

MIDDLE EAST PAINTS & COATINGS ASSOCIATION (MEPCA)

BYELAWS

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These byelaws should be read in combination with the MEPCA Articles of Association which can be found on the MPECA website.

2. MEMBERSHIP

Territory:

MEPCA territory consists of:

- GCC (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and UAE)
- Yemen, Iraq, Egypt, The Levant

The board may decide to change the territory by two thirds vote. MEPCA membership subscriptions will be based on a member company's sales within the above geographic territory.

Requirements:

Each applicant for membership shall:

- Complete the Association's application form and agree to pay membership fees.
- Agree to comply with the MEPCA Byelaws and Code of Conduct.

General

Should a member elect to change its trading name(s) it shall advise the Association of such proposed prior to any changes being implemented. Membership is not transferable.

Fees

Membership subscriptions are charged for *12 months from the date of appointment/pro rata to the end of the calendar year*. The renewal date for subscriptions will be the *beginning of the year*. Invoices for subscriptions will be sent upon appointment to membership.

The Board shall annually (or as appropriate) set subscriptions which will be increased each year by the UAE Consumer Price Index [CPI].

Revenue (\$)	Annual Fee (\$)
> \$400m	15,000
\$250m - \$400m	12,500
\$100m - \$250m	10,000
\$50m - \$100m	8,000
\$25m - \$50m	6,000
\$10m - \$25m	4,000
< \$10m	1,500
Supplier	TBC

Acceptance

Acceptance for membership shall be determined by the Association’s member verification process and is deemed to meet all membership requirements as detailed within the Association’s Byelaws.

Where membership is not accepted, the applicant shall be notified of the reason(s) in writing and shall have the right of appeal and re-application as laid down in the Byelaws.

Association logo

The MEPCA logo may only be used by members. Upon cessation of membership, the logo shall immediately be withdrawn from any letterheads, promotional literature, or other publicity material etc. which could infer membership of MEPCA.

Members are encouraged to use the logo on:

- Company information and literature.
- Member’s advertising.
- Transport, e.g. vans etc.

The logo shall not be used for:

- Product endorsement.
- Product approval in multi-product documents.

Voting rights

Each member (ie company) shall be eligible to appoint one voting representative to cast the member's vote in association elections.

3. BOARD OF DIRECTORS

General Powers

The affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Association.

- The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors must be approved by a majority vote of the members present and voting. No vote on new members of the Board of Directors shall be held unless a quorum of the Board of Directors is present.
- No two members of the Board of Directors related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity may serve on the Board of Directors at the same time.
- Each member of the Board of Directors shall be a member of the Association whose membership dues are paid in full.
- Each member of the Board of Directors shall attend at least two meetings of the Board per year.

Forfeiture

Any member of the Board of Directors who fails to fulfil any of his or her requirements as set forth in in these Byelaws risk forfeiting his or her seat on the Board. The General Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all of the requirements are not entitled to vote at the annual meeting.

Vacancies

Whenever any vacancy occurs in the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

Compensation

Members of the Board of Directors shall not receive any compensation for their services as Directors.

Informal Action by Directors

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Board of Directors.

Confidentiality

Directors shall not discuss or disclose information about the Association or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the Associations' purposes or can reasonably be expected to benefit the Association. Directors shall use discretion and good business judgment in discussing the affairs of the Association with third parties.

4. OFFICERS

The officers of this Board shall be the Chairman, Vice-Chairman, and Treasurer. All officers must have the status of active members of the Board. The Chairman, Vice-Chairman and Treasurer make up the Executive Committee.

Chairman

The Chairman shall preside at all meetings of the membership. The Chairman shall have the following duties:

He/she shall Chair meetings of the Executive Committee and Board of Directors.

He/she shall have general superintendence and direction of all other officers of this Association and see that their duties are properly performed.

He/she shall submit a report on the operations of the Executive Committee to the Board and members at their annual meetings.

He/she shall oversee the Association, together with the General Secretary of the Association , with other stakeholders (e.g. Government officials, World Coatings Council)

Vice-Chairman

The Vice-Chairman shall be vested with all the powers and shall perform all the duties of the Chairman during the absence of the latter.

Treasurer

The Treasures duties shall be:

He/she shall submit for the Executive Committee approval of proposed capital expenditures (equipment and furniture) and major expenditure above an agreed level of AED 500.

He/she shall present a complete and accurate report of MEPCA finances.

He/she shall perform such other duties as may be prescribed by the Board or the Chairman under whose supervision he/she shall be.

