

COMPANIES ACT 1948

COMPANY LIMITED BY GUARANTEE

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Articles of Association of

**THE BRITISH CHAROLAIS CATTLE SOCIETY  
LIMITED**

Company Number:731132

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**Lodders**  
Solicitors  
Stratford-upon-Avon

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THE COMPANIES ACT, 1948  
COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

-of -

THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED

(as amended by Special Resolutions passed on [DATE])

1. The name of the Company (hereinafter called "the Society") is THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED
2. The registered office of the Society will be situate in England.
3. The objects for which the Society is established are

(A) to encourage, promote and improve for the public benefit the breeding of Charolais cattle in the United Kingdom of Great Britain and Northern Ireland and the Republic of Ireland, or elsewhere, and with a view thereto if and so far as may be so thought fit, to purchase, import, breed, hire or otherwise acquire and hold, resell, let out on hire or otherwise deal in Charolais cattle whether of British or foreign origin.

And in furtherance of the above objects, but not further or otherwise the Society shall have the following powers -

- (B) To compile, keep, maintain, edit, issue and publish a Herd Book of recognised and pure-bred Charolais cattle and a register or registers supplementary thereto of other recognised and qualified cattle for breeding purposes.
- (C) To prepare and issue by way of sale or otherwise and on such terms or conditions as may be thought fit to members and others, certificates of entries made in the Society's Herd Book and supplementary registers and also records and statistics relating to Charolais cattle or other cattle based

on any records or statistics or other information obtained or compiled by the Society.

- (D) To promote, organise, manage and hold or participate in the promotion, organisation, management and holding of shows and auction and other sales of pedigree Charolais cattle and other cattle, and to arrange or assist in the management of classes of cattle at any such shows as aforesaid, and to provide, present, subscribe to or otherwise promote or aid and support the provision and augmentation of prizes to be awarded at any such shows as aforesaid and to recommend and appoint suitable persons to act as judges thereat, and also to pay or make contributions towards the payment of expenses incurred by all or any of the exhibitors in or about the exhibition of cattle at any such show as aforesaid which may be approved for this purpose by the Society.
- (E) To investigate, adjudicate upon, or otherwise determine or settle, cases of doubtful or suspected pedigrees of Charolais or other cattle and other disputes or questions relating to or connected with Charolais cattle or members of the Society.
- (F) To consider and promote or oppose legislation affecting the interests of cattle breeders.
- (G) To publish and issue as the official organ of the Society any journal, newspaper, or other periodical relating to cattle breeding.
- (H) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Society may think necessary or convenient for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Society.
- (I) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Society as may be thought expedient with a view to the promotion of its objects.

- (J) To undertake and execute any trusts which may lawfully be undertaken by the Society and may be conducive to its objects.
- (K) To borrow or raise money for the purposes of the Society on such terms and on such security as may be thought fit.
- (L) To invest the moneys of the Society not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (M) To establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Society or calculated to further its objects.
- (N) (1) To provide indemnity insurance to cover the liability of the directors:
  - (a) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust, or breach of duty of which they may be guilty in relation to the company;
  - (b) To make contributions to the assets of the company in accordance with the provisions of section 214 of the Insolvency Act 1986.
- (2) Any such insurance in the case of (1)(a) shall not extend to:
  - (a) Any liability resulting from conduct which the directors knew, or must be assumed to have known, was not in the best interests of the company, or where the directors did not care whether such

conduct was in the best interests of the company or not;

(b) any liability to pay the costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud or dishonesty or wilful or reckless misconduct of the directors;

(c) any liability to pay a fine.

(3) Any insurance in the case of (1)(b) shall not extend to any liability to make such a contribution where the basis of the director's liability is his knowledge prior to the insolvent liquidation of that company (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the company would avoid going into insolvent liquidation.

(0) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

Provided that:

(i) In case the Society shall take or hold any property which may be subject to any trusts, the Society shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

(ii) The Society shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others any regulation, restriction or condition which if an object of the Society would make it a Trade Union.

(iii) In case the Society shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales or Minister of Education, the Society shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Council of Management or

Governing Body of the Society shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such Council of Management or Governing Body have been if no incorporation had been effects, and the incorporation of the Society shall not diminish or impair any control or authority exercisable by the Chancery Division, the Charity Commissioners or the Minister of Education over such Council of Management or Governing Body, but they shall as regards any such property be subject jointly and separately to such control or authority as if the Society were not incorporated.

