

**The Companies Act 2006**  
**COMPANY LIMITED BY GUARANTEE**

Articles of Association  
of  
**THE AUTOMATIC VENDING ASSOCIATION**

Incorporated on 02 August 1994

**Company No. 2954612**

**Revised June 2023**

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**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**  
**of**  
**THE AUTOMATIC VENDING ASSOCIATION**  
**T/A AVA: THE VENDING & AUTOMATED RETAIL ASSOCIATION**

**1. DEFINITIONS AND INTERPRETATION**

1.1. In these articles, unless the context requires otherwise:

<b>Act</b>	means the Companies Act 2006.
<b>articles</b>	means the Company's articles of association.
<b>AVA Quality Standards</b>	means the quality standards for setting, monitoring and maintaining quantifiable standards of service by Full Members as prescribed by the board from time to time.
<b>bankruptcy</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy.
<b>board</b>	means the board of Directors of the Company as set out in article 3.
<b>chair</b>	has the meaning given in article 13.1
<b>chair of the meeting</b>	has the meaning given in article 38.3
<b>change of control</b>	when a person who controls a body corporate (either by means of holding of shares, or the possession of voting power) ceases to do so or if another person acquires such control.
<b>close associate</b>	means a person, firm or company which, by reason of common ownership and/or use of a similar name, logo or trading style and/or common management or trading premises, is, in the opinion of the board, perceived to be closely associated with a Member.

<b>code of conduct</b>	means the code of required conduct for Full Members as prescribed by the board from time to time and approved by Full Members in a General Meeting.
<b>Companies Act</b>	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company.
<b>Company</b>	means the Automatic Vending Association, incorporated in England and Wales with company number 02954612 as a private company limited by guarantee without a share capital.
<b>co-opted board member</b>	shall have the meaning set out in article 19.
<b>Director</b>	means a director of the Company and includes any person occupying the position of board member director, by whatever name called.
<b>document</b>	includes, unless otherwise specified, any document sent or supplied in electronic form.
<b>electronic form</b>	has the meaning given in section 1168 of the Companies Act 2006.
<b>Eligible Business Entity</b>	as defined in the AVA Quality Standards from time to time.
<b>eligible representative</b>	means (in the case of a corporate Member) a director or employee of, or consultant to, that company or (in the case of a Member being a firm) a partner in, employee of, or consultant to, that firm.
<b>Member</b>	has the meaning given in section 112 of the Companies Act 2006 and being a Full Member, Affiliate Member, Introductory Member, or Honorary Member.
<b>Model Articles</b>	means the model articles for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 ( <i>SI 2008/3229</i> );
<b>ordinary resolution</b>	has the meaning given in section 282 of the Act.
<b>participate</b>	in relation to a directors' meeting, has the meaning given in article 11.
<b>special resolution</b>	has the meaning given in section 283 of the Act.
<b>subscription</b>	as defined in article 35.1
<b>subsidiary</b>	has the meaning given in section 1159 of the Act.

**UK**

means the United Kingdom howsoever constated from time to time and, at the time of adoption of these Articles, including England, Norther Ireland, Scotland and Wales.

**Vending Industry / Industries**

means any or all of the following activities undertaken in the United Kingdom or Ireland:

- i. the manufacture, exportation, distribution and importation of Vending Machines or related equipment and accessories, including machines for the refrigeration and dispensation of water and other liquid refreshment systems;
- ii. the manufacture or sale of consumables and commodities for use in Vending Machines;
- iii. the operation and maintenance of Vending Machines;
- iv. the sale, hire, lease, installation, maintenance or servicing of Vending Machines;
- v. the manufacture, installation or sale of component parts or accessories associated with Vending Machines;
- vi. the manufacture, import, export, distribution or maintenance of payment systems, currency counting, and/or sorting equipment as well as Vending Machine management solutions;
- vii. the business areas where Vending Machines may be placed such as but not limited to offices, factories, hotels, restaurants, catering, schools and hospitals; and
- viii. the use and development of support services which aid the day to day function of the Vending Industry.

**Vending Machine**

means a device aimed for the self-service sale or provision of goods and/or services that can be operated through free vend operation or by entering a coin, a bank note, a token, a chip or other card/key or by other command plus devices utilised for the self-service of hot drinks in the workplace with or without a payment system, but specifically excluding entertainment, gaming and gambling machines

**writing**

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise but excludes SMS and MMS text messages, social media messages or any other form of instant messaging.

