordance with the conditions (if any) on which such funds are received by Dairy UK.

(G) To represent the buyers of milk from the Milk Marketing Board (or such body as may succeed it) under the Agricultural Marketing Act 1958, the Agriculture Act 1993 and any other applicable legislation and to take all steps which might be conducive to conducting such representation effectively.

(H) To undertake by arbitration, the formation of arbitration boards, conciliation or otherwise the settlement of disputes arising in connection with the dairy trade or the dairy industry generally and to appoint arbitrators or conciliators and provide facilities for arbitration and conciliation.

(I) To nominate members of or representatives to The Dairy Council (a company limited by guarantee) and The National Dairy Farm Assured Scheme Limited.

(J) To join any organisation, company or association of any sort (whether

statutory, quasi-statutory or otherwise) which the Council may consider it would be beneficial for Dairy UK to join and to accept any consequent liabilities or obligations.

(K) To nominate members of or representatives to any organisation, company or association of any sort (whether statutory, quasi-statutory or otherwise) which represents, invites views from or is in any way concerned with the dairy industry, dairy trade or any other activity with which Dairy UK may be involved or concerned and to accept any consequent liabilities or obligations.

(L) Without prejudice to any other power of Dairy UK, to hold a share or shares in any company or to purchase or acquire the assets, or liabilities or other undertaking of any business or person as the Board shall see fit.

(M) To undertake or finance others to undertake research and investigation into any matter relating to the production, manufacture, processing, marketing, promotion and distribution of milk and other dairy produce and products thereof.

(N) To assist, promote, establish and contribute to exhibitions, shows, courses, seminars, conferences and displays which are of benefit directly or indirectly to its Members.

(O) To propose, instigate, support or oppose changes in the law and to concert and promote measures which are calculated directly or indirectly to protect and advance the interests of Dairy UK and to take all necessary and proper steps in Parliament or with any government, government department, ministry or authority, international, national, municipal, local or otherwise for the purpose of carrying out, extending or varying the objects and powers of Dairy UK, or altering its constitution, and to oppose any proceedings or applications which are in the opinion of Dairy UK calculated directly or indirectly to prejudice Dairy UK's interests.

(P) To employ a secretary and such other officers and staff as Dairy UK may think fit and, if Dairy UK thinks fit, to provide staff and office accommodation on such terms and to such persons as Dairy UK may think fit.

(Q) To raise such levies and subscriptions and receive and apply the proceeds of such levies and subscriptions and to receive such levies and subscriptions and any donations from such persons as Dairy UK may think fit.

(R) To provide services normally required by a trade association to any trade association which is a Full Member or an Associate Member.

(S) To give advice, assistance and representation to Full Members, associate members or to organisations which are constituent members of Full Members and to provide services generally for the Full Members both to themselves and others and at their request to publish and distribute leaflets and other publications and to produce and market films, sound recordings, and other visual and aural aids relating to the dairy trade or the dairy industry generally and generally take any other steps conducive to attaining these objects or any of them.

(T) To establish and maintain professional and social contacts with trade associations and other organisations in all parts of the world whose objects are compatible with those of Dairy UK.

(U) To purchase, take on lease, exchange, hire or otherwise acquire, take options over and hold any estate or interest in any real or personal property including but not limited to intellectual property and any rights or privileges which are necessary or convenient for the purposes of Dairy UK's activities.

(V) To buy, take on hire or hire-purchase, sell, and generally deal in any vehicles, equipment, goods or things of any description, which are capable of being conveniently used or dealt with by Dairy UK in connection with any of its objects.

(W) To sell, exchange, lease, let out on hire, dispose of, grant options over, turn to account or otherwise deal with the whole or any part of the property, rights or undertaking of Dairy UK for such consideration as is expedient.

(X) To sell, liquidate, wind-up or otherwise deal with the whole or any part of the undertaking or property of Dairy UK.

(Y) To borrow or raise money upon such terms and on such security as may in the opinion of the Board be expedient and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of Dairy UK, both present and future.

(Z) To invest and deal with the monies of Dairy UK not immediately required for the purposes of its activities in or upon such investments and

securities (including land and the shares, stocks or securities of any other company) and in such manner as is in the opinion of the Board expedient and to dispose of or vary any such investments or securities.

(AA) To lend money or give credit to such persons, firms or companies and on such terms as are expedient and to receive money on deposit or loan from any person, firm or company.

(BB) To draw, make, accept, endorse, discount, negotiate, execute and issue promissory notes, bills of exchange and other transferable or negotiable instruments.

(CC) To stand surety for or to guarantee, support or secure the performance of all or any of the obligations of any person, firm or company and to give such indemnity to any person, firm or company as may be thought fit, whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of Dairy UK, both present and future, or by both such methods.

(DD) To grant pensions, allowances, gratuities and bonuses to and to establish pension or superannuation schemes for the employees or ex-employees of Dairy UK or of The National Dairymen's Association Incorporated or of the unincorporated association known as the Dairy Trade Federation or the families, dependants or connections of such persons, and to make payments towards insurance and to establish funds, trusts and schemes which are calculated to benefit such persons. Where appropriate to become the nominated employer or its equivalent in the occupational pension scheme of The National Dairymen's Association Incorporated and to participate as required in any other company pension scheme.

(EE) To carry on all or any of the businesses of, and to carry out any of the operations performed (whether on the Company's account or otherwise) by traders, merchants, agents, importers, exporters, shippers, advertisers, distributors, owners, hirers, operators, letters on hire, manufacturers, and dealers, of and in goods (including but not limited to raw milk), wares, products, stores, commodities, consumable articles, merchandise, chattels and effects of all kinds, and acting as consultants, advisers, specialists, financiers and capitalists; and to participate in, undertake, perform and carry out all kinds of commercial, industrial, trading and financial operations and enterprises;

(FF) To carry on the business of merchants and traders generally and to buy,

sell, hire, manufacture, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds;

(GG) To carry on any other business or activity, whether trading, manufacturing, investing or otherwise;

(HH) To do all or any of the things authorised by this Clause either alone or in conjunction with others and either as principals, agents, contractors, trustees or otherwise and either by or through agents, sub-contractors, trustees or otherwise.