4. The income and property of the company shall be applied solely towards the promotion of the objects and no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the company, and no director shall be appointed to any office of the company paid by salary or fees, or receive any remuneration or other benefit in money, or money's worth from the company: Provide that nothing in this document shall prevent any payment in good faith by the company:
- (i) of reasonable and proper remuneration for any services rendered to the company by any member, officer or servant of the company who is not a director;
  - (ii) of interest on money lent by any member of the company or director at reasonable and proper rate per annum not exceeding 6 per cent;
  - (iii) of fees, remuneration or other benefit in money or money's worth to any company of which a director may also be a member holding not more than 1/100<sup>th</sup> part of the issued capital of that company;
  - (iv) of reasonable and proper rent for property demised and let by any member of the company or a director;

- (v) to any director of reasonable out-of-pocket expenses;
  - (vi) of any premium in respect of any indemnity insurance to cover the liability of the directors which, by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the company: Provided that any such insurance shall not extend to any claim arising from liability resulting from conduct which the directors knew, or must be assumed to have known, was not in the best interests of the company, or where the directors did not care whether such conduct was in the best interests of the company or not and provided also that any such insurance shall not extend to any claim arising from liability for the costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud or dishonesty or wilful or reckless misconduct of the directors;
  - (vii) of the cost of the company purchasing cattle at reasonable and proper prices from any member or director for use at any artificial insemination station;
  - (viii) of the cost of the gratuitous distribution among or sale at a discount to members, directors or any other persons of any records, statistics, periodicals, books or other publications, whether published by the company or otherwise, relating to any of its objects as set forth;
  - (ix) of the cost of any prize, medal or other recognition which may, under the regulations affecting the show, be awarded to any member or director who may be a successful exhibitor at any such show as is mentioned in clause 3(D);
  - (x) of all or any out-of-pocket expenses reasonably and properly incurred by any member or director in or about the exhibition of cattle at any show approved for this purpose by the company.
5. The liability of the members is limited.
6. Every member of the Society undertakes to contribute to the assets of the Society, in the event of the same being wound up while he is a

member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Society contracted before he ceases to be a member, and of 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 £1.

7. If upon the winding up or dissolution of the Society there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Society, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Society, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Society under or by virtue of Clause 4 hereof, such Institution or institutions to be determined by the members of the Society at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.

## Part 2

### GENERAL

1. In these Articles the words standing in the first column of the Table, next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

<u>Words</u>	<u>Meanings</u>
In writing	Written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form.
Month	Calendar month.
The Act	The Companies Act 2006.

The Companies Acts	Every statute from time to time in force concerning companies.
The Council	The Council of Management for the time being of the Society.
The Office	The registered office of the Society.
The Seal	The Common Seal of the Society.
These Articles	These Articles of Association, and the regulations of the Society from time to time in force.
The Society	The above named Company.
The United Kingdom	Great Britain and Northern Ireland.

And words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender; and

Words importing persons shall include corporations.

Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these Articles become binding on the Society shall, if not inconsistent with the subject or context, bear the same meanings in these Articles.

2. The number of members with which the Society proposes to be registered is unlimited.
3. The provisions of Section 113 of the Act shall be observed by the Society, and every member of the Society shall either sign a written consent to become a member or sign the register of the members on becoming a member.
4. The Society is established for the purposes expressed in Part 1 of these Articles.

MEMBERSHIP

5. The following persons shall be members of the Society namely:

(A) The subscribers to the Memorandum of Association on incorporation.

(B) Such other persons being breeders of pedigree or commercial cattle, farmers, persons concerned or interested in agriculture or cattle breeding or persons whom for any reason the Council consider suitable for membership and shall admit to membership in accordance with the provisions hereinafter contained.

6. Every application for membership shall be made in writing in such form as the Council shall from time to time prescribe or approve, and the admission to membership shall be at the discretion of the Council, who shall not be bound to give any reason for the rejection of an application.

7. (A) Any company incorporated under the Companies Acts or any body corporate may become a member of the Society and is hereinafter in these Articles from time to time referred to as "a corporate member".

(B) A corporate member shall not be eligible for election or appointment as a member of the Council notwithstanding anything hereinafter in these Articles contained, but this provision shall not prevent any director or other officer. or member of any corporate member who shall himself be a member of the Society from holding any such office as aforesaid in the Society.

(C) Subject to paragraph (B) of this Article 7 the expression "a member" in these Articles shall, where the context so admits include a corporate member as well as any other member of the Society for the time being.

(D) A corporate member shall be entitled at any time after being elected a member of the Society by notice in writing addressed to the Society and deposited at the Office to appoint any person to be its representative to attend and vote at meetings of the Society on its behalf and may at any time by notice in writing addressed to the Society and deposited at the Office

revoke any appointment so made, and (if so desired) by any such notice of revocation or by some other notice in writing addressed to the Society and deposited at the Office appoint some other person to be its representative for the purposes aforesaid. No corporate member shall be entitled to have more than one appointed representative hereunder for the time being and the deposit by any corporate member at the Office of any notice to the Society of the appointment of a representative hereunder shall ipso facto revoke the appointment made by any other notice previously so deposited by such corporate member. Subject as aforesaid every appointment made hereunder shall endure and have effect until the same shall be revoked or the representative thereby appointed shall die.