- 1.2. 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 the Company.
- 1.3. Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4. A reference in these Articles to an **article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5. Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
  - 1.6. any subordinate legislation from time to time made under it; and
  - 1.7. any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.8. Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.9. The Model Articles shall not apply to the Company.

**2. OBJECTIVES OF THE COMPANY**

- 2.1. The objects of the Company are to:
  - (a) represent the Vending and Automated Retailing Industries within the UK in all matters of UK legislation which might affect the design, production, export, import, sale, maintenance or operation of Vending Machines and associated equipment, the production, packaging, labelling and supply of goods and foodstuffs intended to be sold from Vending Machines and in matters concerning coins and bank notes or other monetary alternatives in circulation or being designed in the UK;
  - (b) centralise and circulate information about any subject regarding the Vending Industry to the Members;
  - (c) promote the exchange of information and experience between Members and to create and apply high and consistent standards for Members;
  - (d) promote and represent the UK Vending Industry in the UK, Europe and the rest of the world.

## **DIRECTORS**

### **3. THE BOARD OF DIRECTORS**

3.1. Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than four and shall not be more than nine.

3.2. The board shall consist of at least:

- (a) one director being a Full Operator Member or an eligible representative of a Full Operator Member;
- (b) one Director being a Machine and Component Member or an eligible representative of a Machine and Component Member;
- (c) one Director being a Full Commodities Member or an eligible representative of a Full Commodities Member; and
- (d) the Chief Executive of the Company as appointed from time to time.

3.3. In the event that a Director leaves office meaning that the board no longer meets the requirements of article 3.2 the remaining board members shall not be prevented from conducting any other business but shall be required to immediately implement procedures for identifying and appointing a replacement Director to fulfil the requirements of article 3.2.

3.4. The ideal structure of the board is:

- (a) Four Full Operator Members;
- (b) Two Full Machines & Components Members;
- (c) Two Full Commodities Members; and
- (d) The Chief Executive

but the Company shall not be obliged to maintain such ratios and a board composition that varies in its ratios from those in this articles 3.4 shall not invalidate, prevent or restrict any business conducted by the board.

### **4. DIRECTORS' GENERAL AUTHORITY**

Subject to the articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### **5. MEMBER'S RESERVE POWER**

The members may, by special resolution, direct the Directors to take, or refrain from taking, specified action but no such special resolution invalidates anything which the Directors have done before the passing of the resolution.

### **6. DIRECTORS MAY DELEGATE**

6.1. Subject to the articles, the Directors may delegate any of the powers which are conferred on them under the articles:

- (a) to such person or committee;



- (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;
- as they think fit.

6.2. If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

6.3. The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **7. COMMITTEES**

7.1. Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by Directors. The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **8. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

8.1. The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with article 9.

### **9. UNANIMOUS DECISIONS**

9.1. A decision of the Directors is taken in accordance with this article when all eligible Directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing. References in this article to 'eligible Directors' are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting. A decision may not be taken in accordance with this article if the eligible Directors would not have formed a quorum at such a meeting.

### **10. CALLING A DIRECTORS' MEETING**

10.1. Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice. Notice of any Directors' meeting must indicate: its proposed date and time;

- (b) where it is to take place; and
- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

10.3. Notice of a Directors' meeting must be given to each Director but need not be in writing.

- 10.4. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **11. PARTICIPATION IN DIRECTORS' MEETINGS**

- 11.1. Subject to the articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with the articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.3. In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 11.4. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **12. QUORUM OF DIRECTORS' MEETINGS**

- 12.1. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2. The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than four, and unless otherwise fixed it is four.
- 12.3. If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- (a) to appoint further Directors, or
  - (b) to call a general meeting so as to enable the members to appoint further Directors.

## **13. CHAIRING OF DIRECTORS' MEETINGS**

- 13.1. The Directors may themselves appoint a Director to chair their meetings.
- 13.2. The person so appointed for the time being is known as the chair.
- 13.3. The Directors may terminate the chair's appointment at any time.
- 13.4. If the chair is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

## **14. CASTING VOTE**

- 14.1. If the numbers of votes for and against a proposal are equal, the chair or other Director chairing the meeting has a casting vote.
- 14.2. But this does not apply if, in accordance with the articles, the chair or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## **15. CONFLICTS OF INTEREST**