(II) To enter into any joint venture, partnership or joint-purse arrangements or arrangement for sharing profits, union of interests or co-operation with any person, firm, or company and to subsidise or otherwise assist any person, firm or company;

(JJ) To do all such other things as in the opinion of Dairy UK at general meeting are incidental or conducive to the attainment of the above objects or any of them.

(KK) To remunerate in such manner as is expedient in the opinion of the Board any person, firm or company rendering services to Dairy UK or in or about its formation or promotion and to pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of Dairy UK, or which shall in the opinion of the Board be in the nature of preliminary expenses including therein the cost of printing and stationery, and the legal and other expenses of the promoters.

It is hereby declared that where the context so admits the words "firm" or "company" in this Clause shall be deemed to include any partnership, association, industrial and provident or friendly society or other body of persons whether or not incorporated and, if incorporated, whether or not a company within the meaning of the Companies Act 1985, and that the word "company" shall include a society registered under the Industrial and Provident Societies Acts 1965 to 1978, that the objects specified in each of the sub-clauses of this Clause shall be regarded as independent objects and accordingly shall not be limited or restricted (except where otherwise expressed therein) by reference to or inference from the terms of any other sub-clause or the name of Dairy UK but may be carried out in as full and ample a manner and construed in as wide sense as if each defined the objects of a separate and distinct company, and that where there are references in this Clause to matters involving the opinion of the Board such matters are to be determined by the Board, or by any person to whom any

such power of decision has been delegated by the Board in accordance with the Articles of Association of Dairy UK.

4. The income and property of Dairy UK shall be applied solely towards the promotion of its objects as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred directly under Clause 8 below upon the winding up or dissolution of Dairy UK by way of profit to members of Dairy UK; provided that nothing herein shall prevent any payment by Dairy UK in good faith:
 - (a) of reasonable and proper remuneration to any member for any services rendered to Dairy UK;
 - (b) of interest at a reasonable and proper rate on money lent or reasonable and proper rent for premises demised or let to Dairy UK by any member; or
 - (c) of a reasonable and proper price for any interest in real or personal property sold or otherwise disposed of to Dairy UK by any member.
5. The liability of the Full Members is limited.
6. Every Full Member undertakes to contribute to the assets of Dairy UK in the event of its being wound up while he is a Full Member, or within one year after he ceases to be a Full Member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding ten pounds. For the avoidance of doubt, where a partnership, unincorporated association or other unincorporated body is treated as being a Full Member, only one such amount shall be payable by that body. In the event of Dairy UK being wound up at a time when it has members other than Full Members, such persons shall not be required to contribute to the assets of Dairy UK apart from any sums due from them by way of subscription or otherwise pursuant to the Articles of Association.
7. If upon the winding up or dissolution of Dairy UK there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall be distributed as determined by the Board.
8. Words and expressions used herein shall have the same meanings (where the context permits) as they are given in the Articles of Association with which Dairy UK is incorporated.

NAMES AND ADDRESSES OF SUBSCRIBERS

1. For and on behalf of **AMALGAMATED MASTER DAIRYMEN, LIMITED** whose registered office is at

Bradford and Bingley House
220 Hoe Street
London E17

by
M Sale
Member of the Executive Committee
2. For and on behalf of **CO-OPERATIVE MILK TRADE ASSOCIATION** whose principal office is at

PO Box 53
New Century House
Manchester M60 4ES

by
N P Clark
Member of the Executive Committee
3. For and on behalf of **THE NATIONAL ASSOCIATION OF CREAMERY PROPRIETORS AND WHOLESALE DAIRYMEN** whose registered office is at

19 Cornwall Terrace
London NW1 4QP

by
C J Chamberlain
Member of the Executive Committee
4. For and on behalf of **THE NATIONAL DAIRYMEN'S ASSOCIATION (INCORPORATED)** whose registered office is at

19 Cornwall Terrace
London NW1 4QP

by

L Berry

Member of the Council

DATED 20th November 1985

Witness to the above signatures: W R Freeman

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE

Registration Number 01971245

ARTICLES OF ASSOCIATION

OF

Dairy UK LIMITED*¹

Interpretation

1.1 In these Articles:

"the Act" means the Companies Act 1985;

"an Associate Member" means any one of the members described as such in article 3;

"a bottled milk buyer" means a buyer of bottled milk or other distributor of milk or dairy products who does not process milk or manufacture dairy products;

"the Board" means the Board of Directors of Dairy UK;

"Dairy UK" means Dairy UK Limited;

"designated director" means a person so designated in accordance with article 20.1;

"the Association" means Dairy UK Limited;

"Farming Interests" shall mean an individual, business or organisation based in the United Kingdom whose principal activity is primary agricultural production;

a "Full Member" means any one of the members described as such in article 2 and a reference to a Full Member shall be deemed to include a reference to its representative or representatives duly authorised to act in accordance with article 4.1;

¹ As adopted by special resolution dated 20 March 2002 and amended by Special Resolution dated 14th September 2017

"Group" means the member (whether Full Member, Associate Member or any other member of Dairy UK) together with any holding company (as defined by Section 736 Companies Act 1985) and any Subsidiary of the Member and Subsidiary of any such holding company of the Member;

"milk" shall mean cows', sheep or goats' milk and "dairy products" shall mean products manufactured from cows', sheep or goats' milk;

"Milk Producer Co-operative" means a farmer-owned company whereby the individual contracted farmer supplying raw milk to the business is also obliged to hold shares in the company;

"Milk Producer Co-operative Member" means a Full Member whose business meets the definition of a Milk Producer Co-operative within the definition of these Articles;

"month" means a calendar month and "monthly" shall be construed accordingly;

"Processing Member" means any Full Member who processes milk (whether produced within the United Kingdom or elsewhere) or manufactures dairy products from either raw milk or milk ingredients within the United Kingdom, but who is not also under the ownership of a Milk Producer Co-operative within the definition of these Articles either individually or as part of a Group ;

"the Chairman" means the person for the time being holding office as chairman of Dairy UK under articles 9.1.1, 9.4 or 9.5;

"the seal" means the common seal of Dairy UK;

"the Secretary" means any person appointed to perform the duties of the secretary of Dairy UK;

"Sectoral Trade Association" means any association (whether corporate or unincorporate) of interested persons representing a distinct and substantial sector of the dairy industry qualifying for membership under article 2.2(b);

"society" means a society registered under the Industrial and Provident Societies Acts 1965 to 1978;

"Subscription Litreage" means the sum of:

a) the volume of milk (whether produced within the United Kingdom or elsewhere) the

member organisation pays producers for under contracts between the member organisation and individual producers (direct supplies); and

b) the intake in litres of milk, cream, skim and milk ingredients (whether produced within the United Kingdom or elsewhere) which is subject to further processing into milk ingredients or dairy products. Milk ingredients shall be converted into raw milk volume equivalents on the basis of the conversion factors specified below.