8. A member shall cease to be a member of the Society and his name shall be removed from the register of members accordingly:

- (A) if by notice in writing to the Society he resigns his membership; or
- (B) if any subscription or any fee payable by such member to the Society pursuant to these Articles shall remain unpaid for three months or more after the same shall become due and payable and the Council resolve that his membership be determined; or
- (C) if (being an individual person) he dies or (being a corporation or an un-incorporated body) it is wound up or dissolved; or
- (D) if he shall be expelled or ceases to be a member pursuant to Articles 39, 41, 42 or 43 hereof.

#### SUBSCRIPTIONS

9. Every member shall pay to the Society in advance such annual subscription (if any) as may from time to time on the recommendation of the Council be fixed by the Society in General Meeting and such subscription shall be due and payable on the 1st day of January in every year.

## GENERAL MEETINGS

10. The Society shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Council and shall specify the meeting as such in the notices calling it, provided that every Annual General Meeting except the first shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting, and that so long as the Society holds its first Annual General Meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.
11. All General Meetings, other than Annual Meetings, shall be called Extraordinary General Meetings.
12. The Council may whenever they think fit convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by Section 303 of the Act.
13. Twenty-one days' notice in writing at the least of every Annual General Meeting and of every meeting convened to pass a Special Resolution, and fourteen days' notice in writing at the least of every other General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the place, the day and the hour of meeting, and in the case of special business the general nature of that business, shall be given in manner hereinafter mentioned to such persons (including the Auditors) as are under these Articles or under the Act entitled to receive such notices from the Society; but with the consent of all the members having the right to attend and vote thereat, or of such proportion of them as is prescribed by the Act in the case of meetings other than Annual General Meetings, a meeting may be convened by such notice as those members may think fit.
14. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding had, at any meeting.

PROCEEDINGS AT GENERAL MEETINGS

15. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the income and expenditure account and balance sheet, and the reports of the Council and of the Auditors, the election of members of the Council in place of those retiring, and the appointment of, and the fixing of the remuneration of, the Auditors.
16. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided seven members personally present shall be a quorum.
17. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present the meeting, if convened on 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 at such other place as the Council may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.
18. The Chairman (if any) of the Council shall preside as Chairman at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, the members present shall choose some member of the Council, or if no such member be present, or if all the members of the Council present decline to take the chair, they shall choose some member of the Society who shall be present to preside.
19. 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 business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

20. 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 upon the declaration of the result of the show of hands, demanded by the Chairman or by at least three members present in person or by proxy, or by a member or members present in person or by proxy and representing one-tenth of the total voting rights of all the members having the right to vote at the meeting, and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Society shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn.
21. Subject to the provisions of Article 22, if a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner, as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
22. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.
23. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.
24. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

#### VOTES OF MEMBERS

25. Subject as hereinafter provided, every member shall have one vote.
26. Save as herein expressly provided, no member other than a member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Society in respect of his membership, shall be entitled to vote on any question either personally or by proxy, or as a proxy for another member, at any General Meeting.

27. Votes may be given on a poll either personally or by proxy. On a show of hands at a General Meeting every member (whether by one or more proxies) has one vote.
28. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if such appointer is a corporation under its common seal, if any, and, if none, then under the hand of some officer duly authorised in that behalf.
29. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
30. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
31. Any instrument appointing a proxy shall be in writing which:
- (A) states the name and address of the member appointing the proxy;
  - (B) identifies the person appointed to be the proxy and the general meeting in relation to which he is appointed;
  - (C) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Council may determine;
  - (D) is delivered to the Society in accordance with these Articles and any instructions contained in the notice of the meeting to which the notice relates.

The Society may require any proxy notices to be delivered in a particular form and may specify different forms for different purposes.

Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

Unless a proxy notice indicates otherwise, it must be treated as:

- (A) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the relevant general meeting; and
- (B) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as that general meeting itself.

COUNCIL OF MANAGEMENT

- 32. (A) The Council shall consist of 16 members who shall be elected to serve on the Council of Management as hereinafter provided.
- (B) (a) For the purposes of the election of Council members the United Kingdom shall be divided into the following five regions having the right to elect the number of regional Council members shown below:

<u>Region</u>	<u>Number of Members</u>
Scotland	3
Northern England	3
Southern England	3
Northern Ireland	2
Wales	2

- (b) In addition there will be three national members who will be elected by fully paid up members from the general membership.
- (c) The Council reserves the right to co-opt onto the Council of Management individuals as and when it is deemed necessary. No individual co-opted on to the Council shall have the power to vote.
- (d) The areas of the regions for Scotland, Wales and Northern Ireland shall be as existing at the date of adoption of this article.

