

CONSTITUTION

of

The Organic Federation of Australia Limited

A Company Limited by Guarantee
Constitution as endorsed at AGM October 2009..

TABLE OF CONTENTS & Page No.

Preface	2
Definitions and Interpretations	3
Non-distribution of surplus to Members	4
Objects	5
Liability of Members	6
Members	6
General meetings of Members	7
Annual general meeting of Members	7
Proceedings at general meetings of Members	8
Proxies	9
Auditor entitled to notice of meeting of Members	9
Councillors	9
Electing the Member Council Members	10
Terms of Office of Member Council Members	10
Member Council Groups	11
Board of the Company	12
Terms of Directors	13
Directors	13
Directors' Meetings	14
Company Secretary	15
Company Treasurer	15
Accounts	15
Inspection of Books	15
Seal	15
Terms of Office	16
Removal of a Director	16
Protocol in respect to Vacant Board Seats	16
Validity of Appointments	16
Indemnity	17
Legal Costs	17
Insurance	18
Amending the Constitution	18
Membership Rules	18
Nominations Committee	19
Conflicts and Disputes	19
Review Arrangements	19
Transition Arrangements	19
Annex A - Membership	20
Annex B - Transition Arrangements	22
Annex C – Trust	24
Annex D – Recognized Accreditation Agencies	25

CONSTITUTION of
The Organic Federation of Australia Limited
A Company Limited by Guarantee Constitution as endorsed September 7 2007

Preface

The Organic Federation of Australia (OFA) was formed in 1998, after widespread industry consultation, as the national peak body for the Australian Organic Industry. It was structured as a representative national organic body that included all sectors of the industry such as horticulture, broadacre agriculture, meat production, wholesalers, exporters, consumers, certifiers, processors, IFOAM, inspectors, education and research. In 2003 in an effort to increase membership, the Board of the Organic Federation of Australia began a process of contacting industry and government to consider the changes that would be necessary to obtain wider support.

This process resulted in an Organic Industry Roundtable in Sydney on August 16th 2004 attended by more than 30 representatives of the major organic industry organisations and Government departments. The roundtable meeting discussed a range of important industry matters.

The most significant outcome of the Organic Industry Roundtable was an agreement for the continued need for an industry united behind a national organisation.

The meeting was unanimous in supporting a national organisation that can act as a conduit to Government and deal with numerous industry issues on behalf of the entire Organic Industry. There was also strong consensus that the membership of the Organic Federation of Australia requires change to reflect the current needs of a rapidly changing and growing organic industry.

The meeting invited the Chair of Organic Federation of Australia to convene an Industry Working Group (IWG) to propose changes to OFA.

Group's Overall Objective

To provide a structured process for determining the necessary changes to Organic Federation of Australia such that, when completed, the large majority of the Australian Organic Industry will support the restructured OFA as the peak body for the industry.

Key Principles

The Working Group's discussions produced a number of underlying principles, and reaffirmed others from the meeting of 16 August, which determined the basis for a number of the change proposals. In summary they are;

- **Whole Value Chain:**

The OFA should be an umbrella organisation, and a forum for organic industry organisations that represents the whole value chain from "paddock to plate".

- **Manageable Representation:**

Whilst it is very important to have broad representation feeding into the OFA, there should be a grouping of similar interests to make the overall structure manageable.

- **Board Criteria:**

The Board members of the OFA should, as far as is possible, mirror the broad representation of the stakeholders, but the Board is not to be elected solely on a representational basis. It should be a meld of representation, and the necessary skills/experience/qualities that underpin a professional Board.

- **Independence in Board Selection:**

There should be an independent element introduced into the selection of Directors, to ensure transparency and maintenance of quality, consistent with best practice.

- **Charitable Status:**

There should be a capability within the OFA structure to attract external charitable funds, discrete from the main funding model, to provide for education and research projects, which benefit the organic industry and the general community. This will be achieved by a Trust as a wholly owned subsidiary.