Milk processed shall include milk and milk ingredients processed at plants:

- wholly owned by the member
- part owned by the member in a joint venture. In which case the volume reported will be in proportion to their respective ownership of such venture
- toll processed on their behalf by a third party

Multiple of normal wholemilk subscription rate

Cream	3.33
Skim	0.72
Liquid Whey	0.48
Whey Powder	8.33
Lactose Powder	8.33
Skim Concentrate	2.75
Skimmed Milk Powder	8.33
Whole Milk Powder	8.33
Cheese	4.17
Butter	6.67

For the avoidance of doubt it is acknowledged and accepted that the Subscription Litreage of many members of Dairy UK will consist of and be calculated in accordance with each of parts (a) and (b) above.

"Subsidiary" means any company in which the member company or any Subsidiary of the member company holds shares or other rights conferring the right to exercise 20% or more of the votes which could be cast at a general meeting of such company;

"Total Voting Strength" means the total number of votes which all the Full Members would together be entitled to exercise on a poll assuming all the Full Members were present and based on one vote for each whole pound sterling by way of subscription paid by Full Members pursuant to Article 2 to Dairy UK in respect of the Month immediately prior to the Month preceding the date on which such evaluation is required;

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

a "Vice-Chairman" means a person for the time being holding office as vice-chairman under articles 9.1.2, 9.4 or 9.5;

a "Year" means a calendar year from 1st January to 31st December.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, telegraphy and other modes of representing or reproducing words in a visible and permanent form including for the avoidance of doubt by e-mail.

Words importing the singular shall include the plural and vice versa. Words importing the masculine gender shall include the feminine and where appropriate the neuter. Words importing persons shall include corporations, firms, partnerships, societies and associations whether or not incorporated.

Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these articles become binding on Dairy UK.

- 1.2 Except where the context otherwise requires an unincorporated society or association shall be treated for the purpose of payment of fees, subscriptions and levies, for voting purposes and for all other purposes in connection with the memorandum and articles as if it were a single entity comprising all its members. In the register of members the name of the unincorporated society or association shall be entered as the name of the Full Member and Dairy UK shall be entitled to treat the unincorporated society or association for all purposes concerning the rights and obligations of Full Members of Dairy UK as if the society or association were a single legal entity capable of being a Full Member in its own right and exercising its own rights and complying with its obligations through the actions of its executive committee, council or other governing body. [Explanatory note: The rights and obligations of and attaching to membership of Dairy UK which by virtue of the foregoing are deemed as against Dairy UK to attach and belong to a single legal entity shall as between members of such society or association belong and attach to the members of the society or association for the time being in accordance with its constitution.]

Members

2.1 The members of Dairy UK admitted pursuant to article 2.2 shall be called Full Members.

For the avoidance of doubt, only a member (whether it be a Full Member, an Associate Member or any other form of Member admitted hereunder) or subject to compliance with the following provisions of this regulation 2.1 any member of the group of which the member is a part shall be entitled to utilise the products and/or services of Dairy UK. The Subscription Litreage applicable to members of Dairy UK for the purposes of Article 2.4 (c) shall be calculated by reference to the Subscription Litreage of each company or organisation of the Group of which the member is a member save where that such other member of the Group is a Full Member of Dairy UK in its own right and has paid its subscription for the year in question. Dairy UK reserves the right to charge a levy (including a retrospective charge) against the member of Dairy UK in respect of the Subscription Litreage of the entire Group of which the member is a member.

2.2 The Board may approve to be a Full Member any further person who applies for membership and whom the Board consider to be:

- (a) an organisation based in the United Kingdom which processes liquid milk or manufactures dairy products
- (b) a Milk Producer Co-operative based in the United Kingdom
- (c) a Sectoral Trade Association which represents a distinct and substantial sector of dairy processing, distribution or manufacture
- (d) a bottled milk buyer or other distributor of milk or dairy products who does not process liquid milk or manufacture dairy products
- (e) an organisation or a trade association which is of a nature which would benefit Dairy UK if they were to be a member.

For the avoidance of doubt, individual milk producers will not be entitled to membership of Dairy UK.

2.3 An unincorporated society or association may (subject to article 1.2) be a Full Member but without prejudice to the right of any other type of person to be a Full Member. The membership of such an unincorporated Full Member shall continue notwithstanding any change in the constitution or members of it. Persons becoming members in such a Full Member after its admission to membership of Dairy UK shall be bound by the

memorandum and articles of association of Dairy UK as if they had applied for and been admitted to membership of Dairy UK of the same class.

- 2.4 (a) Each Full Member shall be required to pay an annual subscription (either wholly in advance or in the case of a Full Member falling within article 2.2 (a) above in 12 equal monthly instalments payable in cleared funds on such day as the Board may designate. Each such Full Member shall notify the Secretary on the date on which he becomes a member whether he shall pay the said subscription wholly in advance or in instalments as aforesaid.).
- (b) In the case of a Full Member falling within article 2.2(a) or 2.2(b) or 2.2 (d) above the minimum annual subscription shall be not less than £200 or as the Board may from time to time decide subject to subsequent adjustments by Dairy UK in General Meeting.
- (c) In the case of Full Members falling within article 2.2 (a) above, the subscription to be paid shall be a volume subscription related to the Subscription Litreage of each such Full Member and inclusive of any member of the Group of such Full Member (where such member of the Group is not already a Full Member of the Association) by way of a sum per Subscription Litre. In the case of Full Members falling within articles 2.2(b) and 2.2 (c) and 2.2 (d) above the subscription to be paid in each case shall be such sum as the Board may from time to time decide.
- 2.5 Subscriptions shall be set by the Board subject to amendment by Dairy UK in General Meeting and may be varied at any time on one month's notice to Members.
- 2.6 Each Full Member falling within article 2.2(a) above shall pay any subscription due under 2.4 above based on its bona fide anticipated Subscription Litreage in the following twelve months. At the end of each twelve months each such Full Member shall declare its actual Subscription Litreage to the Secretary of Dairy UK and the subscription shall then be adjusted accordingly.
- 2.7 Any Full Member who having elected to pay a subscription by monthly instalments shall fail to pay any monthly instalment of his annual subscription or having elected to pay his annual subscription in a single payment fails to do so on the due date or fails to make a declaration in accordance with article 2.6 above if applicable and within one month after receipt of notice in writing from the Secretary that it is in arrears with payment or has failed to give such declaration shall cease to be a Full Member of Dairy UK on the expiration of that period. Any Full Member whose membership ceases under this article may be reinstated upon payment of any arrears and/or provision of the declaration in accordance with article 2.6 and if a Full Member should be reinstated