- 15.1. If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 15.2. But if paragraph 15.3 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 15.3. This paragraph applies when:
- (a) the Company, by ordinary resolution, disapplies the provision of the articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
  - (b) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) the Director's conflict of interest arises from a permitted cause.
- 15.4. For the purposes of this article, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- 15.5. For the purposes of this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- 15.6. Subject to paragraph 15.7, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any Director other than the chair is to be final and conclusive.
- 15.7. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## **16. RECORDS OF DECISIONS TO BE KEPT**

The Directors must ensure that the Company keeps a record, in writing, for at least seven years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

**17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**

Subject to the articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

**APPOINTMENT OF DIRECTORS**

**18. METHODS OF APPOINTING DIRECTORS**

18.1. Subject to article 3, any person who is a Full Member or the eligible representative of a Full Member (but no more than one eligible representative from the same Full Member) and is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director.

18.2. A Director shall be appointed by either

- (a) an ordinary resolution of the Members; or
- (b) by a decision of the Directors in accordance with article 19.

**19. CO-OPTED BOARD MEMBERS**

19.1. In the event of a unfilled vacancy occurring in the membership of the board, subject to articles 3 and 18.1, the board shall have the power to appoint additional Directors (**co-opted Directors**).

19.2. Co-opted Directors shall serve as Directors until their appointment shall be approved of the Members, either at the next General Meeting or by written resolution.

19.3. On which approval of appointment a co-opted Director shall continue as a Director and shall cease to be a co-opted Director.

19.4. In the event that the Members do not pass a resolution to approve the appointment of a co-opted Director (whether at a General Meeting or by failing to pass a written resolution) then the board shall terminate the co-opted Directors appointment and the co-opted Director shall cease to be a Director.

19.5. The board shall not at any time include more than three co-opted Directors.

**20. TERMINATION OF DIRECTOR'S APPOINTMENT**

20.1. A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (e) they cease to be a Full Member or eligible representative of a Full Member; or
- (f) being a Full Member or an eligible representative of a Full Member, that Full Member fails to pay their annual subscription within 180 days of it becoming due unless agreed otherwise by the board.

## **21. DIRECTORS' TERM OF OFFICE**

- 21.1. Each Director, other than the Chief Executive, may serve for two years before seeking re-election to their post;
- 21.2. No Director, other than the Chief Executive, may serve for more than two terms in succession such that no Director shall serve for more than four continuous years.
- 21.3. At the end of a second term the Director must stand down and cannot seek re-election for a period of not less than 12 months.
- 21.4. Time served by a Director as a co-opted Director shall not be considered in relation to articles 21.1 and 21.2 but the board shall not appoint a co-opted Director in breach of article 21.2 or 21.3.

## **22. DIRECTORS' REMUNERATION**

Directors are not to be remunerated for the services which they provide to the Company.

## **23. DIRECTORS' EXPENSES**

- 23.1. The Company may pay any reasonable expenses as agreed by the board in line with the Directors' Expenses Policy from time to time (as set by the board), which the Directors properly incur in connection with their attendance at:
- (a) meetings of Directors or committees of directors;
  - (b) general meetings; or
  - (c) otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## **MEMBERSHIP**

### **24. TYPES OF MEMBERSHIP**

- 24.1. The Company shall have the following classes of Members:
- (a) Full Members
  - (b) Honorary Members
  - (c) Affiliate Member
  - (d) Introductory Members

### **25. GUARANTEE OF MEMBERS**

- 25.1. The liability of each Member (irrespective of class of membership) is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while they are a Member or within one year after they cease to be a Member, for:
- (a) payment of the Company's debts and liabilities contracted before they cease to be a member;
  - (b) payment of the costs, charges and expenses of winding up; and
  - (c) adjustment of the rights of the contributories among themselves.

## **26. FULL MEMBERS**

26.1. Full Members must be persons, firms or companies:

- (a) based in the UK; and/or
- (b) based in countries of the European Union which have conducted an Eligible Business Entity for a continuous period of at least 12 months;

and whose core business activity is, or who have a core substantial business division which is, engaged in the Vending Industry.

26.2. Full Members shall be classed as either:

- (a) a **Full Operator Member** being a Full Member engaged or concerned with the operation of Vending Machines whether for the sale of commodities or services, other than on a self-operated location;
- (b) a **Full Commodities Member** being a Full Member engaged or concerned with the manufacture, distribution or sale of consumables and commodities for use in Vending Machines; or
- (c) a **Full Machines & Components Member** being a Full Member engaged or concerned with the manufacture, distribution, rental, hire or sale of Vending Machines and/or the manufacture, installation, distribution or sale of component parts or accessories associated with Vending Machines.

