

AGRICULTURAL INDUSTRIES CONFEDERATION LIMITED

(“the Association”)

RULES OF THE ASSOCIATION

These Rules have been adopted by the directors of the Association in accordance with article 25 of the Association’s articles of association (the **Articles**).

Unless the context requires otherwise the definitions in the Articles shall apply to these Rules.

INTRODUCTION

1. Mission and Purpose

1.1. The name of the Association is Agricultural Industries Confederation Limited or AIC and is the principal trade association representing members in the Industry.

1.2. The Association is a professional Trade Association that represents all key sectors within the Industry.

1.3. The Association has the following mission statement:

“Working in support of modern sustainable commercial agriculture”.

2. Objectives

2.1. The objects for which the Company is established is to:

2.1.1.Promote awareness on issues affecting business operating within the agri-business sector;

2.1.2.Update members on all aspects relating to the operation of business within the agri-supply chain including relevant current and proposed legislation;

2.1.3.Further all aspects of research, education, advice and training;

2.1.4.Emphasise and promote awareness amongst members;

2.1.5.To serve the Industry and to protect the interests of its members by promoting the growth of the Industry and the reputation of the Industry;

2.1.6.To give an orderly fair and positive presentation of the Association’s views and experiences to Government departments and other devolved administrations, media and other bodies, and to provide a recognised channel for circulating information to members and others;

2.1.7.To encourage the interchange of knowledge among members on relevant subjects;

2.1.8.To promote and maintain good relations with other trade associations;

2.1.9.To carry on any other trade or business which may seem to the Association capable of being conveniently carried on in connection with the objects specified or considered directly or indirectly to enhance the value of or render profitable any of the property or rights of the Association;

3. Finance of the Association

3.1. The financial year of the Association shall be 1st February to 31st January but this may be changed by resolution of the Board.

3.2. The Members' subscription fee scale shall be set by the Board.

3.3. Members shall pay an annual subscription as approved by the Board.

MEMBERS

4. Membership

4.1. Members shall be appointed and may be removed by the Membership Panel in accordance with the provisions of the Articles and these Rules.

4.2. The Association shall only admit to Membership an individual or organisation who/which satisfies the membership criteria prescribed in article 18 of the Articles.

4.3. Any person wishing to become a Member of the Association shall complete and sign a written application form and apply to the Board for admission to membership providing all relevant information as requested. Such application, in the case of a partnership firm shall state the names of the partners and, in the case of a corporation may be made by any of its directors.

4.4. The election of any applicant shall be within the discretion of the Board as delegated to a Membership Panel.

4.5. Any applicant refused membership may by notice in writing require the Membership Panel to provide the applicant with reasons for its decision.

4.6. Any applicant refused membership may by notice in writing require the Board to review the decision of the Membership Panel. Within 60 days of receipt of the said notice, the Board shall, at its absolute discretion and by a majority of its number, ratify or overturn any decision of the Membership Panel to refuse membership.

4.7. The Board's decision following its review of any determination by the Membership Panel is final and the Board shall not be required to give reasons for its decision.

4.8. All newly elected Members shall immediately on election pay to the Association the entrance fee and annual subscription for the current year, and thereafter shall also pay such further annual subscriptions as are provided for in these Rules.

- 4.9. The Association may prescribe criteria for Membership of the Association but the Membership Panel shall not be obliged to accept persons fulfilling those criteria as Members.
- 4.10. The directors may establish such different categories of membership as they think fit including, without limitation, the following 'Major Sector' categories:
- 4.10.1. Feed Sector;
 - 4.10.2. Seeds Sector;
 - 4.10.3. Fertiliser Sector;
 - 4.10.4. Arable Marketing Sector; and
 - 4.10.5. Crop Protection Sector.
- 4.11. The directors may, at their discretion, impose different subscriptions and confer different benefits on different membership categories and may, at their discretion, alter such benefits and subscriptions at any time.
- 4.12. The directors may establish different classes of Members and set out the different rights and obligations for each class, with such rights and obligations recorded in the Register of Members.
- 4.13. A letter shall be sent to each successful applicant confirming their membership of the Association and the details of each successful applicant shall be entered into the Register of Members by the Association's Secretary.
- 4.14. Each Member shall be entitled to receiving ad hoc information and advice from the Association.
- 4.15. All Members shall have the rights ascribed to Members under the Articles.
- 4.16. Each Full Member shall be entitled to one (1) vote.