- **Collaboration in the Funding Model:**

The funding model should be collaboratively determined between the Member Councils that feed into the OFA and the OFA itself. The OFA should provide guidance as to the overall principles of the model.

- **Co-option**

The OFA should extend the range of its capability by, from time to time, co-opting the Member Councils to undertake relevant projects/assignments on its behalf.

- **Transparency and Accountability**

The new structure should be, as far as is possible, transparent in its decision making and accountable to its stakeholders.

- **Duties as a Director under Corporations Law.**

Although the OFA Directors will be selected by specific interests within the Organic Industry, once they become OFA Directors, their prime responsibility, consistent with Corporations Law, is to act in the best interests of the entity to which they have been appointed, rather than the specific group which nominated them.

1. The name of the Company is *The Organic Federation of Australia*

Definitions and Interpretations

2. In this Constitution the following words have these meanings unless the contrary intention appears:

“Member Council” shall mean the body of the persons appointed or elected to a Member Council

“Member Council Group” shall mean a discreet sub group of the Company headed by a Member Council that represents one of the following five industry sectors:

- (a) Organic Producers
- (b) Organic Manufacturers and Traders
- (c) Consumers
- (d) Certifiers
- (e) Organic and Allied Collaborators

“Councillor” shall mean a person appointed or elected to a Member Council

“Annex” shall mean a supplementary document that further clarifies the rules and procedures in this Constitution

“Article” shall mean an Article of this Constitution.

“Board” shall mean all or some of the Directors acting as a board of directors of the Company.

“Bodies” shall mean and include:

- (a) individual persons, companies, corporations, and all other bodies whatsoever in any form which have a legal personality; and
- (b) Government departments and instrumentalities, public bodies, schools, colleges, officials, universities and scientific, professional and trade organisations which have the power to become a member of a Company and a legal personality.

“Certifier” is an organisation accredited by an agency recognized by the OFA (see annex D) to certify that the producers, products and post production handlers and processors comply to the National Standard for Organic and Biodynamic Produce and all its future revisions.

“Chair” shall mean the Chair of the Board of the Company unless directly applies to the chair of a Member Council, Trust or a subcommittee.

“Company” shall mean the Company limited by guarantee called The Organic Federation of Australia.

“Constitution” shall mean this Constitution as amended from time to time and a reference to a particular Article has a corresponding meaning.

‘Election Cycles’ are the period of years for the election of office bearers after the previous office bearers’ time has finished.

“Deputy Chair” is a Director appointed as such from time to time by the Board.

“Director” shall mean a person holding office as a board member on the Board of the Company.

“Incorporated Association” shall mean the organisation formed in 1998 as the Organic Federation of Australia Incorporated.

“Member” shall mean those Bodies entered in the Register as a Member of the Company.

“Membership Rules” shall mean the rules established from time to time by the Board or Member Council in respect of, but not limited to, eligibility criteria for admission as a Member, election regulations for the positions of Chair, Directors, and members of Member Councils for the Company.

“Nominations Committee” shall mean the committee who vets nominations for the Board and recommends or appoints the Board members.

“OFA” shall mean The Organic Federation of Australia Limited.

Organic Federation of Australia shall mean Organic Federation of Australia Limited

“Organic” shall mean the definition as described in the National Standard for Organic and Biodynamic Produce and all its future revisions and shall include the term Biodynamic.

“Organics” shall mean all the aspects of the sector that comply with the term Organic, including but not limited to, production systems, the products, producers and post production processors and handlers, organisations, consumers, research and education.

“Register” shall mean the register of Members of the Company under the Corporations Act 2001.

“Sector” shall include the terms and responsibilities of both the movement and industry components of the term Organics.

“Secretary” shall mean the secretary to the Board for the time being of the Company.

“Trust” shall mean the charitable trust subsidiary as described in Annex C

Words importing the singular number shall include the plural number and words importing the masculine gender shall include the feminine gender.