26.3. A Full Member shall not be classed in more than one category of Full Members and, if they would qualify to be classed in more than one class of Full Members, shall elect in writing in which class they are to be categorised.

26.4. Full Members shall be entitled to one vote per member and shall have such other privileges, rights and obligations as the board may prescribe by the board.

26.5. Companies that are subsidiary companies or associated companies of an existing Full Member or in common ownership of a Full Member are also eligible for Full Membership provided that they comply with the provisions in article 30.1.

26.6. A Member who is a Full Member purely by way of the provisions in 26.5 shall have such voting rights and privileges, rights and obligations as shall be determined by the board from time to time in its absolute discretion.

## **27. HONORARY MEMBERS**

27.1. Honorary Members shall be individual persons, having retired from the Vending Industry, who in the opinion of the board have rendered distinguished service to the Vending Industry and/or the Company.

27.2. Honorary Members shall have no voting rights or right to attend General Meetings unless invited by the board, but shall have such privileges, rights and obligations as shall be determined by the board from time to time.

27.3. Honorary Members shall not be required to guarantee the liabilities of the Company.

## **28. AFFILIATE MEMBERS**

- 28.1. Affiliate Members shall be such associations, bodies, persons, firms, or companies based in the UK and/or based in countries of the European Union which have conducted an Eligible Business Entity for a continuous period of at least 12 months and are considered by the board as having interest in the activities of the Company and of the Vending Industry but who are not eligible to be a Full Member.
- 28.2. Affiliate Members shall be approved by the board in its absolute discretion.
- 28.3. Affiliate Members shall have no voting rights or right to attend General Meetings unless invited by the board, but shall have such privileges, rights and obligations as shall be determined by the board from time to time.
- 28.4. Affiliate Members shall not be required to guarantee the liabilities of the Company.

## **29. INTRODUCTORY MEMBERS**

- 29.1. A person able to evidence to the reasonable satisfaction of the board on application that they have an annual turnover of less than £500,000 and unable to meet the conditions of membership for a Full Member may apply to become an Introductory Member.
- 29.2. Introductory Members shall use all reasonable commercial endeavours to meet the conditions of Full Membership (as set out in article 31.2) within 24 months of becoming an Introductory Member.
- 29.3. Introductory Members shall commit to being a Member for not less than 24 months unless terminated in accordance with article 32.
- 29.4. At any time an Introductory Member may apply to become a Full Member if it meets the conditions of article 31.2.
- 29.5. On conclusion of the 24 month period as an Introductory Member, an Introductory Member shall either:
- (a) apply to be a Full Member; or
  - (b) cease to be a Member.
- 29.6. Introductory Members shall be entitled to one vote per member and shall have such other privileges, rights and obligations as the board may prescribe by the board.
- 29.7. Unless otherwise determined by the board, no person may apply to be an Introductory Member more than once in any five year period.

## **BECOMING AND CEASING TO BE A MEMBER**

### **30. APPLICATION FOR MEMBERSHIP**

- 30.1. Applications to become a Member must be completed using an application for membership in a form approved by the Directors for such purpose from time to time and stating the type of membership being applied for (an **Application**).
- 30.2. Only one Application shall be made per person in any 12 month period.
- 30.3. On receipt of an Application by the Company it shall be distributed to the board and to all Full Members.

- 30.4. Full Members and Directors shall have a period of not less than 30 days from the date of the Company's receipt of the Application to state, to the board, any objections that they have to the applicant being granted membership.
- 30.5. On receipt of any objections the board shall consider such objections and, if appropriate, investigate such objections, including asking questions, if appropriate, of the applicant and report back to the Full Members on the outcome of such investigation.
- 30.6. The board shall be empowered to reject as well as to accept an Application having considered the information made available to it.
- 30.7. In the event of a rejection:
- (a) written reasons for the rejection shall be provided upon request to the applicant;
  - (b) the applicant shall be notified of his right to appeal under the Regulations prescribed pursuant to article 34;
  - (c) the applicant shall be notified as to whether or not an application by the applicant to another type of membership would be accepted by the board; and

### **31. CONDITIONS OF MEMBERSHIP**

- 31.1. No person shall become a Member (of any type) unless:
- (a) the relevant Subscription is paid; and
  - (b) the Directors and all members have approved the application after a one month period to state any objections.
- 31.2. In addition to those conditions set at 31.1, no person shall become a Full Member unless:
- (a) that person has been an Eligible Business Entity for at least 12 months;
  - (b) that person can demonstrate, to the reasonable satisfaction of the board, that it meets the requirements of the AVA Quality Standards;
- 31.3. that person can demonstrate, to the reasonable satisfaction of the board, that they comply, and will continue to comply, with the Code of Conduct.

