PET FOOD INDUSTRY
ASSOCIATION OF SOUTHERN AFRICA

Version: 2016.v2

PFI code: Ordinary Member

1. DEFINITION OF ORDINARY MEMBER

1.1. An Ordinary Member of the PFI shall be the individual firm or company directly engaged in the manufacture (either itself or through a third party) or distribution of pet foods whose Brands are directly owned or distributed by it, but, shall not include those persons whose primary business is to put up such pet food to the general public for resale (retailing).

1.2. Ordinary Members shall have voting rights. Ordinary Members shall only be permitted to exercise their voting rights at an AGM or General Meeting if they can show that they are of good standing, which includes being current with the payment of fees and supply of statistics to the PFI Association and are up to date with the submission of documents required for the tri-annual renewal of Membership. Any waiver of voting rights will be at the discretion of the Directors and will be notified in writing prior to a meeting.

1.3. Ordinary Members shall subscribe to the PFI's memorandum of Association and Articles.

1.4. Ordinary Members shall subscribe to the PFI Vision, Mission, and objectives; as well as, uphold and apply the PFI Codes of Practice as applicable to current Membership.

1.5. Ordinary Members are required to participate in the operation of this Company and in particular are obliged to take part in the Annual General Meeting either by attending or submitting your proxy.

1.6. Ordinary Members are encouraged to use the Company Logo (Member of the PFI) on as much of Company advertising, documentation and packaging as is possible.

1.7. Persons wishing to apply for Ordinary Membership of the PFI should apply to the Directors in such manner and on such application form with required documentation attached as the Directors prescribe.

1.8. The PFI Directors reserve the right to accept or reject any application for Membership as per the requirements of this Code and the Articles of Association of the PFI Section 21 Company.

2. APPLICATION TO BE AN ORDINARY MEMBER

2.1. Applications must be in writing and supplied as the original document including completion of the PFI prescribed application form available from the Office of the PFI.

2.2. All individual and company or firm details must be included as required on the prescribed application form.

2.3. All supporting documentation (copies, where appropriate) to the application that are called for by the PFI subsequent to submission of the application form will be attached to the prescribed application form by the PFI Office.

2.4. Applicants must be in possession of an independent GMP Audit Certificate or Approval as an Export Facility, or a recognised Retailer Audit Checklist for supplying the Grocery Trade that is current for the year of application as a Member.

OR

2.5. Applicants must be in possession of at least one if not two Act 36 Audit Reports proving inspection by Act 36, the latest being current for the year of application as a Member.

2.6. The PFI Executive Director and/or his approved representative will visit all new Member applicants in South Africa to ensure that the application and certifications is representative of the Company's operations and facilities.

3. **SUPPORTING DOCUMENTATION** (To be supplied as requested by the PFI Office after the application for Membership is acknowledged) – Ordinary Member:
   3.1. A copy of the Certificate of Incorporation/Registration of the Company, Closed Corporation, or Trust must be supplied. If the business is not one of these categories then proof of registration or operation (e.g. registration with SARS) must be submitted.
   3.2. Include a blank copy of the business's official letterhead paper.
   3.3. A list of the Pet Foods manufactured/distributed/marketed by the business for which the business is the registration holder including the following:
      3.3.1. Proof of registration of the pet food/s in terms of Act 36 that is current for the year of application.
      3.3.2. A copy of the affidavit supplied to the Registrar Act 36/1947 attesting to the nutritional adequacy of the pet food/s.
      3.3.3. Proof of annual renewal of the registration of the pet food/s on the three year cycle. The registration/s must be current.
   3.4. A copy of the independent GMP Audit Certificate or Export Approval or Retail Audit Checklist.

      OR

   3.5. A copy of the most current two Act 36 proof of inspection Audits Reports, if available.
   3.6. If the applicant wishes to use the PFI logo on their packaging they must include a formal written request to do so with the documentation submitted.