5. COMMITTEES

Committee Formation

The board may create committees as needed and appoint a committee chair. For example, for specific countries within the territory, or for coatings segments may be set up by the Board.

Executive Committee

The Chairman, Vice-Chairman and Treasurer serve as the members of the Executive Committee. Except for the power to amend the Articles of Association and Byelaws, the Executive Committee shall have all the powers and authority of the board of directors in the intervals between meetings of the board of directors and is subject to the direction and control of the full board.

6. CORPORATE STAFF

General Secretary

The Board of Directors shall hire a General Secretary who shall serve at the will of the Board. The General Secretary shall have immediate and overall supervision of the operations of the Association, and shall direct the day-to-day business of the Association, (where applicable), maintain the properties of the Association, hire, discharge, and determine the salaries and other compensation of all staff members under the General Secretary's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. No officer, Executive Committee member or member of the Board of Directors may individually instruct the General Secretary or any other employee without resolution of the Executive Committee. The General Secretary shall make such reports at the Board and Executive Committee meetings as shall be required by the Chairman or the Board. The General Secretary shall be an ad-hoc member of all committees.

The General Secretary may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Directors. The General Secretary may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of simple majority of the members present at any meeting of the Board Directors.

The General Secretary will have a contract of employment as agreed by the Executive Committee, and Board.

7. RECORDS OF PROCEEDINGS

The minutes of the governing board and all committees with board delegated powers shall contain:

- The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committee's decision as to whether a conflict of interest in fact existed.
- The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

8. EXPENSES

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, suit, or proceeding, if authorised by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

9. INSURANCE

The Association may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Association would have the power or obligation to indemnify such person against such liability under this Article.

10. CODE OF CONDUCT

10.1 This Code of Conduct ("Code") is intended to assist Members of MEPCA to maintain and improve the standards of conduct within the industry by assuring all who deal with Members of the Association that they are conducting their business with reputable organisations.

10.2 The Code shall be binding on all Members.

10.3 It is intended that the Code does not in all cases indicate in precise terms particular action which should or should not be taken but sets out principles which Members are required to apply with good sense, honesty and integrity in the spirit of the Code.

10.4 Failure to observe the Code could lead to the imposition upon the Member by the Association of warnings, improvement notices or expulsion from the Association in accordance with the Disciplinary Procedures of the Association.

10.5 The Code and/or the Disciplinary Procedure may be amended from time to time with the approval of the Board.

Members shall:

- a) conduct their businesses lawfully; comply with all relevant legislation and trade fairly and responsibly.
- b) behave at all times with integrity and act responsibly and with care in the day-to-day conduct of their business;
- c) not knowingly misrepresent facts or mislead any customer or supplier concerning any aspect of the goods and services they provide.
- d) respect confidential information to which they may in the course of business become privy; all members agree to abide by applicable Competition Law and to ensure that they do not discuss or exchange any commercially sensitive information in any meeting of MEPCA or dealings with Members.
- e) provide adequate training and instruction to their employees and agents bringing the contents and application of this Code and its principles to their attention and requiring such employees and agents to perform their duties in accordance with the Code.
- f) follow and comply with any instruction or guidance note or advice (where applicable) issued by the Association so far as is reasonably practical
- g) make known and publicise the existence of the Code and where appropriate provide details of the Disciplinary Procedure.
- h) notify the Association of any matter which might adversely affect the reputation of the industry or the Association.
- i) co-operate fully and in a timely manner to any regulatory or statutory body and to the Association in the investigation and determination of any complaint made and referred to such body or the Association.
- j) provide to all persons with whom the Member does business clear, accurate pre-contractual information and clear terms and conditions of supply including fair contract terms.
- k) institute in the Member's organisation clear, timely, responsive and user-friendly procedures for dealing with complaints and adhere to such procedures and time limits
- l) be bound by and comply with the Disciplinary Procedures.

10.6 Members are expected to deal with complaints should they arise. However, if a Member fails to deal with a given problem, another Member or the Board (in its discretion, acting on behalf of a customer or supplier) may initiate a complaint under this Code.

10.7 Nothing in this Code restricts or is intended to restrict the rights of a complainant or a Member to pursue remedies through the Courts.

10.8 The Disciplinary Procedure may not be invoked where judicial or arbitration proceedings in relation to the complaint are on-going or a verdict awaited.

10.9 Members acknowledge and agree that any costs incurred under Clause 11.5 of the Disciplinary Procedure may be recovered as a debt by MEPCA.