hereunder it shall be on the same terms as applied before its membership ceased after having made payments equivalent to any subscription which would have been payable for the period between its cessation of membership and its reinstatement, subject to waiver as determined by the Board.

- 2.8 A Full Member who ceases to fall within any of the categories set out in 2.2 above shall automatically cease to be a Member of Dairy UK. Membership is not transferable and shall cease on death.
- 2.9 The Board shall have the power to expel a Full or Associate Member from membership of Dairy UK where the Board believes the Full or Associate Member's continued membership would be prejudicial to Dairy UK or would in any way restrict Dairy UK in fulfilling any or all of the objects of Dairy UK as contained in its Memorandum of Association. Expulsion shall be effected by notice by Dairy UK to the Full or Associate Member concerned. The notice shall state the Board's reasons for deciding to expel the Full or Associate Member and cite the date on which expulsion is to take effect. The Full or Associate Member shall have 14 days from the date of receipt of the notice of expulsion in which to make a written request to appear before the Board and make representations against expulsion. Where such an audience is requested, the Full or Associate Member's expulsion shall not take effect until he has appeared before the Board, which shall confirm or withdraw the notice of expulsion as it believes fit following representations made by the Full or Associate Member concerned.
- 2.10 Where a Full or Associate Member is expelled pursuant to article 2.9 above, he shall be reimbursed any subscription paid on a pro rata basis to cover the period from the date of his expulsion to the end of that subscription year.
- 2.11 A Full or Associate Member may by not less than one year's notice in writing, having satisfied all outstanding obligations under these articles, resign from membership of Dairy UK.

Associate Members

- 3.1 The Board may admit any person whom it considers fit and proper to be an Associate Member of Dairy UK on such terms and subscriptions as the Board shall from time to time determine.
- 3.2 Associate Members shall not be members of Dairy UK for the purposes of section 22 of the Act and shall not enjoy rights to participate in the management of Dairy UK by way of voting at any meeting, nominating or electing any Board member or in any payment

or distribution on the winding up or dissolution of Dairy UK and shall not be under any obligation to contribute to the assets of Dairy UK on any winding up or dissolution.

- 3.3 The subscription for Associate Members shall be such as may be set by the Board from time to time.

Corporations and Societies acting by Representatives at Meetings

- 4.1 Any corporation, association or society (including any unincorporated association or society) which is a Full Member may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of Dairy UK, and the person or persons so authorised shall be entitled to exercise the same powers on behalf of the said corporation, association or society as that corporation, association or society could exercise if it were an individual member.
- 4.2 The person or persons authorised to represent a Full Member in accordance with article 4.1 shall be notified to the Secretary by the Full Member prior to the meeting at which such representative is authorised to act and Dairy UK shall not recognise such an appointment until notification has been received by the Secretary.

Confidentiality of Information

- 5.1 Any publication, documentation or other information received from Dairy UK by a Full Member or an Associate Member shall remain personal to that member and treated in confidence; in particular a Full Member which is a Sectoral Trade Association shall not disclose such information to any of its own members which is eligible to be, but is not, a Full Member in its own right.
- 5.2 Any Full Member or Associate Member shall be responsible for ensuring that any representative appointed by it pursuant to article 4 hereof shall be required to observe the obligation of confidentiality imposed on Full and Associate Members under article 5.1 above.
- 5.3 A Full Member which is a Sectoral Trade Association may nevertheless on such terms and conditions and for such fee payable to Dairy UK as the Board may in its absolute discretion from time to time and case to case decide be released from the obligation in

article 5.1 above.

General Meetings

- 6.1 Dairy UK 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; not more than fifteen months shall elapse between the date of one annual general meeting of Dairy UK and that of the next. The annual general meeting shall be held at such time and place as the Board shall appoint.
- 6.2 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 6.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting, and an extraordinary general meeting may also be convened by or at the request of the Chairman, a Vice-Chairman, or one or more Full Members having in total the right to cast not less than 5% of the Total Voting Strength, or in accordance with the Act.
- 6.4 Each Full Member shall be entitled to receive notice of general meetings in accordance with article 7.1, to attend general meetings in accordance with article 4.1, and to vote at general meetings in accordance with article 8.4.
- 6.5 A Board Member shall be entitled to receive notice of and attend but may not (as such) vote at general meetings.

Notice of General Meetings

- 7.1 An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of Dairy UK other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and, in the case of special business, the general nature of that business, and shall be transmitted to each Full Member and a copy thereof shall be sent to every person who is a member of the Board at the date of sending the notice (unless he will cease to be a member of the Board at the date of the meeting in respect of which notice is given), provided that a meeting of Dairy UK shall, notwithstanding that it is called by shorter notice than or notice given in a different manner from that specified in this article, be

deemed to have been duly called if it is so agreed by all the Full Members entitled to attend and vote thereat.

