

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 distributor of pet foods whose brands are directly owned or distributed by it.
- 1.2. Those persons or companies that own their own branded pet food products (potentially as a private label) and whose primary business is to put up such pet food to the general public for resale (retailing) shall be included in the category of ordinary membership.
- 1.3. Ordinary member status applies to the brands that are owned by a member company and not those brands that it may manufacture on behalf of another company.
- 1.4. Ordinary members shall have voting rights. Ordinary members shall only be permitted to exercise their voting rights at a general or annual general meeting (AGM) if they can show that they are of good standing, which includes being current with the payment of fees and supply of turnover figures to the PFI and are up to date with the submission of documents required for the 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.
- 1.5. Ordinary members shall subscribe to the PFI's memorandum of association and articles, vision, mission and objectives; as well as uphold and apply the PFI codes of practice as applicable to current membership.
- 1.6. Ordinary members are required to participate in the operation of the PFI and in particular are obliged to take part in the AGM either by attending or submitting a proxy.
- 1.7. Ordinary members are encouraged to use the PFI logo on as much company advertising, documentation and packaging as is possible.
- 1.8. 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.
- 1.9. 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 (a section 21 company).

2. APPLICATION TO BE AN ORDINARY MEMBER

- 2.1. Applications must be in writing and supplied as the original document or electronically 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 (good manufacturing practice) 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.
3. **SUPPORTING DOCUMENTATION** (to be supplied as requested by the PFI office after the application for membership is acknowledged):
- 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.
 - 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 your pet foods are manufactured by a third-party manufacturer the address of manufacturing facility and a letter from the manufacturer, attesting to this fact, is required.
 - 3.7. Completed PFI turnover disclosure form for calculation of fees applicable to the year of joining (which can be supplied after membership has been ratified).
4. **PET FOOD QUALITY STANDARDS TO BE AN ORDINARY MEMBER**
- 4.1. Pet foods and treats produced or sold by the member must 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. The member must always be able to show that all registrations under Act 36 of 1947 are current and that registrations renewals have taken place by September 30 of each year.
 - 4.4. 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 South 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 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 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 Regulatory Board (ARB) 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 ARB and the pet food industry code contained within the ARB 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 ARB 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 AGM in accordance with the need to balance the budgetary requirements.
- 8.2. Fees will be based on the annual sales turnover of the ordinary member's business for the preceding calendar year, applicable to the brands that are owned by a member company (and not those brands that it may manufacture on behalf of another company). Annually, a total turnover figure must be supplied by ordinary members, which will be held in strict confidence by the PFI, together with a list of the different brands owned and reported on - all brand names must be disclosed and listed.
- 8.3. New ordinary members will pay the applicable fee category for ordinary members in the PFI financial year of acceptance, prorated.
- 8.4. New members will be required to submit turnover data for their previous year of business and join at the appropriate subscription fee for the year prorated from the date they are ratified or accepted. Where no sales data is available (startup businesses) the minimum fee will apply.
- 8.5. Membership fees are to be paid within 90 days of invoice date. Late payments will incur interest at a rate of 10% per annum.

9. MEMBERSHIP RENEWAL

- 9.1. Membership is automatically renewed each year.
- 9.2. Memberships are obliged to:
 - 9.2.1. Ensure the respective fees for the previous year have been paid (no arrears, unless current)
 - 9.2.2. Product registration renewals, on a three-year cycle with Act 36, have been renewed and proof thereof supplied to the PFI office.
 - 9.2.3. 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

9.2.4. the Act 36 inspection audit report of the manufacturing facility for the last two periods' current for the year are supplied to the PFI office.

10. TOLL MANUFACTURE

- 10.1. 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.
- 10.2. Toll manufacture facilities: use of a member of the PFI – as with the Act 36 requirement, the member will need to advise the PFI of who this is and supply a physical address. A letter from the manufacturing PFI member is required attesting to this fact, stating that manufacture will only take place for duly registered pet foods.
- 10.3.
- 10.4. Toll manufacture facilities: use of a NON-member of the PFI – 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 where 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. A letter from the manufacturer is required attesting to this fact, stating that manufacture will only take place for duly registered pet foods.

11. IMPORTERS

- 11.1. All relevant points under 3. and/or 10. above are applicable directly on the relevant member such as fee payment, product registration and renewal need to be adhered to, plus as follows in below.
- 11.2. 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. CHANGE OF OWNERSHIP OF THE MEMBER'S COMPANY

- 12.1. Should the member company change ownership, through sale of the company, this needs to be advised to the PFI (as is a requirement with Act 36) at the earliest possible time, including any change in manufacturing address and contact details.
- 12.2. It will be necessary that the PFI confirms membership of the PFI with the new owners.

13. CHANGE OF ADDRESS OF FACTORY OF MANUFACTURE

- 13.1. 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.

14. RESIGNATION AS MEMBER

- 14.1. As agreed at the 2019 AGM, resignations are to be submitted to the PFI office, in writing, before 30 June in the year prior to when the resignation will take effect (6 months' notice).

- 14.2. If a resignation is given after this date, 50% of the current year's fee will be billed in lieu of the 6 months' notice.
- 14.3. In the 6 months' notice period, members making use of the PFI logo in packaging and advertising should prepare for the removal of the logo from all such items.
- 14.4. Resigning members shall be given 3 months to remove PFI logos from the advertising and 6 months to remove from packaging, from the date the resignation is effective. Any remaining packaging after this time shall require the PFI logo to be wholly covered or blackened out by the member and at the member's expense.

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. 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 member's 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.