5. Subscriptions

- 5.1. All Members shall pay the annual membership subscription fee (plus VAT), as determined by the Board from time to time.
- 5.2. The Association's membership year runs from 1st February to 31st January in each year.
- 5.3. Each Member's subscription is based on the calculation generated in accordance with the Funding Principles.
- 5.4. It is each Member's personal responsibility to notify the Association of any changes to the membership or funding criteria. A failure to self-report could result in backdated subscription fees becoming applicable and/or expulsion from the Association.

- 5.5. Members joining the Association part way through a financial year are required to pay a full year subscription unless agreed otherwise by the Membership Panel acting on the instruction of the Association's Chief Executive.
- 5.6. Any Member taking over another Member shall remain liable for the subscription of the Member acquired for the current financial year which shall be non-cancellable and non-refundable.
- 5.7. The rights, privileges and obligations of the Members are laid down in the Rules and the directors may, in relation to the different classes of Members, dictate varying respective rights, privileges and obligations.
- 5.8. If any subscription or any other sum payable by the Member to the Association is not paid within 30 days of the invoice date and remains unpaid 14 clear days after notice served on the Member by the Association informing them that they will be removed from Membership if it is not paid.
- 5.9. The directors may re-admit to membership any person removed from membership on this ground on them paying such reasonable sum as the directors may determine.
- 5.10. The directors may, at their discretion, impose different subscriptions and confer different benefits on different membership categories and may, at their discretion, alter such benefits and subscriptions at any time.

6. Termination of Membership

- 6.1. Any member may terminate membership of the Association by serving no less than six (6) months' notice in writing to the Association.
- 6.2. Upon serving notice, all outstanding amounts due to the Association become immediately payable in full.
- 6.3. The Membership Panel may terminate the Membership of any Member without its or his consent by giving the Member written notice if the directors have resolved:
 - 6.3.1. the Member is guilty of conduct which has or is likely to have a serious adverse effect on the Association, is prejudicial to the interests of the Association or bring the Association or any or all of the Members and directors into disrepute;
 - 6.3.2. the Member has acted or has threatened to act in a manner which is contrary to the interests of the Association as a whole;
 - 6.3.3. the Member's continued membership is harmful or is likely to become harmful to the interests of the Association;
 - 6.3.4. being a body corporate, on the Member committing any act of insolvency, a resolution being passed for the Member to be wound up, making any arrangement or composition with the Member's creditors generally or having a receiver, administrator or administrator appointed;

- 6.3.5. being an individual, on a Member's death or a Member being adjudicated bankrupt or becoming of unsound mind;
 - 6.3.6. being an organisation, on a Member ceasing for whatever reason to exist (except arising from solvent reconstruction, or statute or other regulatory order); or
 - 6.3.7. the Member having failed to observe the terms of the Articles and/or these Rules.
- 6.4. Save for in relation to Rule 6.3.4, 6.3.5, 6.3.6 and 6.3.8 above, any decision of the Membership Panel shall not be final unless the Member has been given at least 14 clear days' notice that the matter is to be proposed, specifying circumstances alleged to justify expulsion and has been afforded a reasonable opportunity of being heard by or of making written representations to the Board.
- 6.5. The Membership Panel must consider any representations made by the Member and inform the Member of their decision following such consideration and Membership Panel decision.
- 6.6. There shall be no right to appeal from a decision of the Membership Panel to terminate the Membership of a Member.
- 6.7. A Member whose Membership is terminated for any reason shall not be entitled to a refund of any subscription or Membership fee and shall remain liable to pay to the Association any subscription or other sum owed by him.
- 6.8. Following such termination, the Member shall be removed from the Register of Members by the secretary.

DIRECTORS AND MEETINGS

7. Directors

- 7.1. The affairs of the Association shall be directed by a Board comprising the individuals prescribed in the Articles.
- 7.2. There shall be at least 8 members of the Board, which shall include the roles as set out in the Articles.

8. Board Meetings

- 8.1. Annually, the Board shall formally review the Association's financial budget, the annual subscription rates, the annual PR/Promotional plans and the performance of the Association against its strategic plans.
- 8.2. The agendas for Board meetings shall be circulated to the directors in advance.
- 8.3. A copy of the draft minutes of each Board meeting shall be made available to the Members within 2 weeks of the meeting. All proceedings shall be included within the copy minutes, except for minutes on matters identified by the Board as being necessarily confidential.