Northern England shall consist of the area of England to the north of the southern county boundaries of Shropshire, West Midlands, Leicestershire and Lincolnshire and Southern England shall consist of the area of England to the south of that line.

- (C) A regional Council member may only be elected by the region in which is situated his address as recorded in the register of members.
- (D) A national Council member may be elected from the general membership.
- (E) The election of Council members shall be by postal ballot in accordance with the following procedure:-
  - (a) Council members shall be elected at Annual General Meetings as hereinafter described and elected to the Council for a period of three years whereby they shall retire from office at the Annual General Meeting held in their third year of service unless they are proposed for re-election in accordance with Article 32(E) (b) below.
  - (b) A retiring member of Council shall be eligible for re-election for a further period of three years if by a simple majority of the Council, the Council propose his re-election to the members except that no Council member shall serve more than two consecutive terms of three years in office on the Council and shall not be eligible for re-election until the expiry of the Annual General Meeting in the year following the expiry of such period of service.
  - (c) Only members whose addresses are recorded in the register of members as being within the region shall be entitled to propose, second or vote for a Council member elected by that region. National members can be proposed, seconded and be voted by members from within the full membership.
  - (d) A person nominated for election shall be duly proposed and seconded in writing by members or the Council in accordance with Article 32(E) (b) and such nomination shall be delivered to the Society not later than five

weeks before the date fixed for an Annual General Meeting.

- (e) The Society shall with the notice of the Annual General Meeting send to members voting papers setting out the names of the persons who have been duly nominated for election as Council members for the regional and national vacancies and such voting papers shall specify a period of not less than seven days before the day for such meeting within which completed voting papers will be received at the office of the Society. Any voting papers not received within such period shall be disallowed.
  - (f) The Chairman of the Council shall at the Annual General Meeting declare the names of the Council members duly elected.
  - (g) In the event of an equality of votes for a Council member the decision shall be by lot in accordance with such procedure as may be determined by the Council.
  - (h) If the number of persons nominated as Council members for any regional or national vacancy does not exceed the number of vacancies the persons so nominated shall be duly declared elected without the need for a postal ballot and the members of the Society eligible to vote for such members shall be notified accordingly.
- (F) The Council may from time to time prescribe alter and repeal byelaws and other regulations (not being inconsistent with these Articles) for the management administration and conduct of the business and procedure at meetings of regions and for the proper conduct of the election of Council members.
33. The Council may at any time appoint any member of the Society eligible for election as a Council member to fill a casual vacancy for a regional or national vacancy provided that such member so appointed shall retain his office only until the next Annual General Meeting but he shall then be eligible for re-election.
34. No period in office by a member appointed to fill a casual vacancy in accordance with article 33 shall count towards his term in office if he is subsequently elected as a Council member pursuant to Article 32(E) (a) and (b).

35. No person who is a member of the Society shall in any circumstances be eligible to hold office as a member of the Council if that member:

(a) is a Director or the holder of any other office or employment in any other Company, Society or organisation established for the promotion of any beef or any dual purpose breed cattle other than British Pedigree Charolais cattle.

(b) is not either personally the owner of British Pedigree Charolais cattle or partner in a partnership firm or shareholder or director of a company which firm or company is the owner of British Pedigree Charolais cattle.

#### POWERS OF THE COUNCIL

36. The business of the Society shall be managed by the Council who may pay all such expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Society as they think fit, and may exercise all such powers of the Society, and do on behalf of the Society all such acts as may be exercised and done by the Society, and as are not by statute or by these Articles required to be exercised or done by the Society in General Meeting, subject nevertheless to any regulations of these Articles, to the provisions of the statutes for the time being in force and affecting the Society and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Society in General Meeting, but no regulation made by the Society in General Meeting shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.

37. The members for the time being of the Council may act notwithstanding any vacancy in their body; provided always that in case the members of the Council shall at any time be or be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as the Council for the purpose of admitting persons to membership of the Society, filling up vacancies in their body, or of summoning a General Meeting, but not for any other purpose.