Proceedings at General Meetings

- 8.1 No business shall be transacted at any general meeting unless a quorum of Full Members is present at the time when the meeting proceeds to business; a quorum of Full Members shall consist of a minimum of one Processing Member, and one Milk Producer Co-operative Member or one Full Member representing Farming Interests, each having in total the right to cast at least 15% of the Total Voting Strength.
- 8.2 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting 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 Full Members present may determine.
- 8.3 The Chairman, or in his absence the Vice-Chairman who has served on the Board longer (or if they were both elected or appointed at the same time, the one whose name alphabetically precedes that of the other), or in the absence of the aforementioned the other Vice-Chairman, shall preside at every General Meeting of Dairy UK. If the Chairman or the Vice-Chairmen shall not be present within 15 minutes after the time appointed for the holding of the meeting, or shall be unwilling to act, the Full Members present shall choose one of the Board members present to be chairman of the meeting or should there be none present and willing to act one of their representatives.
- 8.4
- (a) On a show of hands every Full Member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a Full Member entitled to vote, shall have one vote: and
 - (b) On a poll every Full Member shall at each meeting held in any year have one vote for each whole pound sterling by way of subscription paid by that Full Member pursuant to Article 2 to Dairy UK in respect of the month immediately prior to the month proceeding the date of the poll. Unless only one Full Member voted for or against the resolution the Secretary shall announce the total number of votes cast for and against any resolution which is the subject of a poll.
 - (c) The vote or votes which a Full Member is entitled to cast pursuant to

articles 8.4(a) and (b) may be cast by that Full Member in person or by proxy provided that the person in whom a Full Member has vested its proxy shall be disclosed in writing to the Secretary in a form prescribed by him at least seven days before the date of the meeting on which the proxy is to be exercised.

- 8.5 (1) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded -
- (a) by the chairman; or
 - (b) by one or more Full Members having in total the right to cast not less than 10% of the Total Voting Strength.
- (2) Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by the requisite majority, or lost, and an entry to that effect in the book containing the approved minutes of proceedings of Dairy UK, 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. The demand for a poll may be withdrawn.
- 8.6 Except as provided in article 8.7, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 8.7 A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll on any other question shall be taken at such time as the chairman of the meeting directs, provided this is within one month of the date on which the poll is demanded and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
- 8.8 No resolution may be passed on a poll at a General Meeting unless it has received not less than 75% of the total number of votes cast by those Full Members present in person or by proxy and voting.
- 8.9 The chairman may, with the consent of any 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, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for seven days or more, notice of the adjourned meeting and of the business to be transacted thereat shall be given as in the case of an original

meeting. When the meeting is adjourned for less than seven days notice of the adjourned meeting and of the business to be transacted thereat shall be given by the most expeditious means (including telephone, telex or facsimile).

- 8.10 Subject to the provisions of the Act, a resolution in writing signed by all the Full Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations, associations or societies, by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a general meeting of Dairy UK duly convened and held. Any such resolution may consist of several documents in like form each signed as aforesaid by one or more of the Full Members.
- 8.11 The sale, or disposal of the property at 37 Queen's Gate, London, SW7 5HR (Freeth House), shall require the approval of Dairy UK by poll in general meeting. Such approval will require 90% of the total number of votes cast by those Full Members present in person or by proxy in favour of such sale or disposal and voting under the arrangements for a poll set out in article 8.4(b). Any resolution to amend this article shall be subject to the same requirements for approval at general meeting as are required in this article for the sale or disposal of the property.
- 8.12 For the avoidance of doubt the sale or disposal of the property at 19 Elvaston Mews, London SW7 shall not require the prior approval of Dairy UK in general meeting.

Officers of Dairy UK

- 9.1 Dairy UK shall have the following officers: a Chairman, and up to two Vice-Chairmen.
- 9.1.1 The Chairman shall be elected by the Board to serve for a two year term of office and shall only be eligible for re-election for one further two year term of office, save with the approval of the Board.
- 9.1.2 Up to two Vice-Chairmen shall be elected annually by the Board and each such Vice-Chairman shall only be eligible for election if he has not been Vice-Chairman for the four immediately preceding years, save with the approval of the Board.
- 9.1.4 Nominations for the position of Chairman of Dairy UK shall be made in writing by any member of the Board and must be received by the Secretary together with confirmation by the candidate that he is prepared to act at least 14 days before the day of the Annual General Meeting

9.1.5 In respect of the Chairman the procedure for election shall be as follows:

- i) At the Board meeting immediately following the Annual General Meeting, the Board members shall elect a Chairman. In the event of there being more than one candidate, each Board Member may vote for one candidate only.
- ii) the successful nominee shall be the candidate who received the greatest number of the votes cast. In the event of a tie, the incumbent or outgoing Chairman shall have the casting vote.

9.1.6 In respect of the Vice-Chairmen the procedure for election shall be as follows:

- i) At the Board meeting immediately following the Annual General Meeting, the Board members shall elect two Vice-Chairmen from amongst their number.
- ii) Only Board members representing Processing Members, Bottled Milk Buyer Members, Milk Producer Co-operative Members or Farming Interests shall be eligible to be nominated as Vice-Chairman, subject to the provisions of Article 9.1.2. For the avoidance of doubt, Co-opted Board Members are not eligible to be nominated as Vice-Chairmen.

9.2 There shall be an Honorary Treasurer who shall be appointed by the Board in each year at the first Board meeting after the Annual General Meeting, and his duties shall be as follows:

- (a) To ensure that the Secretary proposes to the Board not later than November in each year a budget of income and expenditure for the following calendar year, and to ensure that a budget is approved by the Board before the commencement of that calendar year.
- (b) To receive from the Secretary periodically during each year a statement of income and expenditure compared with the approved budget and to bring to the attention of the Board any fundamental variation from the approved budget.
- (c) To ensure that the necessary borrowing limits are fixed from time to time by Dairy UK in general meeting, and to ensure that the Board authorises the borrowing of money as necessary.
- (d) To present to each Annual General Meeting annual audited accounts as required

under the relevant legislation.

- 9.3 A person shall not be eligible for election or appointment as the Chairman if he is chairman or vice-chairman or (as the case may be) president or vice-president of a Full Member which is a Sectoral Trade Association or as Vice-Chairman if he is chairman or president of a Full Member which is a Sectoral Trade Association. A person shall not be eligible for election or appointment as a Vice-Chairman or Honorary Treasurer unless he is a member of the Board.
- 9.4 The Board shall have power at any time and from time to time to appoint a person to fill a casual vacancy among those elected to the offices of Chairman, Vice-Chairman or Honorary Treasurer provided that a person so appointed shall retire at the next Annual General Meeting and that a person so appointed to the post of Vice-Chairman or Honorary Treasurer shall already be a Board member.
- 9.5 Where the Board has not exercised its power under article 9.4 Dairy UK in general meeting may appoint any person eligible under article 9.3 to fill a casual vacancy among those elected to the offices of Chairman, Vice-Chairman or Honorary Treasurer provided that a person so appointed shall retire at the next Annual General Meeting and that a person so appointed to the post of Vice-Chairman or Honorary Treasurer shall already be a Board member.