4. PET FOOD QUALITY STANDARDS TO BE AN ORDINARY MEMBER
   4.1. Pet Foods produced by the member must if required by their category be registered under Act 36 of 1947.
   4.2. Pet Foods produced by the member must at all times meet the nutritional adequacy standards as detailed in the Regulations and Guidelines to Act 36 of 1947 where these are applicable to the member's class of food produced or distributed.
   4.3. Should the member's pet food need to be registered under Act 36 of 1947, the member must always be able to show that all registrations are current and that registration renewals have taken place by September 30 of each year.
   4.4. Should the member's pet food not require registration under Act 36, the member must always be able to show that the food is formulated and manufactured at all times to internationally accepted standards for nutritional delivery to the class of pet to which the pet food is meant to be fed.

5. PET FOOD MANUFACTURING STANDARDS TO BE AN ORDINARY MEMBER
   5.1. All local Southern African member's manufacturing facilities must meet the necessary standard with respect to layout, design and equipment to qualify as manufacturing operations for the category of pet food produced.
   5.2. The member's manufacturing facility or establishment must have a GMP (Good Manufacturing Practice) procedure in place that equals or is equivalent to the PFI Codes requirement and to the Act 36 Regulations on GMP so that on inspection against a Checklist for establishments the establishment will be assessed as passed.

5.3. Quality Assurance Records and procedures must be such that the nutritional delivery in accordance with the Guidelines under Act 36 or if not required to be registered under internationally accepted standards is shown to be achieved at all times.
5.4. Proof of the existence of a traceability and recall procedure needs to be able to be shown.

6. PET FOOD LABELING & PACKAGING STANDARDS TO BE AN ORDINARY MEMBER

6.1. All registered pet foods and pet foods not requiring registration will be packaged in packaging types according to accepted industry norms.
6.2. Registered pet food labeling will be in accordance with the procedures set out in the Guidelines to Act 36 and will also be in accordance with the standards set by the Advertising Standards Authority of South Africa (ASA) that includes an Industry Code for the pet food industry.
6.3. Pet food not requiring registration under Act 36 will not violate the standards as detailed by the ASA and the pet food Industry Code contained within the ASA standards where these are applicable to the member's pet food.

7. PET FOOD ADVERTISING STANDARDS TO BE AN ORDINARY MEMBER

7.1. No advertising in any medium will be technically false or misleading for registered product as assessed by the Registrar Act 36.
7.2. All advertising whether the pet food is registered or not required to be registered will not be non-compliant to the standards of the ASA and pet food Industry Code.

8. FEES

8.1. Ordinary Members will be required to pay fees, which are used to administer the PFI, allow the PFI to perform its duties in representing the industry, and, promote the PFI within the Pet Food Industry and amongst consumers. These Fees will be set at each Annual General Meeting (AGM) in accordance with the need to balance the budgetary requirements. Fees will be based on the annual sales turnover of the Ordinary Member's business for the preceding calendar year.
8.2. New Ordinary Members will join for one calendar year free of fees, then pay the lowest fee category for Ordinary members in the second year of acceptance as a member of the PFI
8.3. The NEW Ordinary Member will pay the fee applicable to the respective sales turnover determined at its first AGM, following collection by the PFI of a year's sales turnover statistics from the Ordinary Member (Third year of Membership).

9. PFI INDUSTRY STATISTICS

9.1. All PFI Members who qualify as Ordinary Members will CONFIDENTIALLY supply their monthly sales turnover and sales volumes to the nominated collection body as appointed by the PFI Directors. This is a mandatory requirement of membership.
9.2. These PFI Statistics will be supplied in the format as agreed, from time to time, at a PFI General Meeting.
9.3. The PFI Statistics will be supplied timeously on a monthly basis in accordance with the annual submission schedule prepared by the PFI.
9.4. This information per individual Company member will be kept confidential and only collated information for the Industry will be released where appropriate.