11. DISCIPLINARY PROCEDURE

11.1 General Application

The following provisions and procedures shall apply to all complaints against Members alleging a breach of the Association's Code of Conduct raised by another Member or the Board as outlined in clause 10.5 of the Code of Conduct.

11.2 Procedures

Upon receipt by the Association of a complaint against a Member, the Association shall in the first instance refer the complaint to the General Manager of the Member for a written response to the allegations made by the complainant which shall be provided within 10 working days.

Where the complaint cannot be resolved by conciliation the complaint shall be referred to a Disciplinary Panel of the Board of Directors of the Association ("Board") which shall determine in what manner the complaint shall be investigated and determined. The Disciplinary Panel may appoint a suitably qualified independent investigator to prepare a factual report based on the evidence of both parties.

The Member and the complainant shall co-operate with the investigation and shall without limitation and in a timely manner provide such evidence as is in their possession or under their control to the Disciplinary Panel or its appointee(s), and shall permit the Disciplinary Panel or its appointee(s) to visit their premises, inspect their goods and where appropriate obtain and test any product relevant to the complaint.

Failure of a Member to comply with the requirements of this Clause 11.2 shall be itself considered a breach of the Code of Conduct.

11.3 Decisions

The Disciplinary Panel shall determine whether or not and to what extent a Complaint has been upheld and shall make a recommendation to the MEPCA Board on the appropriate sanction to be applied to the member.

The sanction to be applied to the member shall be limited to a warning, notice to improve or expulsion from membership of the Association.

Any recommendation shall be considered at the earliest opportunity by the Board which will accept, reject or amend the recommendation.

If the recommendation is to expel the Member, Article 8 of the Articles of Association will apply.

The decision of the Board shall be communicated in writing to the parties within 7 days from the date of the meeting at which the decision was made.

The decision of the Board shall be final, save that in the case of expulsion from membership of the Association the Member shall have the right to appeal the decision. Any such appeal must be made in writing, stating the grounds for the appeal to the Association within 28 days from the date of the notification of the decision to the parties.

An appeal shall be heard by the Board at the first meeting of the Board, following receipt of the notice of appeal. The appellant or a representative of the appellant shall have the right to appear in person before the Board to state the reasons why the appeal is being made.

The Board shall consider the appeal and determine whether to uphold or reject the appeal. The decision of the Board will be communicated to the appellant in writing within 7 days of the date of the meeting at which the appeal was heard.

Any decision to expel shall be effective immediately following the period allowed for an appeal or as the case may be 7 days following a meeting of the Board at which an appeal against expulsion has been rejected.

In the event of expulsion, the Member shall not be entitled to the refund of any subscription.

11.4 The Disciplinary Panel

A Disciplinary Panel consisting of the Chairman or Vice-Chairman together with 3 MEPCA Directors selected by the General Secretary from the current Board membership and will be convened by the General Secretary.

The members selected will be approached on the basis of their impartiality, experience and availability. It is the responsibility of the General Secretary to decide whether any declared interest is considered to raise a conflict of interest.

The Disciplinary Panel will be chaired by either the Chairman or Vice-Chairman of the Board (if the Chairman has a Conflict of Interest, then it falls to the Vice-Chairman). If neither is suitable the General Secretary will appoint a Chair. MEPCA will be represented on the Panel by the General Secretary or his appointed designate and will act in an advisory capacity with no voting rights. In the event of a vote, should the vote be tied, the Chairman shall have a second casting vote.

All Disciplinary Panel members are required to sign a confidentiality agreement and a conflict-of-interest declaration.

If any additional conflict arises, the Disciplinary Panel member must inform the Association of the change before undertaking membership of the Disciplinary Panel.

11.5 Costs

In the event the complaint requires the Disciplinary Panel to incur costs (other than members' time) associated with the complaint then the Association reserves the right to insist the Member against whom a sanction is imposed under Clause 3(b) or whose complaint is rejected to pay those costs.

12. AMENDING THE BYELAWS

The Board of Directors may amend these BYELAWS by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each director within the time and the manner provided for the giving of notice of meetings of directors.



13. ADOPTION OF BYELAWS

We, the undersigned, are all of the initial directors or incorporators of this Association, and we consent to, and hereby do, adopt the foregoing BYELAWS, consisting of the preceding pages, as the BYELAWS of this Association.

ADOPTED AND APPROVED by the Board of Directors on this ____ day of _____, 20__.

Abubaker Sheibani, Chairman - MEPCA.