38. Without prejudice to the generality of the powers of the Council under Article 37 hereof it is hereby declared that the Council shall have the powers to do all or any of the following things namely:

- (A) Make, alter and rescind bye-laws for the management of the affairs of the Society, in so far as they do not conflict with the Articles or amount to or involve such an alteration or addition to these Articles as could only lawfully be made by Special Resolution
- (B) Fix the dates and places for holding sales by auction, and appoint auctioneers for the same (when so desired) and make and publish rules for use at sales of cattle by auction and (when so desired) settle or determine by arbitrators or experts whether or not being members of the Council appointed by the Council for this purpose or otherwise disputes arising between members or others out of or in respect of any sales or alleged sales of cattle (whether by auction or otherwise) or in any other way concerning cattle.
- (C) Fix the exact date and place for holding the Annual General Meeting of the Society.
- (D) Issue and edit the Herd Book and any register supplementary thereto and deal with and control any matters arising from the Herd Book or any supplementary register from entries therein actual or tendered, and settle all disputes between members and in respect thereof.

39. The Council may from time to time as they shall think expedient for the internal management and well-being of the Society make regulations for the imposition on members of the Society of reasonable fines not exceeding £5,000 for any breach of these Articles or of any byelaws of the Society. Any member who has incurred a fine under this or the next four succeeding Articles shall be notified thereof by the Secretary and requested to pay the same forthwith and in default of his paying the same within one month from the date of such notice he shall cease to be a member of the Society. All regulations made by the Council under this Article shall be binding upon the members

of the Society until set aside by a resolution of the Society in General Meeting.

DISCIPLINARY PROCEDURES

40.

- (A) The Council shall appoint a standing complaints and disciplinary investigation committee (the "Complaints and Disciplinary Investigation Committee") composed of one Council member and not less than three nor more than four members of the Society, who shall not be members of the Council at any time that they are members of the Complaints and Disciplinary Investigation Committee. Members of the Complaints and Disciplinary Investigation Committee shall be appointed on an annual basis. One member of the Complaints and Disciplinary Investigation Committee shall be appointed as its chairman and a quorum for any meeting of the Complaints and Disciplinary Investigation Committee shall be three members.
- (B) The terms of reference of the Complaints and Disciplinary Investigation Committee shall be to receive complaints or allegations or other matters brought to their attention considered by the Discloser to warrant further investigation regarding the conduct of members and/or any irregularities (the "Disciplinary Matters"), to investigate such Disciplinary Matters, to make findings in relation thereto and to report such findings to the Council and if thought fit, to make recommendations to the Council on what penalties should be imposed on the member or members concerned.
- (C) The Complaints and Disciplinary Investigation Committee shall decide whether there is a case to answer in respect of any particular Disciplinary Matter and whether an investigation should be carried out. In the case of Disciplinary Matters received from individual members, the chairman of the Complaints and Disciplinary Investigation Committee shall immediately inform the secretary of the Society that such a complaint has been made.
- (D) The Complaints and Disciplinary Investigation Committee shall have powers to co-opt further members onto the Complaints and Disciplinary Investigation Committee who have special expertise to assist them with any particular investigation and such co-opted

members shall be regarded as advisors only to the Complaints and Disciplinary Investigation Committee for the purpose of the particular Disciplinary Matter which they have been co-opted onto the Complaints and Disciplinary Investigation Committee to investigate but shall have no power to vote in relation to the Disciplinary Matter.

- (E) Co-opted members of the Complaints and Disciplinary Investigation Committee need not be members of the Society and shall not be members of the Council. If they are engaged in a professional capacity the chairman of the Complaints and Disciplinary Investigation Committee and the secretary of the Society shall have power to agree such fees and expenses to be paid to them as may be necessary in consultation with the appropriate professional associations.
- (F) If any member of the Complaints and Disciplinary Investigation Committee has a personal or business relationship or any other conflict of interest with the member who is the subject of an investigation that member of the Complaints and Disciplinary Investigation Committee shall stand down and the Complaints and Disciplinary Investigation Committee shall have the power to replace with another member to take up the vacancy thereby created for that particular investigation.
- (G) The Complaints and Disciplinary Investigation Committee shall when it considers it appropriate, appoint any person to act as clerk to the committee for each meeting or hearing and to assist the committee in the preparation of its reports to the Council.
- (H) Before any formal hearing of the evidence of a Disciplinary Matter by the Complaints and Disciplinary Investigation Committee takes place, the Complaints and Disciplinary Investigation Committee shall give the person against whom the Disciplinary Matter has been made reasonable notice of the date, time and place of the hearing and shall send him a written statement setting out full details of the Disciplinary Matter against him. Any person appearing before the Complaints and Disciplinary Investigation Committee shall be entitled to be accompanied (but for the avoidance of doubt this shall not include a legal representative) and/or appear in person to call oral evidence. If he decides not to attend, a written statement may be sent by him to the Complaints and Disciplinary Investigation Committee setting out

his answers to the allegations which have been made against him and the matter may be dealt with in his absence, or otherwise as the Complaints and Disciplinary Investigation Committee may decide. If he decides not to attend, a written statement may be sent by him to the Complaints and Disciplinary Investigation Committee setting out his answers to the Disciplinary Matters which have been made against him.