The Board

- 10.1 The Board members shall be the directors of Dairy UK.
- 10.2 The Board shall consist of:
- (a) Up to 10 persons appointed by Processing Members and Milk Producer Co-operative Members pursuant to article 10.4;
 - (b) up to two persons representing the interests of Bottled Milk Buyers and small processors to be nominated by a Small Businesses Forum and holding the appointments of Chair and Vice-Chair of said Forum;
 - (e) if he is not appointed or elected pursuant to sub clauses (a) or (b) or (f) above, the Chairman by virtue of his office
 - (f) up to two persons representing Farming Interests, to be nominated by a Farmers' Forum co-ordinated by Dairy UK;

(g) up to two persons nominated by the Board (Co-opted Board Members):

10.3 With the Exception of the Chairman and unless otherwise approved in advance by the Board, Board members shall not be entitled to any remuneration; provided that this article shall not prevent interest at such reasonable rate as may be determined from time to time by the Board being paid on money lent or reasonable and proper rent being paid for premises demised or let to Dairy UK, nor prevent the payment of such out-of-pocket expenses as may be determined by the Board from time to time.

10.4 The ten Processing Members/Milk Producer Co-operative Members in membership of Dairy UK who have the largest anticipated Subscription Litreage as at the first of January in each calendar year shall each have the power (subject to payment in advance to Dairy UK, in addition to its subscription under article 2.4, of the sum of £7,500 per annum or such other sum as the Board may determine from time to time) at any time to appoint any one person to be a member of the Board and to remove from office and replace any person so appointed. If called upon to do so by any member of the Board the Full Member seeking to appoint a representative to the Board shall prove to the satisfaction of the Secretary that his anticipated Subscription Litreage is valid.

10.9 Any member of the Board elected pursuant to the provisions of Articles 10.2(f), or 10.2 (g), shall hold office only until the next following Annual General Meeting of Dairy UK.

10.10 For the avoidance of doubt the appointment of any person nominated or appointed pursuant to the foregoing provisions of this Article 10 shall not require an ordinary or special resolution of the members but shall, be determined by the Board.

10.11 (a) Save as provided in article 10.11(b) below and subject to any contrary resolution of any General Meeting of Dairy UK, no person may be appointed to serve as a member of the Board if any other employee director or officer of a Full Member is an existing Member of the Board.

(b) Article 10.11(a) above shall not apply in either of the following circumstances:

(i) where the sole appointee of a Full Member to the Board is elected or appointed as Chairman of Dairy UK in which case that Full Member may appoint a second representative to serve as a member of the Board until the expiry, for whatever reason, of the first appointee's term of office as Chairman and subject always to articles 4 and 12 hereof.

(ii) where the Member's sole appointee, being a Vice-Chairman, presides at a meeting of the Board in which case the Member shall be entitled to appoint a second representative to serve as a member of the Board for the duration of the period that the Vice-Chairman concerned acts as Chairman of Dairy UK.

- 10.12 Any person appointed to the Board by a Full Member must be a duly authorised representative of that Full Member in accordance with article 4.
- 10.13 The name of the Full Member appointing a Board member pursuant to articles 10.4 or a general alternate pursuant to article 11.1 shall be noted against the name of that Board member or general alternate in the register of Board members.

Alternate Board Members

- 11.1 A Full Member may at any time and from time to time appoint any other Board member or any other person as an alternate for any Board member appointed by it and may at any time revoke any such appointment. Any such appointment may be special, that is limited to a particular meeting, or general, that is effective until revoked.
- 11.2 In the absence of the Board member for whom he is alternate, a special alternate shall be entitled to represent his appointer and vote as a Board member at the meeting referred to in his appointment provided that the Board member for whom he is alternate is not present.
- 11.3 A general alternate shall (subject to his giving to Dairy UK an address for service within the United Kingdom) be entitled to notice of meetings of the Board, to attend and vote as a Board member at any meeting at which the Board member for whom he is alternate is not personally present, and generally, in the absence of such Board member, to exercise all the functions of his appointer as a Board member.
- 11.4 A Board member present at a meeting of the Board who is also an appointed alternate (whether special or general) for another Board member or members shall have one vote for each such Board member or members absent from such meeting in addition to his own vote as a Board member (rather than as an alternate).
- 11.5 An alternate Board member shall be deemed to be a director of Dairy UK and not the agent of his appointer and shall be subject to disqualification in accordance with article

12.

- 11.6 The appointer of an alternate Board member may direct the payment to the alternate Board member of part or all of such sums as would otherwise be payable in accordance with article 10.3 to the Board member for whom he is alternate. Except as so directed, an alternate Board member shall not be entitled to any remuneration from Dairy UK for acting in that capacity.
- 11.7 Without prejudice to article 11.5, an alternate Board member shall cease to be an alternate Board member if he resigns, if for any reason his appointment is revoked, or if his ultimate appointer ceases to be a Full Member.
- 11.8
- (a) All appointments, revocations of appointments and resignations of general alternates shall be in writing under hand of the appointer or the general alternate (as the case may be) left at Dairy UK's registered office. No appointment of a general alternate (not already a Board member) shall be effective unless and until his consent to act as a Board member in the prescribed form shall have been received at Dairy UK's registered office.
 - (b) A special alternate may be appointed in any manner at any time up to the commencement of the particular meeting for which he is appointed as special alternate.