Headings are inserted for convenience and are not to affect the interpretation of the Constitution.

This Constitution is to be interpreted subject to the Corporations Act 2001. Unless the contrary intention appears, an expression in the Constitution has the same meaning as in the Corporations Act 2001.

Non-distribution of surplus to Members

3. Subject to the further provisions of Articles 4, 5 and 6, the income and property of the Company will be applied solely towards the promotion of the objects of the Company as set forth in this Constitution and no portion thereof will be paid or transferred directly or indirectly by way of dividend, bonus, or otherwise by way of profit to any Member, Director or office bearer or the Company.

4. Nothing in this Constitution will prevent the payment by the Company:

(a) of interest at a rate not exceeding interest at a rate for the time being charged by bankers for overdraft accounts on money lent or the payment of reasonable and proper rent for premises demised or let to the Company;

(b) of expenses of Councillors or of members of Member Councils and the Board under Article 63;

(c) of expenses of members of the Board under Article 103; and

(d) in good faith of reasonable and proper remuneration to any Member, Member Council or, Director, Secretary or employee in return for any services actually rendered to the Company.

5. No Director will be appointed to:

(a) any salaried office of the Company; or

(b) any other office of the Company paid by fees.

6. If upon the winding-up or dissolution of the Company there remains, after satisfaction of all its debts and liabilities, any property whatsoever, that property will not be paid to or distributed among the Members of the Company but shall be given or transferred to some other institution or institutions:

(a) having objects similar to the objects of the Company

(b) being exempt from income tax, and

(c) whose memorandum of association or constitution prohibits the distribution of its or their income and property among its or their members to an extent at least as great as imposed on the Company under this Constitution; such institution or institutions to be determined by the Members at or before the time of the dissolution.

Objects

7. The Company shall have the following objects:

(a) **Purpose and Function**

The Company is to function as the peak industry organisation for the Australian organic sector. The Company is not intended to be a replacement for, or to compete with, the many other organic organisations in Australia. Its key role is to supplement, represent, support, and assist all organisations and persons within the industry, and provide a focus and forum for the industry both within Australia and, where appropriate, internationally as well.

(b) **The Mission Statement of the Company:**

- i. Negotiate Organic sector issues with government
- ii. Promote the Organic sector to the community
- iii. Promote Organics to the agricultural industry
- iv. Promote Organics to consumers and food services industries.

(c) **The Major Aims and Activities of the Company**

- i. **Professional Image:** To develop an effective and cohesive peak industry body that presents strong industry policy and attracts significant resources for research and development, education, extension, promotion and marketing.
- ii. **Encouraging Conversion:** To encourage conversion to organic production systems through the provision of sufficient information, education and extension options.
- iii. **Facilitation of education and R&D:** To facilitate and conduct the development of education, research and development capacity within the Australian organic industry
- iv. **Communication the benefits:** To develop understanding within the community of the benefits of organic products and organic farming and processing systems in terms of food quality, environmental stewardship and food security.
- v. **Developing Industry Policy:** To foster government support for industry development through united and clear industry policies.
- vi. **Enhancing Environmental Sustainability:** To maintain and strengthen the role of organic farming systems within natural resource management and clean food production.
- vii. **Domestic and International Focus:** To have a significant role in both domestic and international policy development with the organic organisations of other

countries, and acting for the Australian Organic industry on issues such as the labeling on imports etc. and other national and international issues where it is more efficient and effective to have a single focused representative.

viii. Provision of Assistance with Grants, and Specific Fee-for-Service Projects:

To provide a specific service to assist industry members in gaining grants from Government, and other funding entities. Subject to resources and funding, the Company would provide members with a fee for service capability for specific projects, deemed valuable to its members.

8. The Company may in any manner permitted by the Corporations Act 2001 exercise any power, take any action, or engage in any conduct or procedure, which under the Corporations Act 2001 a Company limited by guarantee may exercise or undertake.