10. TRI-ANNUAL MEMBERSHIP RENEWAL

10.1. The PFI Office will include all Members on a Schedule for Tri-Annual Membership Renewal.

10.2. Membership will be renewed each year subject to:

10.2.1. The respective Fees for the past years having been paid(no arrears, unless current)

10.2.2. Company data statistics having been submitted regularly and are up to date

10.2.3. Product Registration renewals on a three year cycle with Act 36 have been renewed and proof thereof able to be supplied to the PFI Office.

10.2.4. A copy of the current years Independent GMP Audit or Export Approval or Retailer Audit Checklist of the Manufacturing Facility is supplied to the PFI Office.

OR

10.2.5. A copy of the Act 36 Inspection Audit Report of the Manufacturing Facility for the last two period's current for the year are supplied to the PFI Office.

10.3. The PFI Executive or authorised and approved representative will visit all Members from time to time to verify the documentation as per Act 36 Regulation included in the PFI Code of Membership and standards. These Standards must be at least up to the PFI Codes of Practice which includes GMP.

11. TOLL MANUFACTURE

11.1. All relevant points under 3. and/or 10. above applicable directly on the relevant Member such as fee payment, product registration and renewal need to be adhered to, plus as follows in 7.

11.2. Where a Member does not have his own Manufacturing Facilities but contracts this out, it will be necessary for this process, detailed under point 3. and/or 10. to be followed as close as possible.

11.3. Toll Manufacture Facilities = Member of the PFI: As with Act 36 requirement, the Member will need to advise the PFI of who this is, plus physical address. On the PFI visit to the Facility of this PFI Member the Checklist will be marked so as to verify this toll manufacture.

11.4. Toll Manufacture Facilities = NON- Member: Where a PFI Member chooses to use a Non-Member of the PFI to manufacture his product then the same will apply to this Manufacturer with respect to advising Act 36 and the PFI Office of who this is and were the operation is situated, physical address and contact details. Also the Independent GMP Audit or Export Certification or Retailer Checklist and/or Act 36 Inspection Report needs to be obtained by the PFI Member and submitted to the PFI Office in support of the Membership. Arrangements need to be made such that the PFI Executive or authorised representative may visit this facility, when deemed necessary, similar to Members facilities, with the PFI Member in order to confirm the process.

12. IMPORTERS

12.1. All relevant points under 3. and/or 10. above applicable directly on the relevant Member such as fee payment, product registration and renewal need to be adhered to, plus as follows in 12.

12.2. Where the PFI Member is an importer of the product put up for sale, then he needs to tri- annually supply the PFI Office on the same Schedule basis, copy as proof of the permit for import and a Manufacturing GMP approval for the export from the country of manufacture or proof of a local (where the factory is situated) GMP Audit obtained from the Manufacturing Plant.

12.3. As with South African Manufacturers, the PFI Executive and/or an authorised representative shall make a call on the local South African facilities of the Company from time to time.

13. CHANGE OF OWNERSHIP OF THE MEMBERS COMPANY

13.1. Should the Member Company change ownership, through sale of the company, this needs to be advised to the PFI(as is a requirement of Act 36) at the earliest possible time, including any change in manufacturing address and contact details

13.2. It will be necessary that the PFI confirms membership of the PFI with the new owners

14. CHANGE OF ADDRESS OF FACTORY OF MANUFACTURE

14.1. Should the Member obtain new Manufacturing premises or move Toll Manufacture to a new Manufacturer then he is obliged to advise the PFI of this change (As is required also by Act 36) and supply the new address and contact details

15. MEMBERSHIP AFFIDAVIT

15.1. Final Membership will require that the Member signs a Membership Affidavit accepting the above process and supply of documentation.

15.2. An Affidavit will need to be signed each tri-annual period by an Authorised Signatory of the Company confirmed by a Commissioner of Oath verifying the authenticity of the documents supplied to the PFI Office.

15.3. Any Ordinary Member who fails to participate in the Company operation, perform as detailed above, and does not participate in the AGM through attendance or use of a Proxy is likely to be evaluated by the Board of Directors who may take what action on the Members membership as deemed necessary until such time as the Member shows himself to be a Member of good standing. An example of such action would be to withhold the right to display the PFI Logo.