Disqualification of Board Members

- 12.1 The office of Board member shall be vacated if the Board member:
- (a) holds any office of profit under Dairy UK; or
 - (b) becomes a designated director pursuant to article 20.1; or
 - (c) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (d) becomes prohibited from being a director by reason of any order made under the Company Directors Disqualification Act 1986; or
 - (e) becomes of unsound mind; or
 - (f) resigns his office by notice in writing to Dairy UK; or

- (g) is directly or indirectly interested in any contract with Dairy UK which in the opinion of the Board is material and fails to declare the nature of his interest in the manner required by section 317 of the Act; or
- (h) having been appointed a Board member under article 10.4 or 10.6, the Full Member by whom he was appointed ceases to be a Full Member of Dairy UK; or
- (i) being a Board member appointed in accordance with article 10.4 or 10.5 or 10.6 or 10.7 is served with notice to resign by the Full Member by whom he was appointed; or
- (j) being the Chairman, becomes chairman or vice-chairman or (as the case may be) president or vice-president of a Full Member which is a Sectoral Trade Association; or
- (k) being a Vice-Chairman, becomes chairman or president of a Full Member which is a Sectoral Trade Association.
- (l) being a Co-opted Board Member, is requested to do so in writing by the Board

12.2 A Board member who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with Dairy UK which in the opinion of the Board is material shall declare the nature of his interest at a meeting of the Board as required by section 317 of the Act; provided that the interest of a Board member in the normal activities of Dairy UK in his capacity as a person (or the representative of a person) carrying on business in the manufacture, production, processing, distribution, promotion or marketing of milk or other dairy produce or the products thereof shall not of itself be deemed to be such interest.

12.3 Notwithstanding and after declaring his interest, a Board member shall be entitled to vote in respect of any contract or arrangement in which he is directly or indirectly interested and to be counted in reckoning whether a quorum is present at any meeting whereat any such matter is considered or decided.

Powers and Duties of Board

13.1 The business of Dairy UK shall be managed by the Board who may pay all expenses incurred in promoting and registering Dairy UK, and may exercise all such powers of

Dairy UK as are not, by the Act or by the memorandum of association or by these articles, required to be exercised by Dairy UK in general meeting, subject nevertheless to the provisions of the Act or the memorandum or these articles.

- 13.2 The Board may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons to be the attorney or attorneys of Dairy UK for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.
- 13.3 The Board may from time to time appoint any person to represent Dairy UK on any outside body or organisation.
- 13.4 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for money paid to Dairy UK, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person or persons and in such manner as the Board shall from time to time by resolution determine.
- 13.5 The Board shall cause minutes to be made in books provided for the purpose:
- (a) of the names of the Board members present at each meeting of the Board and of the persons present at each meeting of a committee of the Board;
 - (b) of all resolutions and proceedings at all meetings of Dairy UK, and of the Board, and of committees of the Board.

Proceedings of the Board

- 14.1 The Board may meet together for the despatch of business, adjourn, and otherwise regulate its meetings as it thinks fit. The Secretary on the requisition of the Chairman (or in his absence a Vice-Chairman) or one or more Full Members having in total the right to cast not less than 5% of the Total Voting Strength, shall at any time summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any Board member for the time being absent from the United Kingdom.
- 14.2 Each Board member (save for Co-opted Board members) shall have a single vote and a

resolution of the Board shall be passed by a simple majority. In the event of a tie, the Chairman shall have a casting vote.

For the avoidance of doubt, Co-opted Board members shall have no right to vote at a meeting of the Board.

- 14.3 No business shall be transacted at a meeting of the Board unless a quorum is present at the time when the meeting proceeds to business; the quorum necessary for the transaction of the business of the Board shall be at least six Board members.
- 14.4 The continuing Board may act notwithstanding any vacancy in its body, but, if and so long as its membership is reduced below the number fixed by or pursuant to the articles as the necessary quorum of the Board, the continuing Board may act for the purpose of increasing the number of Board members to that number, or of summoning a general meeting of Dairy UK, but for no other purpose than for the purpose of meeting Dairy UK's obligations as an employer and in connection with other administrative expenses.
- 14.5 The Chairman, or in his absence or unwillingness the Vice-Chairman who has served on the Board longer (or if they were both elected or appointed at the same time, the one whose name alphabetically precedes that of the other) or in the absence or unwillingness of the aforementioned the other Vice-Chairman or in the absence or unwillingness of the aforementioned, a person elected by the Board, shall preside at every meeting of the Board.
- 14.6 The Board may delegate any of its powers to committees consisting of persons nominated by the Board. Committees shall report their proceedings and actions to the Board.
- 14.7 Dairy UK in general meeting or (subject thereto) the Board shall appoint the chairmen of all committees of Dairy UK for such period or periods as they may determine. Provided that in the event of no such chairman having been appointed as aforesaid or his period of office having expired without his being reappointed or a further appointment having been made a committee may elect a chairman of its meetings to act as chairman until such time as the Board appoint a chairman; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the committee members present may choose one of their number to be chairman of the meeting.
- 14.8 A committee may meet and adjourn as it thinks proper.

- 14.9 All acts done by any meeting of the Board or of a committee of the Board or by any person acting as Board member or member of such committee shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Board member or such 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 Board member or member of such committee.
- 14.10 A resolution in writing, signed by all the Board members for the time being entitled to receive notice of a meeting of the Board, or all the members of a committee, shall be as valid and effectual as if it had been passed at a meeting of the Board, or of the committee as the case may be, duly convened and held. Any such resolution may consist of several documents in like form each signed as aforesaid by one or more Board or committee members.
- 14.11 Dairy UK in General Meeting may resolve to overturn, amend or supersede any resolution of the Board.
- 14.12 Dairy UK may in General Meeting resolve, repeal or vary such regulations to govern its business as it sees fit.

Borrowing Powers

- 15.1 Subject to article 15.2 the Board may exercise all the powers of Dairy UK to borrow money, and to mortgage or charge its undertaking and property or any part thereof, and to issue securities, whether outright or as security for any debt, liability or obligation of Dairy UK or of any third party.
- 15.2 The Board shall not borrow money, in exercise of the powers of Dairy UK, in excess of the sums fixed from time to time by Dairy UK in general meeting.

Expenditure

- 16.1 Any liability in respect of the expenditure of sums of money by Dairy UK (other than the approved monthly or other routine expenditure resulting from an annual budget approved by the Board) shall be subject as appropriate to the following authorisation:
- (a) Sums up to £5,000: the Director General or the Secretary.
 - (b) Sums between £5,000 and £50,000: the Director General or the Secretary

together with any one out of the Chairman, the Vice-Chairmen and the Honorary Treasurer.

- (c) Sums in excess of £50,000: the Board.