(I) Subject to the above provisions, the Complaints and Disciplinary Investigation Committee may adopt such procedures and admit such evidence as it thinks fit provided that the person against whom the Disciplinary Matters are made has a proper opportunity of answering them, and making such other representations to the Complaints and Disciplinary Investigation Committee as he shall reasonably request.

(J) The Complaints and Disciplinary Investigation Committee may, on finding that a Disciplinary Matter made against a member has been proved in whole or in part, make such recommendation to the Council in relation to such matter as it shall consider appropriate, including but without limitation:-

- (a) Expulsion of the member from membership of the Society.
- (b) Suspension of the member from membership of the Society for a period.
- (c) Suspension of the member for a period from entering cattle for Society shows and sale and taking part in other Society sponsored activities.
- (d) Suspension of the pedigree of the member's cattle.
- (e) Cancellations of registrations of the member in the Herd Book, or temporary de-registration of his cattle for a period, or disqualification of his cattle from any Society show event or activity for an unlimited period.
- (f) The payment of a fine.
- (g) A censure.
- (h) Removal of the member from any committees or other Society judging panels for such period it considers appropriate.

(K) The Council shall receive a report from the Complaints and Disciplinary Investigation Committee into its investigation into

any Disciplinary Matter against a member and shall note the Complaints and Disciplinary Investigation Committee's findings and consider any recommendations as to what penalties, if any, should be imposed on the member concerned. The member who is the subject of such report shall be given copies of the report and reasonable notice of the Council meeting at which such report is to be considered. He shall have the opportunity to attend such meeting (without legal representation), and to make any pleas in mitigation. In the event that the Council considers that new evidence is available which is appropriate and should be considered, the Council shall refer the matter back to the Complaints and Disciplinary Investigation Committee for such purpose who shall consider such evidence but no new evidence may be admitted at the Council meeting which considers the report of any Complaints and Disciplinary Investigation Committee into the complaint against the member. The Council shall not be bound, in any way by the Complaints and Disciplinary Investigation Committee's recommendations on penalties, or findings but shall be required to give reasons for any different penalty to that recommended which it decides to impose on a member or in the event of it rejecting any finding.

- (L) The Complaints and Disciplinary Investigation Committee's findings and/or the penalty imposed by the Council on him in relation to such findings shall be final and binding.

41.

- (A) Any Disciplinary Matter may be referred to the Complaints and Disciplinary Investigation Committee either by the Council, the chairman of the Council, the vice-chairman of the Council or the secretary of the Council ("Discloser").
- (B) Such Disciplinary Matters must relate to serious allegations of breaches of the bye laws or of the regulations comprising these Articles, which the secretary has declined to deal with in the ordinary course of carrying out his duties, or any other alleged conduct of a member which is considered in the opinion of the Discloser to give rise to serious queries, suspicions or irregularities or any actions which they consider could be derogatory to the character or prejudicial to the interests and reputation of the Society.

42. If a Council member or a member of any other committee of the Society is the subject of any Disciplinary Matter being investigated pursuant to Article 40, he shall not attend any Council meetings or Committee meetings until the matter has been concluded in accordance with Article 40. This Article 42 is not intended to be a disciplinary penalty and does not imply that any decision has already been made in respect of the Disciplinary Matter.
43. If any member is charged with furnishing false or inaccurate particulars with reference to the pedigree or identity of any animal, or to the entry of any animal in the Herd Book or any register supplementary thereto, or to the notification of the birth of any animal, or the performance of any animal, or to the exhibition, sale or transfer of any animal, the Council shall examine into the subject of the charge, and if the Council be of the opinion that such member has been guilty of misrepresentation or gross carelessness in furnishing or keeping such particulars, then in such case, the Council may, by vote of two-thirds of the members of the Council present at any Council meeting of and at which such member has been given reasonable notice and a reasonable opportunity of attending and being heard in his defence, expel such offending member from the Society, and/or suspend him from membership for such period as the Council may determine, and/or censure such member and/or impose upon him such fine, not exceeding £5,000 as the Council may determine.
44. The Council may in their absolute discretion without giving any reasons for their action by a vote of two-thirds of the members of the Council present at any Council meeting of and which the member in question has been given reasonable notice and a reasonable opportunity of attending and being heard in his defence, expel any member from the Society whose conduct shall appear to be derogatory to the character or prejudicial to the interests of the Society, and/or may suspend such member from membership of the Society, and/or censure or fine such member in the same manner as provided by Article 43.
45. If at any time there shall be inserted in the Herd Book or any supplementary register thereto any animal belonging to a member or members jointly with any other person or persons who shall not be a member or members of the Society either as partnership

property or otherwise, then so long as such entry and joint ownership shall continue such member or members shall at all times be responsible to the Society for the acts and conduct of such last-mentioned person or persons, and if any such person or persons shall do or omit to do any act or thing which in the opinion of the Council if done by the said member would have made him or them liable to investigation under the disciplinary procedures for the Society as set out in these Articles then the said member or members shall submit to such procedures as if such acts or conduct by any such person or persons had been his or their acts and conduct.

