

PROPRIETARY ASSOCIATION OF GREAT BRITAIN



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Application for Membership

December 2011



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The Proprietary Association of Great Britain is a non-profit making company whose purpose is to promote co-operation between companies who market branded non-prescription medicines¹, food supplements or registered herbal medicines in the United Kingdom and protect the interests of those engaged in the Industry.

PAGB is a company limited by guarantee. Its policy making body is its Board of Directors, which consists of representatives of 16 of the companies within membership elected by all the membership on a yearly basis. The Board may appoint a President, two Vice-Presidents and a Treasurer. The Board is empowered to do all that is necessary to ensure the Association operates properly within the terms of the Articles of Association and competition law.

Matters which may have a major impact on all PAGB members may be referred to a General Meeting of the Association at which every member present shall have one vote.

PAGB Mission is defined as:

- Developing the long term interest of PAGB members through the expansion of the self-medication market through innovation and acceptance of self-care as the starting point for healthcare.
- Development of a fair and positive regulatory environment.
- The continuation and expansion of self- regulation.
- Ensuring a fair regulatory environment which allows all consumer healthcare products to compete as far as possible on the same basis as other consumer goods.
- Protecting the OTC and food supplement industry from negative publicity and issues.
- Enhancing the image and reputation of the OTC and food supplement industry.

Members



Members of PAGB

The Directors may only admit as members companies who market branded non-prescription medicines, food supplements or registered herbal medicines in the United Kingdom support the mission of the Association and agree to comply with the Association's Codes of Practice and Articles of Association

Associate Members of PAGB

Companies who are not eligible to be members of the association may apply to be associate members. The criteria for associate membership are defined by the PAGB Board. Criteria are set out in Appendix 1

¹ In the case of non prescription medicines and herbal medicinal products "market" is defined as holding a marketing authorisation.



Codes of Practice

PAGB is empowered to formulate, and promote self-regulatory codes of practice which promote the development of accurate, responsible and meaningful information about products within the scope of membership; It is a condition of membership that members comply with these Codes and Guidelines.

Applications for Membership

All applications for membership of the Association shall be forwarded to the Secretary of the Association, duly signed by the applicant. All such applications shall comply with the conditions of any bye-laws or other regulations prescribed by the PAGB Board relating to the proposal or election of members which may be in force, and in particular every applicant shall agree to be bound by such code of standards as may be laid down from time to time by the PAGB Board.

Form of Application for membership

All applications for full membership of PAGB shall be referred to the Membership Committee in order to consider the application against the criteria set out in the Articles of Association of PAGB and make a suitable recommendation to the PAGB Board.

If required by the Membership Committee, applications shall be accompanied by a specimen of each relevant product advertised or offered for sale by the applicant, together with:

- a. a statement of the composition, and the claims made for the products in such form as the Membership Committee in each particular case may require;
- b. representative specimens of advertising used for the products;
- c. evidence that the applicant markets branded non-prescription medicines, food supplements or registered herbal medicines in the United Kingdom
- d. A description of the company and key contact details.

In order to preserve confidentiality the Membership Committee may accept a report from the Secretary in relation to items a and b above which confirms that relevant material has been screened by the Director of Legal and Regulatory Affairs for compliance with PAGB codes of practice.

Codes of Practice



- PAGB Medicines Advertising Codes for consumer advertising and advertising directed to health professionals (and related guidelines)
- PAGB Consumer Promotions and PR Guidelines
- PAGB Guideline on Advertising Claims for Food Supplements
- PAGB Code of Practice for Pack Design for Over the Counter Medicines
- PAGB Advertising code for Traditional Herbal Medicines

At the request of the Directors the membership committee may investigate a member company's procedures for ensuring compliance with the codes of practice



The Membership Committee

The PAGB Board of Directors has appointed a subcommittee (the Membership Committee) to assist the PAGB Board in:

- deciding on applications for membership,
- continuing membership,
- other matters relating to membership, and
- applications for, and matters concerning, associate membership,
- examining procedures for compliance with the Association's Codes of Practice

Procedures

The Membership Committee may meet together, adjourn and otherwise regulate their meetings as they think fit (including telecom and e-mail) and may determine the quorum necessary for the transaction of business. Until so fixed the quorum shall be three.

At any meeting decisions shall be taken by consensus. If a consensus cannot be reached then a decision shall be made on a simple majority. Any member of the Membership Committee can request a secret ballot. The Chairman has a vote in his/her own right and shall be entitled to a casting vote. Those dissenting may request that the dissent is recorded.