Liability of Members

9. The liability of Members is limited to \$10 per member.

10. Every Member undertakes to contribute to the property of the Company in the event of the Company being wound up while a person or body is still a Member or within one (1) year of that person or body ceasing to be a Member, for payment of the debts and liabilities of the Company (contracted before the person or body ceases to be a Member) and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributors among themselves, such amount as may be required not exceeding \$100 per Member.

Members

11. A Body will become a Member by joining one or more of the five Member Councils that represent the following sectors;

- (a) Organic Producers
- (b) Organic Manufacturers and Traders
- (c) Consumers
- (d) Certifiers
- (e) Organic and Allied Collaborators

12. Each of five Member Council Groups will be headed by a Member Council that is elected by their respective members.

13. Subject to this Constitution, the Corporations Act 2001 and the final approval of the Company Board, The Member Council may by means of the Membership Rules prescribe the eligibility criteria for admission of Members within the Member Council.

14. The Member Council by resolution may admit any Body as a Member, subject to the Body:

- (a) qualifying as a Member in one of the groupings prescribed in this Constitution;
- (b) fulfilling all relevant eligibility criteria for admission to a grouping of Members prescribed by a Member Council in the Membership Rules; and
- (c) agreeing in writing to be bound by this Constitution and the Membership Rules made pursuant to this Constitution.

15. On becoming a Member, the Body's name will be entered in the Register maintained by the Company.

16. A Member ceases to be a Member on:

- (a) resignation;
- (b) death;
- (c) becoming bankrupt or insolvent;
- (d) if a corporation, being dissolved or otherwise ceasing to exist, having a liquidator appointed to it, or being unable to pay its debts;
- (e) the Member no longer qualifying to be a Member in accordance with the eligibility

criteria which have been prescribed in the Constitution or the Membership Rules; or
(f) the Members by resolution at a general meeting of Company may terminate the Body's membership in accordance with this Constitution.

17. The resolution referred to in Article 16(f) may terminate the membership of any Member with immediate effect or with effect from a specified date occurring not more than three months after the resolution of the meeting.

18. Each Member has a single vote, both on a show of hands and a poll.

19. All Members shall have access to information concerning publications issued by or on behalf of the Company and other services in a format as determined by the Board.

General meetings of Members

20. The Chair may convene a general meeting of the Company. The Directors must convene and arrange to hold a general meeting when:

- (a) requisitioned by Members in accordance with the Corporations Act 2001; or
- (b) requisitioned by either five (5) Directors or 10 Councillors.

21. At least 21 days notice of any general meeting of the Company must be given to the Members, exclusive of the day on which the notice is served or deemed to be served and the day on which the meeting is to take place.

22. A notice of general meeting sent by post is taken to be given three business days after it is posted. A notice of general meeting sent by fax, or other electronic means, is taken to be given on the business day after it is sent.

23. The notice of a meeting shall be given to each Member either personally or by facsimile, electronic mail or by pre-paid post to the last address shown on the Company's Register.

24. A notice of a general meeting shall:

- (a) set out the place, date and time of meeting, and state the general nature of the business to be dealt with at the meeting and, if the meeting is to be held in two or more places, the technology that will be used to facilitate the holding of the meeting in that manner; and
- (b) state that:

(i) a Member who is entitled to attend and cast a vote at the meeting has a right to appoint a proxy; and

(ii) a proxy must be a financial Member and cannot have more than 5 proxy votes.

25. If a special resolution is to be proposed, the notice of meeting must set out an intention to propose the special resolution and state the resolution.

26. The non-receipt of a notice of a general meeting or accidental omission to give a Member a notice of a general meeting, does not invalidate the holding of a general meeting or any resolution passed at the meeting.

27. The Chair or the Directors may cancel or postpone the holding of a meeting to a date determined by them, provided that the provisions of the Corporations Act 2001 are satisfied.