### **32. TERMINATION OF MEMBERSHIP**

- 32.1. Membership is for a minimum 24 month term (the **Minimum Term**).
- 32.2. A Member may withdraw from membership of the Company after the Minimum Term by giving not less than 12 months written notice to the Company.
- 32.3. If a Member terminates or purports to terminate its membership during the Minimum Term then its subscriptions shall remain due and payable to the Company as if it remained a Member for the full Minimum Term.
- 32.4. If, after the Minimum Term, a Member withdraws from membership between 1 Jan and 30 June inclusive, then membership subscription payment is due until 31 December of that year.
- 32.5. If a member withdraws from membership between 1 July and 31 December inclusive, then membership subscription payment is due until 30 June of the following year.



- 32.6. Withdrawing Members must also ensure that their Subscription is paid up along with any other contributions due under these articles or the Code of Conduct for the period to the end of the notice period.
- 32.7. Once a Member ceases to be a Member any future Application shall be treated as a new Application.
- 32.8. Membership is not transferable, except for in the case of reconstruction or amalgamation of corporate members complete with notification to the Company in writing and with the prior written consent of the board.
- 32.9. A person's membership terminates automatically when:
- (a) if the Member is an individual, that Member dies or, in the reasonable opinion of the board, has lost mental capacity to conduct an eligible business;
  - (b) as a company, firm or partnership, it ceases to exist;
  - (c) if the Member is an individual, they are declared bankrupt or any arrangement or composition is made with his creditors;
  - (d) if there is a change of control of a corporate Member;
  - (e) if a company, firm or partnership is insolvent or any proceedings are commenced as to as to its potential administration or liquidation;
  - (f) if any member fails to pay the Subscription within 3 calendar months of it becoming due; or
  - (g) is expelled in accordance with article 33.

### **33. EXPULSION OF MEMBERS**

- 33.1. A Member can be expelled on written notice by the board if that Member.
- (a) is guilty of any conduct which, in the opinion of the board, brings that Member, the Company or any other Members into disrepute;
  - (b) is guilty of any conduct which, in the opinion of the board, represents conduct unbecoming for a Member of the Company;
  - (c) fails to observe any of the provisions of the AVA Quality Standards or the Code of Conduct or the articles of the Company and non-observance continues after a written warning from the board;
  - (d) is a Close Associate of a person, firm or company which is also engaged in the Vending Industry and which (whether or not himself/itself a Member) is guilty of such conduct as in this article 33.1; or
  - (e) has an Eligible Representative who is a Director of the Company and such Eligible Representative has acted in such manner as may give rise to an actual or potential conflict of interest between the relevant Member and the Company.
- 33.2. On an expulsion in accordance with article 33.1 the Member shall remain liable to pay all outstanding subscriptions, contributions and fees as under these articles or the code of conduct and shall immediately remove all reference to the membership of the Company as well as the Company's

intellectual property from their communications, correspondence, email, website, vehicles and other marketing or trading materials.

#### **34. APPEAL COMMITTEES**

- 34.1. At any meeting, the board shall be empowered to appoint one or more Appeal Committees to hear appeals on decisions of the board for which express rights of appeal are provided under the provisions of these articles of association or the Code of Conduct for the time being.
- 34.2. The board shall make regulations to prescribe the procedures to be followed in relation to any such appeal. In hearing and determining an appeal, an Appeal Committee for this purpose shall exclude any Directors who have previously considered and voted upon the decision the subject of the appeal. The decision of any Appeal Committee shall be final and binding on all relevant Members and there shall be no further right of appeal.