46. In case any member of the Society shall be expelled from or suspended from membership of the Society or censured or fined under any of the said Articles 43, 44 or 45, hereof, a written notice of such event shall forthwith be sent by the Secretary of the Society to such member by registered post addressed to such member at his last known place of abode or business in the United Kingdom. A notice of the said event with or without particulars of the alleged offence and the name and address of the member concerned may, at the discretion of the Council, also be published in the Society's Journal, and (in addition or alternatively) be communicated to every member of the Society by a private letter addressed to every such member respectively. The Society by its Secretary or other officer of the Society authorised by the Council so to do may also send a further notice of the said event and of the name and address of the member concerned, with or without particulars of the alleged offence, to such other societies and sections of the public as the Council may determine.

47. If a member shall be expelled from the Society or suspended from membership he shall thereafter be ipso facto disqualified from election or appointment to any office of or in connection with the Society and any such office held by him at the date of such expulsion or suspension shall also be ipso facto vacated.

48. If a member shall be censured or fined by the Council under any of the provisions of these Articles he shall not, unless and until the Council in their absolute discretion otherwise determine, be eligible for election or appointment to any office of or in connection with the Society, and any such office held by him at the date of such censure or imposition of a fine

shall, unless the Council in their absolute discretion otherwise determine, immediately be vacated. The foregoing provisions of this Article shall not apply in the case of a member who is censured or fined by the Council for any offence under any of the byelaws of the Society which the Council shall by such byelaws or otherwise determine and classify to be a petty offence.

49. If it shall be reported to the Council by or on behalf of some other Society or Association that a member has been found guilty by such other Society or Association for an offence for which he could be expelled, suspended, censured or fined by the Council if such offence had been within the jurisdiction of the Council, he shall not, after having been given by the Council an opportunity of being heard, and unless the Council in their absolute discretion otherwise determine be eligible for election or appointment to any office of or in connection with the Society and any such office held by him at the time shall, after such member has been given by the Council an opportunity of being heard and unless the Council in their absolute discretion otherwise determine, be vacated.

50. If the conduct of a member of the Society or of any person or persons for whose conduct such member is for the time being responsible to the Society under Article 44 is the subject of investigation by the Council under these Articles or the byelaws of the Society for the time being such member shall not, pending the conclusion of such investigation, be entitled to resign his membership of the Society unless and until such resignation is first accepted by the Council and the Council may in any such case without assigning any reason refuse to accept such resignation.

51. It shall be the duty of every member of the Society to give information in writing to the Council without delay of every case of alleged misrepresentation or inaccuracy in the particulars furnished by any member or other person with reference to the pedigree or identity of any animal or the entry of any animal in the Herd Book, or in the notification of the birth of any animal, or in the exhibition, sale or transfer of any animal, which shall come to his knowledge, and to assist the Council by every means in his power to investigate every such case.

52. The Society shall not be in any way liable or responsible for any errors or omissions contained in any records or other statistics or information relating to any cattle which may at any time be obtained by the Society from recording associations or bodies or persons, and no member shall make or have any claim against the Society for any damages he may suffer through any such error or omission as aforesaid or through any publication or communication to any other person or persons or other use made by the Society of the records or statistics or information containing such errors or omissions, unless and except only if and in so far as any such claim may arise from any publication or use wilfully made by the Society of any such records or statistics or information as aforesaid after the member in question shall have given to the Society express notice in writing of the errors or omissions alleged by him to be contained therein, and also shall have identified and proved every such error or omission to the reasonable satisfaction of the Council.

#### SECRETARY

53. The secretary shall be appointed by the Council for such time, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them. The provisions of Sections 274 and 280 of the Act shall apply and be observed. The Council may from time to time by resolution appoint an Assistant or Deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting.