9. Committees

- 9.1. In accordance with the Articles the Board shall be entitled to delegate any of the powers conferred upon the directors to a committee or expert group and shall be entitled to constitute and dissolve as many committees or expert groups as are required for the proper running of the Association.
- 9.2. The Board shall agree the terms of reference/rules of procedure for all committees and expert groups constituted by the Board.
- 9.3. Notwithstanding the directors' rights to constitute and dissolve committees and expert groups as they see fit, as at the date of the adoption of these Rules, the following committees / executive groups shall be in existence:
 - 9.3.1. Feed Executive Committee / Group
 - 9.3.2. Seeds Executive Committee / Group;
 - 9.3.3. Fertilizer Executive Committee / Group;
 - 9.3.4. Crop Protection Executive Committee / Group;
 - 9.3.5. Arable Marketing Executive Committee / Group;
 - 9.3.6. Membership Panel;
 - 9.3.7. Strategy Advisory Group;
 - 9.3.8. Policy Forum; and
 - 9.3.9. Remuneration & Governance Committee.
- 9.4. The Chairperson of the Board shall have the right to attend any meeting of any committee or expert group but shall not be entitled to vote in respect of any decision of the committee or expert group.
- 9.5. No committee or expert group can overrule a decision of the Board.
- 9.6. The Chairperson of the Board shall not be entitled to be the chairperson or vice-chairperson of any Major Sector committee or expert group except for the Remuneration & Governance Committee and Strategy Group.
- 9.7. The Chairperson of the Major Sector Committees shall be nominated by such Committees subject to ratification by the Board. Such Chairperson shall retire annually, but shall be eligible for re-appointment, subject to a maximum Chair period of three (3) years (unless agreed otherwise by no less than 75% of the Committee members). If by reason of death or for any other reason the office of Chairperson of a Major Sector Committee shall become vacant, the relevant Major Sector

Committee may nominate a Chairperson for the Committee for ratification by the Board.

- 9.8. The Representatives of the Major Sectors shall be nominated by Sector Committees and elected at the Annual General Meeting of the Association. Such Representatives shall retire annually, but shall be eligible for re-election. If by reason of death or for any other reason the office of Representative of a Major Sector shall become vacant the relevant Sector Committee may nominate a Representative for that Sector who shall retire at the next Annual General Meeting, but shall be eligible for re-election.
- 9.9. Once in every year the Board shall appoint Standing Committees (including the Major Sector Committees). Such Standing Committees shall be appointed from amongst the Board or from representatives of Full Members of the Association who shall not already be Members of the Board, or from any other body approved by the Board for such sectors of the Industry or such purposes as the Board from time to time may determine. Any person may be appointed to act as a Member of more than one committee, and each of such committees shall have power to co-opt other Full Members of the Association. Each committee shall from time to time furnish to the Board reports of its meetings as and when the same are held explaining the nature of the business transacted thereat.

GOVERNANCE

10. Codes of Practice

- 10.1. Each Member agrees to observe and strictly comply (and agrees to ensure that its officers, employees and agents observe and strictly comply) with the Code of Practice for Members setting the standards of conduct for the members and advisors of the Association (as published and updated from time to time by the Association).
- 10.2. The Code of Practice (and amendments thereto) shall be approved by the Board with a copy of such Code published on the Association's website (or clear reference to where the relevant Code can be located) within 14 days of such approval.
- 10.3. Any Member's breach or failure to comply with the Code of Practice may invoke the Disciplinary Code of the Association and may result in suspension or removal from the Association of the offending Member.

11. Policies

- 11.1. All Members will comply with the Association's policies in force from time to time.
- 11.2. Policies (and all amendments) shall be approved by the Board, with a copy of such policy made available on the Member's area of the Association's website within 10 days of such approval.
- 11.3. Any Member's breach or failure to comply with any of the policies may invoke the Disciplinary Code of the Association and may result in suspension or removal from the Association of the offending Member.

GENERAL

12. Logo

- 12.1. The Association's logo is a registered trademark and may be used by all Members on business cards, advertising and letterheads (strictly in accordance with the published logo usage guidelines) whilst such Member is a member of the Association.
- 12.2. Only the business or trade names registered with the Association are eligible to use the logo or imply membership to the Association.

13. Insurance

It is a requirement of membership that each Member shall carry a sufficient level of insurance (including public liability insurance) which is appropriate to the size and nature of, and potential risks associated with, such Member's business.

14. Amendments to the Rules

These Rules may be amended by the Board.

15. Dispute Mediation

- 15.1. If any dispute arises in connection with these Rules, a director or other senior representatives of the parties with authority to settle the dispute will, within 14 days of a written request from one party to the other, meet in good faith in an effort to resolve the dispute.
- 15.2. If the dispute is not wholly resolved at that meeting, the parties will attempt to settle it by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties within 14 days of notice of the dispute, the mediator will be nominated by CEDR. To initiate mediation a party must give notice in writing ('ADR notice') to the other party(ies) to the dispute requesting mediation. A copy of the request should be sent to CEDR. Unless otherwise agreed, the mediation will start not later than 28 days after the date of the ADR notice.