Annual general meeting of Members

28. There shall be one general meeting each year, which shall be known as the annual general meeting of the Company. The annual general meetings are to be held in accordance with the Corporations Law.

29. The Members at the annual general meeting shall, among other things, receive and consider the annual financial report, the Directors' report and the auditor's report of the Company in accordance with the provisions of the Corporations Law.

Proceedings at general meetings of Members

30. A Member may be present and vote in person or may be represented at any meeting of the Company by:

- (a) proxy;
- (b) attorney; or
- (c) in the case of a body corporate which is a Member, a corporate representative; except
- (d) if the member is not financial, this will mean that the member is not considered present, may not vote; and
- (e) may only be elected or appointed to any office at the discretion of the Board.

31. The quorum for a general meeting of the Company shall be twenty-five (25) Members present in person or by proxy, attorney or corporate representative. The quorum shall be present at all times during the meeting, but if a quorum is present at the beginning of a meeting it is deemed to be present throughout the meeting, unless the Chair on the Chair's own motion or at the motion of a Member, proxy or corporate representative who is present otherwise declares.

32. If within 30 minutes after the time appointed for a meeting a quorum is not present, the meeting:

- (a) if convened by or on requisition of Members, is dissolved; and
- (b) in any other case stands adjourned to the same day in the next week and the same time and place, or to such other day, time and place as the Directors appoint by notice to the Members and others entitled to notice of the meeting.

33. At any such adjourned meeting, if a quorum is not present within 30 minutes after the time appointed for the adjourned meeting, the meeting is dissolved.

34. The Chair of the Board shall chair all general meetings of the Company. If the Chair of the Board is not available then the Deputy Chair shall chair the meeting. If neither is available then the general meeting will appoint another Director who is willing to chair the meeting.

35. A challenge to a right to vote at a general meeting may be made only at the meeting and shall be determined by the chair, whose decision is final.

36. The chair of a general meeting:

- (a) has charge of the general conduct of the meeting and of the procedures to be adopted at the meeting; and
- (b) may require the adoption of any procedure, which is in the chair's opinion necessary or desirable for proper and orderly debate or discussion and the proper and orderly casting, or recording of votes at the general meeting.

A decision by the chair under this Article is final.

37. The chair of a general meeting may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting to a new day, time or place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

38. When a meeting is adjourned for 21 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.

39. It is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

40. A demand for a poll does not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

41. A resolution passed at a meeting resumed after an adjournment is passed on the day it was passed.

42. A resolution put to the vote at a general meeting will be decided on a show of hands unless a poll is demanded. Before a vote is taken the chair shall inform the meeting whether any proxy votes have been received and how the proxy votes could be cast. On a show of hands, a declaration by the chair is conclusive evidence of the result provided

that the declaration reflects the show of hands. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against.

43. If a poll is properly demanded, it must be taken in the manner and at the date and time directed by the chair and the result of the poll is the resolution of the meeting at which the poll was demanded.

44. A poll demanded on the election of a chair of a meeting or on a question of adjournment must be taken immediately.

45. A demand for a poll may be withdrawn.

46. Except for Chair of the Board, if there is an equality of votes, either on a show of hands or on a poll, the chair of the meeting is not entitled to a casting vote in addition to any votes to which the chair is entitled as a Member or as a proxy, attorney or corporate representative of a Member.

47. Any question to be determined by a general meeting may at any time be determined by a postal ballot of the Members instead of a formal meeting. The ballot shall clearly state the nature of the matter on which the decision is to be taken and the date the ballot closes which shall be not less than 28 days from the date of dispatch of the ballot papers. Any other terms or conditions applying to the ballot are to be clearly shown on the ballot or in material forwarded with the ballot. At least twenty-five (25) ballot papers duly completed need to be returned in accordance with the terms of the ballot for the result to be valid and binding upon the Company.

Proxies

48. A Member entitled to attend and vote at a meeting of Members may appoint a person as the Member's proxy or proxies to attend and vote for the Member at the meeting. A proxy must be a financial Member and cannot have more than 5 proxy votes.