The Chairman or any two members of the Membership Committee may at any time convene a meeting of the Membership Committee. Notice of every meeting shall be given to each member. Meetings may be conducted face to face or by telecom as appropriate. Minutes of meetings of the Membership Committee shall be kept and shall be made available in response to any enquiry from any source. Matters which require confidentiality shall not be reported in the Minutes

Membership committee

The Membership Committee consists of:

- At least three members of the PAGB Board, one of whom shall act as Chairman.
- One independent observer may be invited to join the Committee if the Members think it appropriate.

If the Chairman is not in attendance, then the members present shall choose a person from those present to act as Chairman.

Members may nominate another member of the PAGB Board to act as their deputy.

Secretariat provided by the Secretary of PAGB.



Notification and reporting of decisions

Applicants for membership shall be notified in writing by the Membership Committee if their application has been unsuccessful, and reasons shall be given. If an application is rejected, the applicant shall have the right to make an appeal in writing to the PAGB Board who shall consider the application and the reason for rejection. The PAGB Board may issue guidelines to regulate such appeal procedures.

Obligations on members of the Membership Committee

Members of the Membership Committee are there as representatives of the PAGB and its membership as well as persons in their own right. As such, each member will act with full regard to the rights and obligations of PAGB and its members and with regard to the requirements of the Competition Act 1998.

In the exercise of the role as a member of the Membership Committee, members are required to observe the highest standards of impartiality, integrity and objectivity.

- Membership Committee members are expected to declare and specify any ongoing financial, business, professional or personal relationships with an applicant for membership which could be relevant to any aspect of Committee's work. A member of Membership Committee should ensure this is made known to the Chairman. If the member wishes to participate in the discussion or vote on the subject, the Chairman will decide whether the member should be permitted to do so. The Chairman may also ask the member to leave the meeting for all or part of the discussion.
- A member of Membership Committee, who does not wish to declare the nature of an interest, or the details of that interest, may not attend the meeting whilst the subject is discussed. In such a case, the member must request that the minutes of the meeting should record the period of non-attendance.
- Members of Membership Committee must not make use of information acquired by reason of their position as such, which is not in the public domain, for personal gain, either financial or non-financial.
- Members of Membership Committee must not use their position as such to promote their personal, professional or business interests although membership of the Membership

Confidentiality

Members of Membership Committee must respect the confidentiality of information identified as confidential by the applicant and which is acquired by them solely by virtue of their position as such.

In cases of doubt, the member is entitled to consult colleagues on the Membership Committee as to whether the information is confidential provided care is taken not to provide any more information to colleagues than is necessary to determine whether the information is confidential and that those colleagues consulted will not be placed in a position where a conflict of interest arises.

In cases of doubt, the Chairman should be asked to advise.



Collective Responsibility

Membership Committee members should respect the principle of collective responsibility for recommendations. A recommendation, whether arrived at unanimously or by a majority, is accepted as binding on all members at least to the extent of barring public criticism of it. However, this does not prevent a member of the Membership Committee from voicing concern at a meeting of the PAGB Board.

Any requests to present, discuss, interview or write about PAGB membership must be referred to the Chief Executive of PAGB who will decide whether such information should be provided and by whom.

Maintain the membership subscription

No member shall be entitled, so long as any subscription or other sum payable to the Association remains unpaid, to exercise any of the privileges of membership

Cessation of Membership

A company will cease to be a member for the following reasons:

- if it ceases to exist;
- if the member goes into liquidation other than for the purpose of a solvent reconstruction or amalgamation, has an administrator or a receiver or an administrative receiver appointed over all or part of its assets, or has an order made or a resolution passed for its winding up.
- on the expiry of at least one month's notice in writing given by the member to the Association of its intention to withdraw and at the time of giving such notice pays all subscriptions due;
- if any subscription or other sum payable by the member to the Association is not paid on the due date and remains unpaid at the end of the period of six calendar months beginning with the due date. The Directors may re-admit to membership any organisation which ceases to be a member on this ground on it paying such reasonable sum as the Directors may determine;
- if, at a meeting of the Directors at which at least half of the Directors are present, a resolution is passed resolving that the member be expelled on the ground that its continued membership is harmful to or is likely to become harmful to the interests of the Association. Such a resolution may not be passed unless the member has been given at least 14 clear days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Directors. A member expelled by such a resolution shall nevertheless remain liable to pay to the Association any subscription or other sum owed by it.
- If, in the view of the Directors, the member has failed to comply with the Association's Codes of Practice.
- In the event that a member ceases to be a member for any of these reasons, that person shall have the right to make an appeal in writing to the PAGB Board. The PAGB Board may issue from time to time appropriate guidelines to regulate such appeal procedure.