Notices

- 17.1 Subject as otherwise expressly provided in these articles and in particular article 7.1 a notice may be given by Dairy UK to any Full Member or Board member either personally or by first-class post to the registered address for the time being of such member (namely the address appearing in the register of Full Members or Board Members) or to such other address (being in Great Britain) as that party may from time to time have notified in writing for the purpose of this clause or sent by facsimile transmission or by email.
- 17.2 Communications shall be deemed to have been received:-
 - (a) if sent by first-class post, 48 hours after posting;
 - (b) if delivered by hand, on the day of delivery;
 - (c) if sent by facsimile transmission upon production by the transmitting machine of an error free transmission report provided a copy of the facsimile is posted by first-class post to the addressee within 24 hours of transmission by facsimile;
 - (d) if sent by email upon production by the transmitting party of an error free transmission report provided a copy of the email is posted by first-class post to the addressee within 24 hours of transmission by email.
- 17.3 In proving service:-
 - (a) by delivery by hand, it shall be necessary only to produce a sworn affidavit from the person delivering the communication by hand that the communication was delivered to the correct address;
 - (b) by post, it shall be necessary only to prove that the communication was contained in an envelope which was duly addressed and posted in accordance with Clause 17.1;
 - (c) by facsimile transmission it shall be necessary only to produce the error free

transmission report and evidence that a copy of the communication was sent in the post following the facsimile transmission;

- (d) by email transmission it shall be necessary only to produce the error free transmission report and evidence that a copy of the communication was sent in the post following the email transmission.

17.4 Notice of every general meeting shall be given in any manner hereinbefore authorised to:

- (a) every Full Member;
- (b) every Board member; and
- (c) the auditors for the time being of Dairy UK,

save that the accidental omission to give notice of a general meeting to, or the non-receipt of notice of a meeting by, the auditors shall not invalidate proceedings at that meeting.

No other person shall be entitled to receive notices of general meetings.

The Seal

18.1 The Board shall provide for the safe custody of the seal of Dairy UK, which shall only be used by the authority of the Board or of a committee of the Chairman and the Vice Chairmen or any two of them or otherwise specifically authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Board member and shall be countersigned by the Secretary or the Director General or by a second Board member or by some other person appointed by the Board for the purpose and every use of the Seal shall be recorded in a book kept for that purpose.

Secretary

19.1 Subject to section 10 (2) of the Act the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.

19.2 A provision of the Act or these articles requiring or authorising a thing to be done by

or to a Board member and the Secretary shall not be satisfied by its being done by or to the same person acting both as Board member and as, or in place of, the Secretary, but shall require the Secretary and any other Board member. In the absence of the Secretary the Board may appoint any person to act in his place.

- 19.3 Subject to the provisions of the Act and in the absence of the Secretary the Board may appoint any person to act in his place.

Designated Directors

- 20.1 The Board shall have power at any time and from time to time to give to any person employed by Dairy UK a designation including the word "director" and to remove or change such designation provided that any such designation also includes at least one other word describing or qualifying such a designation (for example: Director General, Finance Director, Commercial Director, Technical Director, Legal Director and so on).
- 20.2 Any designated director whom the Board from time to time shall have designated as "director general" shall be responsible to the Board for the staff employed by Dairy UK and shall have the power to engage, dismiss and manage such staff. The "director general" may, at the Board's discretion, be entitled "Chief Executive".
- 20.3 A designated director shall not while holding such position be eligible to be a director of Dairy UK within the meaning of the Act or a Board member within the meaning of these articles.

Accounts

- 21.1 The Board shall cause accounting records to be kept in accordance with section 221 of the Act.
- 21.2 The accounting records shall be kept at the registered office of Dairy UK, subject to section 222 of the Act, at such other place or places as the Board thinks fit, and shall always be open to inspection of Full Members and Board members.
- 21.3 The Board shall from time to time in accordance with Chapter I of part VII of the Act cause to be prepared and printed and to be laid before Dairy UK in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in that chapter.

- 21.4 A copy of every balance sheet (including every document required by law to be annexed thereto) which is laid before Dairy UK in general meeting, together with a copy of the auditors' report and Board's report, shall not less than twenty-one days before the date of the meeting be sent to every Full Member of Dairy UK.

Audit

- 22.1 Auditors shall be appointed and their duties regulated in accordance with sections 236 and 237 of the Act

Pension Trustees

- 23.1 Any pension trustee to be appointed by Dairy UK shall be appointed by it in General Meeting.

Indemnity

- 24.1 Subject to the provisions of the Act but without prejudice to any indemnity to which a Board member may otherwise be entitled, every Board member or other officer or employee of Dairy UK or if appropriate pension fund trustee shall be indemnified out of the assets of Dairy UK against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour (or in which the proceedings are otherwise disposed of without any finding or admission of any material negligence, default or breach of duty on his part) or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of Dairy UK.
- 24.2 Subject to the provisions of the Act, every Board member and other officer or employee of Dairy UK shall, without prejudice to any other indemnity to which he may be entitled, be indemnified by Dairy UK against all costs, losses, expenses and liabilities which any such Board member, officer or employee may sustain, incur or become liable to by reason of any contract entered into or act or deed done by any such Board member, officer or employee in discharge of his duties or otherwise on behalf of or at the request of Dairy UK.
- 24.3 Dairy UK will endeavour to arrange suitable insurance against any indemnity given

pursuant to article 24.1 or 24.2 above.

Winding Up

25.1 Dairy UK shall be wound up or dissolved on the resolution of members holding 75% or more of the total voting strength.

NAMES AND ADDRESSES OF SUBSCRIBERS

1. For and on behalf of **AMALGAMATED MASTER DAIRYMEN, LIMITED** whose registered office is at

by

Bradford and Bingley House
220 Hoe Street
London E17

M. Sale

Member of the Executive

Committee

2. For and on behalf of **CO-OPERATIVE MILK TRADE ASSOCIATION** whose principal office is at

by

New Century House
Manchester M60 4ES

PO Box 53

N. P Clark

Member of the Executive Committee

3. For and on behalf of **THE NATIONAL ASSOCIATION OF CREAMERY PROPRIETORS AND WHOLESALE DAIRYMEN** whose registered office is at

by

19 Cornwall Terrace
London NW1 4QP

C. J. Chamberlain

Member of the Executive Committee

4. For and on behalf of **THE NATIONAL DAIRYMEN'S ASSOCIATION (INCORPORATED)** whose registered office is at

by

19 Cornwall Terrace
London NW1 4QP

L Berry

Member of the Council

DATED: 20th November 1995

Witness to the above signatures :- W.R. Freeman