49. Proxies shall be:

- (a) signed and dated by the member;
- (b) on the appropriate form; and
- (c) are to be presented to the Company Secretary 3 days before the meeting.

Auditor entitled to notice of meeting of Members

50. The Company shall give its auditor:

- (a) notice of a general meeting in the same way that a Member is entitled to receive notice; and
- (b) any other communications relating to the general meeting that a Member is entitled to receive.

Councillors

51. Subject to this Constitution and the Membership Rules each Member of the Company has the right to elect a person or persons to act as agent on their behalf, to be called Councillor(s) to Council Committees of their Member Councils.

- (a) Only Bodies that are financial members of their respective Member Councils are eligible to vote to elect Councillor(s) to Council Committees of their respective Member Councils
- (b) No member may vote to elect Councillors(s) to Council Committees of more than two (2) Member Councils.

52. Each Member agrees:

- (a) that the Councillors are elected or appointed for the sole purpose of carrying out acts on behalf of the Members under this Constitution; and
- (b) to be bound by the acts of the Councillors.

53. The number of Councillors elected to the Council Committee of their respective Member Councils is up to a maximum of seven (7) per Member Council, except for the

Organic Industry Certification Council that is allowed to have one Councillor to represent each Certifier organisation that is a member with a limit of one Councillor per Certifier.

54. Each Member Council may elect less than its entitlement of Councillors specified in the Membership Rules.

Electing the Councillors

55. A member of the Council Committee may only be elected as follows:

- (a) any 2 members of the association may nominate another member (the "candidate") to serve as a member of the Council Committee;
- (b) the nomination must be-
 - (i) in writing; and
 - (ii) signed by the candidate and the members who nominated him or her; and
 - (iii) given to the secretary at least 14 days before the annual general meeting at which the election is to be held;
- (c) each member of the Member Council present at the annual general meeting may vote for any number of candidates of their Member Council not more than the number of vacancies;
- (d) if, at the start of the meeting, there are not enough candidates nominated, nominations may be taken from the floor of the meeting;
- (e) if required by the Council Committee balloting lists must be prepared containing the names of the candidates in alphabetical order.

56. Subject to this Constitution and the Corporations Law, Member Councils may by means of the Membership Rules prescribe the eligibility criteria for admission to Member Council as a Councillor.

57. A person shall become a Councillor upon:

- (a) being elected by the Members of the Member Council;
- (b) fulfilling all relevant eligibility criteria for admission to Member Council as a Member prescribed in the Membership Rules;
- (c) agreeing in writing to act, in exercising power as a Councillor, as agent for, to represent the interests of and be at the direction of the Members; and
- (d) agreeing in writing to be bound by this Constitution and the Membership Rules made pursuant to this Constitution.

58. (Blank)

59. A Councillor ceases to be a Councillor on:

- (a) resignation;
- (b) death;
- (c) becoming bankrupt or insolvent;
- (d) the Councillor no longer qualifying to be a Councillor in accordance with the eligibility criteria which have been prescribed in the Membership Rules;
- (e) the Members electing the Councillor terminate the appointment through a majority vote in accordance to the constitution

Terms of Office of Councillors

60. Terms of Office of Councillors shall be as defined in Articles 132, 133, 136 and 137 of this Constitution

61. Council Committees will elect a Chair and may elect a Deputy Chair, Secretary and Treasurer.

62. In the event of a vacancy in the Council Committee, the Council Committee may appoint another person as a Councillor for the balance of the original Council Committee position's term.

63. Councillors attending a Member Council meeting in any place other than the city of their residence may be allowed such expenses as the Board shall from time to time

approve and at rates set by the Board. Councillors or members of any committee of either Member Council or the Board may also be repaid reasonable expenses incurred in or about the affairs of the Company as approved from time to time by the Board.