CRITERIA FOR ASSOCIATE MEMBERSHIP

Current membership includes advertising and PR agencies. At the PAGB Board Strategy in October 2011 it was agreed that at the discretion of the membership committee associate membership could be opened up to agencies who offer services to PAGB companies including for example, regulatory consultancies, marketing agencies, sales and distribution companies and public affairs agencies.

- All applicants must be working with a member company and contact details for the sponsoring company must be given on the application form.
- Associate membership does not give any company the right to use the PAGB logo in any of their material without prior written approval from PAGB.
- Associate members may only advertise that they are members of PAGB.
- PAGB retain the right, if necessary, to discontinue associate membership once the company no longer works for a member company

BENEFITS TO ASSOCIATE MEMBERS INCLUDE:

- Help, advice, approval of all promotional material for their clients' products that fall within the PAGB membership. All this can be done electronically or by post/fax.
- Entitled to attend all PAGB Members meetings and events
- Receive mailings on the following:

Marketing and advertising - PAGB Code interpretation, market size data, weekly E-Newsletter, training, advertising workshops, PLP diploma, marketing training courses, Windows on Westminster and Whitehall

COSTS OF MEMBERSHIP

Membership runs from January 1 to December 31 and is at the rate of £2000 + VAT.

FULL MEMBERSHIP

- (i) THAT as from 1st January 2006 the subscription payable by members shall be based on the turnover (as hereinafter defined) of each member's last accounting period as follows:-

<u>Turnover</u>	<u>Subscription</u>
Under £900,000	£2000
£900,000 and up to	
£50,000,000	0.22 per cent of turnover
Over £50,000,000	0.22 per cent of turnover up to
	£50,000,000
	0.19 per cent of turnover over
	£50,000,000

- (ii) Notwithstanding the above where a member is admitted to membership of the Association on or after 1st October in any year, the total subscription payable by him in respect of that year shall be one half of the total subscription which would have been payable by him in respect of the complete year.
- (iii) For the purpose of this Resolution "turnover" shall mean the total sales (less returns and discounts) to the nearest pound of all medicines marketed for sale "over-the-counter" to the public during the accounting period ending before the beginning of the year in respect of which the subscription becomes due. "Turnover" does not include export sales.
- (iv) The PAGB Board may from time to time require any applicant for membership or member to furnish to it or its auditors such evidence as to turnover as the PAGB Board shall think proper and its determination as to the amount of such turnover shall be final.
- (v) If income in any year exceeds budgeted expenditure and reserve requirements the PAGB Board may authorise a rebate of fees to members on a pro rata basis.

ASSOCIATE MEMBERSHIP

- (vi) THAT as from 1st January 2006 the annual subscription for Associate Members shall be £2000.

As agreed at PAGB Annual General Meeting 23 June 2005



APPLICATION FORM FOR FULL MEMBERSHIP

We hereby apply to the Membership Committee to become members of the Proprietary Association of Great Britain, and in doing so agree to support the mission of the Association, abide by the Articles of Association, the Codes of Standards of Advertising Practice & Packaging Design, and all Resolutions passed by the members of the Association in General Meeting.

Company Name :

Contact Name :

Address :

.....

.....

Telephone Number

Date :

We estimate that for the Financial Year of the Association commencing 1st January 20.... , our Subscription, calculated in accordance with the provisions of the Resolution, passed at the General Meeting of the Association held on 23 June 2005, will be :

Subscription Total :

For consideration by the Membership Committee, please give full list and details of the products you wish to bring into membership and also background information regarding your company.



APPLICATION FORM FOR ASSOCIATE MEMBERSHIP

WE HEREBY APPLY FOR ASSOCIATESHIP of the Proprietary Association of Great Britain and if elected undertake to abide by the Regulations for Associates as may be in force from time to time.

We undertake to pay the Annual Subscription of £2000 for the ensuing year immediately after election and subsequently on the first day of January in each year. We will give twelve months' notice of any intention to resign from Associateship. VAT must be added to the subscription fee.

Company Name :
Contact Name:
Address :
Telephone Number
Date :	

Please list clients, & contact person within the client company, who are PAGB members (with products for which you are responsible). Please provide list on separate sheet if insufficient space.

Client Company

Client Contact Client Contact No

List Products

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Signed: Position

As from 1st January 2006