#### **35. SUBSCRIPTIONS AND CONTRIBUTIONS**

- 35.1. Each Member shall pay a subscription to the Company in respect of its membership, such subscriptions to be set by the board from time to time (**Subscription**).
- 35.2. Subscriptions are payable on an annual basis on each 1st January by each Member and as adjusted in line with article 35.3 as to the Contribution.
- 35.3. Each Member shall contribute to the expenses, costs, working capital, or towards any special purposes or projects of the Company in accordance with its objectives in article 2 and as determined and approved by the board (**Contribution**).
- 35.4. The sum and frequency of such Subscriptions and Contributions shall be determined from time to time by the board but shall be based on the level per Member based on its annual business turnover derived from its total trading activities within the Vending Industry based on its last financial year and calculated net of Excise Duty and VAT and as determined by the board in its sole discretion.
- 35.5. Members must submit their Vending Industry turnover each year as requested in the Annual Turnover Declaration.
- 35.6. Members who are unable to state their Vending Industry turnover will have that turnover estimated by the board by comparing the Member to at least two other Members of similar size and currently available market data.
- 35.7. Any Contribution shall be applied to the specific project for which it was raised and, if not used in full, will be paid into a reserve account to be used for the next expense, cost, project or purpose of the Company as determined by the board or towards the Company's working capital.
- 35.8. Contributions made by members will not be refunded.
- 35.9. Any Member acquiring another Member shall be liable to pay the full Subscription of the year in which the acquisition has taken place. Thereafter the Subscription will be based on the turnover of the acquirer Member and the group Subscription rate payable as determined by the board.

## **ORGANISATION OF GENERAL MEETINGS**

### **36. QUORUM FOR GENERAL MEETINGS**

- 36.1. No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 36.2. The quorum of a general meeting of Members shall be not less than a number representing 10% of the Members.

### **37. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 37.1. A General Meeting shall be held not less than once in any 12 month period.
- 37.2. No less than twenty-one days' notice of the date of a General Meeting will be communicated to each Member to his last notified postal or email address.
- 37.3. A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 37.4. Any Member entitled to vote is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 37.5. The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 37.6. In determining attendance at a general meeting, it is immaterial whether any members attending it are in the same place as each other.
- 37.7. A person shall be considered as attending a general meeting, whether physically together at the meeting or otherwise, if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **38. CHAIRING GENERAL MEETINGS**

- 38.1. If the Directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.
- 38.2. If the Directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- (a) the Directors present, or
  - (b) (if no Directors are present), the meeting, must appoint a Director or Member to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
- 38.3. The person chairing a meeting in accordance with this article is referred to as "**the chair of the meeting**".

### **39. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

- 39.1. Directors may attend and speak at general meetings.
- 39.2. The chair of the meeting may permit other persons who are not Members to attend and speak at a general meeting.

### **40. ADJOURNMENT**

- 40.1. If within half an hour of the time at which the meeting was due to start the persons attending a general meeting do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.
- 40.2. The chair of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 40.3. The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 40.4. When adjourning a general meeting, the chair of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 40.5. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain
- 40.6. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

### **VOTING AT GENERAL MEETINGS**

#### **41. VOTING: GENERAL**

- 41.1. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.
- 41.2. No Member shall be entitled to vote, irrespective of Membership, if monies are owned by them in accordance with these articles.

## **42. ERRORS AND DISPUTES**

- 42.1. No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 42.2. Any such objection must be referred to the chair of the meeting, whose decision is final.

## **43. AMENDMENTS TO RESOLUTIONS**

- 43.1. An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 43.2. A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 43.3. If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution

## **ADMINISTRATIVE ARRANGEMENTS**

### **44. MEANS OF COMMUNICATION TO BE USED**

- 44.1. Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 44.2. Subject to the articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 44.3. A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

### **45. COMPANY SEALS**

- 45.1. Any common seal may only be used by the authority of the Directors.
- 45.2. The Directors may decide by what means and in what form any common seal is to be used.

45.3. Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

45.4. For the purposes of this article, an authorised person is:

- (a) any Director of the Company;
- (b) the Company secretary (if any); or
- (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

#### **46. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

#### **47. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

#### **48. COMPANY SECRETARY**

The company may have a company secretary appointed by the board from time to time.

#### **49. AUDIT**

- 49.1. If required by the Act or otherwise the Directors shall appoint Auditors with their duties regulated in accordance with the Act.
- 49.2. If not required to appoint Auditors then the Company shall appoint suitable accountants to prepare annual reports on the financial performance of the Company for the information of the Directors.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **50. INDEMNITY**

- 50.1. Subject to 50.2 a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:
  - (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
  - (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act);

- (c) any other liability incurred by that Director as an officer of the Company or an associated company.
- 50.2. This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 50.3. In this article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a “relevant Director” means any Director or former Director of the Company or an associated company.

## **51. INSURANCE**

- 51.1. The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.
- 51.2. In this article:
- (a) a “relevant Director” means any Director or former Director of the Company or an associated company;
  - (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company, and
  - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.