Member Councils

64. Member Councils shall consist of the following:

- (a) persons elected as Councillors by the Members; and
- (b) Bodies eligible for admission as Members.

65. Member Councils may propose up to three (3) candidates to be Directors of the Company Board (and the Trust) subject to the Board selection criteria.

66. Member Councils are guaranteed that one (1) of the three (3) candidates will be Directors of the Company Board, subject to the following selection criteria:

- (a) the maximum number of Directors of the Company Board to be selected from one Member Councils will be three (3);
- (b) the Organic Industry Certification Council will be guaranteed a minimum of two Directors of the Company Board; and
- (c) the Organic and Allied Collaborators Member Councils will be restricted to one Director of the Company Board.

67. A Member Council has the power to:

- (a) monitor membership of that Member Council of the Company;
- (b) monitor the Board of the Company; and
- (c) make recommendations to the Board on policy, activities, procedures and day-to-day management and operation of the Company, including the use of committees;
- (d) act as a minuted subcommittee of the Board of the Company; and
- (e) with the approval of the Board of the Company act on behalf of the Board of the Company.

68. A Member Council may not exercise any power of the Members required by the Corporations Act 2001 or by this Constitution to be exercised by the Company in a general meeting.

69. At least 21 days notice of any Member Council meeting of the Company must be given to each Member of that Member Council and Board of the Company, exclusive of the day on which the notice is served or deemed to be served and the day on which the meeting is to take place.

70. A notice of a Member Council meeting sent by post is taken to be given three business days after it is posted. A notice of a Member Council meeting sent by fax, or other electronic means, is taken to be given on the business day after it is sent.

71. The notice of a meeting shall be given to each Member of that Member Council either personally or by facsimile or by pre-paid post or by email to the last address shown on the Company's register of Members.

72. A notice of a Member Council meeting shall:

- (a) set out the place, date and time of meeting, and state the general nature of the business to be dealt with at the meeting and, where appropriate resolutions to be considered and if the meeting is to be held in two or more places, the technology that will be used to facilitate the holding of the meeting in that manner; and
- (b) state that a Member who is entitled to attend and cast a vote at the meeting has a right to appoint a proxy, which may be given to the Chair or another Member.

73. If a resolution is to be proposed, the notice of meeting must set out an intention to propose the resolution and state the resolution.

74. The non-receipt of a notice of a Member Council meeting or accidental omission to give Councillor a notice of a Member Council meeting, does not invalidate the holding of a Member Council meeting or any resolution passed thereat.

75. There shall be at least one Member Council meeting of the Company each year.

76. The Member Council may hold other meetings for the transaction of business, adjourn and otherwise regulate their meetings as they see fit.

77. The Chair of the Board of Directors may call a Member Council meeting of the Company. The Company Secretary shall call a Member Council meeting of the Company if a requisition signed by either five (5) Directors, or ten (10) Councillors, or such other minimum number as required under the provisions of the Corporations Law, are given to the Company.

78. The chair of the Member Council Committee shall chair all meetings of that Member Council of the Company. If the chair of the Member Council Committee is not available then the deputy chair shall chair the meeting. If neither is available then the Member Council Meeting will appoint another Council Committee member who is willing to chair the meeting.

79. The chair of a Member Council meeting:

(a) has charge of the general conduct of the meeting and of the procedures to be adopted at the meeting;

(b) may require the adoption of any procedure which is in the chair's opinion necessary or desirable for proper and orderly debate or discussion and the proper and orderly casting or recording of votes at Member Council meeting; and

(c) may terminate discussion or debate on any matter whenever the chair considers it necessary or desirable for the proper conduct of the meeting.

A decision by the chair under this Article is final.

80. The chair of a Member Council meeting may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting to a new day, time or place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

81. The quorum for a Member Council Meeting of the Company shall be five (5) Members and the quorum shall be present at all times during the meeting.

82. A challenge to a right to vote at a Member Council Meeting may only be made at the meeting and shall be determined by the chair, whose decision is final.