#### THE SEAL

54. The seal of the Society shall not be affixed to any instrument except by the authority of a resolution of the Council, and in the presence of at least two members of the Council and of the Secretary, and the said members and the Secretary shall sign every instrument to which the seal shall be so affixed in their presence and in favour of any purchaser or person bona fide dealing with the Society such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

DISQUALIFICATION OF MEMBERS OF THE COUNCIL

55. The office of a member of the Council shall be vacated:

- (A) If a receiving order is made against him or he makes any arrangement or composition with his creditors.
- (B) If he becomes of unsound mind.
- (C) If he ceases to be a member of the Society.
- (D) If by notice in writing to the Society he resigns his office.
- (E) Commits any serious or repeated breach or non-observance of these Articles or any rules, regulations or bye-laws of the Society.
- (F) Is convicted of any criminal offence (other than an offence under any road traffic legislation in the United Kingdom or elsewhere for which a fine or non-custodial penalty is imposed).
- (G) If he is disqualified as acting as a director.
- (H) If he is removed from office by a resolution duly passed pursuant to Section 168 of the Act.

56. The Society may from time to time in General Meeting increase or reduce the number of members of the Council, and determine in what rotation such increased or reduced number shall go out of office, and may make the appointments necessary for effecting any such increase.

57. In addition and without prejudice to the provisions of Section 168 of the Act, the Society may by Extraordinary Resolution remove any member of the Council before the expiration of his period of office, and may by an ordinary resolution appoint another qualified member in his stead; but any person so appointed shall retain his office so long only as the member in whose place he is appointed would have held the same if he had not been removed.

PROCEEDINGS OF THE COUNCIL

58. The Council may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined three shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
59. A member of the Council may, and on the request of a member of the Council the Secretary shall, at any time, summon a meeting of the Council by notice served upon the several members of the Council. A member of the Council who is absent from the United Kingdom shall not be entitled to notice of a meeting.
60. The Council shall from time to time elect one of their number as Chairman and one of their number as Vice-Chairman and may determine for what period each is to hold office; the Chairman or failing him the Vice-Chairman shall be entitled to preside at all meetings of the Council at which he shall be present, but if no such Chairman or Vice-Chairman be elected, or if at any meeting the Chairman and Vice-Chairman be not present within five minutes after the time appointed for holding the meeting and willing to preside the members of the Council present shall choose one of their number to be Chairman of the meeting.
61. A meeting of the Council at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Society for the time being vested in the Council generally.
62. The Council may delegate any of their powers to committees consisting of such member or members of the Council as they think fit, and any committee so formed shall, in exercise of the powers so delegated conform to any regulations imposed on it by the Council. The meetings and proceedings of any such committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Council so far as applicable and so far as the same shall not be superseded by any regulations made by the Council.

63. All acts bona fide done by any meeting of the Council or of any committee of the Council, or by any person acting as a member of the Council shall notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such member 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 or had duly continued in office and was qualified to be a member of the Council.
64. The Council shall cause proper minutes to be made of all appointments of officers made by the Council and of the proceedings of all meetings of the Society and of the Council and of committees of the Council, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
65. A resolution in writing signed by all the members for the time being of the Council or of any committee of the Council who are entitled to receive notice of a meeting of the Council or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Council or of such committee duly convened and constituted.

#### ACCOUNTS

66. The Council shall cause proper books of account to be kept with respect to:
- (A) all sums of money received and expended by the Society and the matters in respect of which such receipts and expenditure take place.
  - (B) all sales and purchases of goods by the Society; and
  - (C) the assets and liabilities of the Society.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of affairs of the Society and to explain its transactions.

67. The books of account shall be kept at the Office or, subject to the provisions of the Act, at such other place or places as the Council shall think fit, and shall always be open to the inspection of the members of the Council.
68. The Council shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Society or any of them shall be open to the inspection of members not being members of the Council, and no member (not being a member of the Council) shall have any right of inspection any account or book or document of the Society except as conferred by statutor or authorised by the Council or by the Society in General Meeting.
69. At the Annual General Meeting in every year the Council shall lay before the Society a proper income and expenditure account for the period since the last preceding account (or in the case of the first account since the incorporation of the Society) made up to a date not more than four months before such meeting, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Council and the Auditors, and copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting, subject nevertheless to the provisions of the Act, be sent to the Auditors and to all other persons entitled to receive notices of General Meetings in the matter in which notices are hereinafter directed to be served. The Auditors' report shall be open to inspection and be read for the meeting as required by the Act.

## AUDIT

70. Once at least in every year the accounts of the Society shall be examined and the correctness of the income and expenditure accounts and balance sheet ascertained by one or more properly qualified Auditor and Auditors.
71. Auditors shall be appointed and their duties regulated in accordance with the Act, the members of the Council being treated as the Directors mentioned in those sections.

## NOTICES

72. A notice may be served by the Society upon any member, either personally or by sending it through the post in a prepaid letter, addressed to such member at his registered address as appearing in the register of members.
73. Any member described in the register of members by an address not within the United Kingdom, who shall from time to time give to the Society an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address, but, save as aforesaid and as provided by the Act, only those members who are described in the register of members by an address within the United Kingdom shall be entitled to receive notices from the Society.
74. Any notice if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.