83. A resolution put to the vote at a Member Council Meeting will be decided on a show of hands unless a poll is demanded. Before a vote is taken the chair shall inform the meeting whether any proxy votes have been received and how the proxy votes shall be cast. On a show of hands, a declaration by the chair is conclusive evidence of the result provided that the declaration reflects the show of hands and the votes the proxies received. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against.

84. Any question to be determined by a Member Council Meeting may at any time be determined by a postal ballot of the Member Council members instead of a formal meeting. The ballot shall clearly state the nature of the matter on which the decision is to be taken and the date the ballot closes which shall be not less than 28 days from the date of dispatch of the ballot papers. Any other terms or conditions applying to the ballot are to be clearly shown on the ballot or in material forwarded with the ballot. At least twenty-five (25) ballot papers duly completed need to be returned in accordance with the terms of the ballot for the result to be valid and binding upon the Company.

85. The Council Committees will elect their respective chair, deputy chair, secretary and treasurer.

Board of the Company

86. Criteria for the Selection of the OFA Board of Directors. The Directors on Board of the Company will be selected by a Nominations Committee from the candidates submitted by the Council Committees of the Member Councils .

87. The Council Committees will submit the candidates to the Nominations Committee within fourteen days of the AGM and the Nominations Committee will complete their selection process within fourteen days of receiving the list of candidates.

88. The Nominations Committee will select the directors based on;

- (a) the written selection criteria set by the Board of the Company and sent to all Councillors, to assist in their nomination process.
- (b) the emphasis in the criteria on achieving the necessary balance of skills/experience/qualities necessary to successfully fulfill the Company's objectives; and
- (c) taking into account the views of the Council Committees.

Terms of the Directors

89. The Directors will be elected pursuant to the criteria set out in Articles 86, 87, 130, 131, 133, 134 and 135

Directors

90. The Board shall consist of not less than five (5) and not more than nine (9) Directors, including the Chair, as determined by the Board from time to time.

91. The Directors of the Board of the Company will elect/appoint the Chair, up to two (2) Deputy Chairs and a Treasurer from the Directors of the Board of the Company.

92. (blank)

93. In appointing persons as Directors, reasonable account should be taken of the diverse interests and commercial direction of the Company.

94. Member Councils may by resolution from time to time determine the level of the total annual Directors' remuneration up to which the Board may determine payment to the individual directors.

95. The Board has the power at any time to appoint a person to fill a casual vacancy in a position occupied by an elected Director, pursuant to the criteria in articles 140 and 141. Any person appointed as a Director to fill a casual vacancy shall hold office only until the next election of Directors. The maximum number of casual vacancies to be filled by the Board in any one year shall be three (3).

96. A Director may not appoint an alternate to exercise some or all of the Director's powers.

97. The business of the Company is to be managed by the Directors who may exercise all such powers of the Company as are not, by the Corporations Act 2001 or by this Constitution, required to be exercised by the Company in general meeting or reserved by this Constitution to Member Councils including but not limited to:

- (a) giving directions to management on carrying out the operations of the businesses;
- (b) determining the division of any approved Directors' fees between the non-executive Directors;
- (c) providing directives to allow the Company to fulfill its objects as set out in the Constitution;
- (d) establishing subsidiary companies and trusts;
- (e) receiving and considering recommendations from a Member Council on the activities, procedures and day-to-day management and operation of the Company, including the use of committees; and
- (f) ensuring the continuing financial well-being of the Company in accordance with their duties as Directors.

98. (blank)

99. Any two Directors, on the prior approval of the Board at a minuted meeting, may sign, draw, accept, endorse or otherwise execute a negotiable instrument. The Board may

determine that a negotiable instrument may be signed, drawn, accepted, endorsed or otherwise executed in a different way.

100. The Directors may delegate any of their powers, other than powers required by law to be dealt with by the Board, to a committee of Directors or to a Council Committee.

101. A Council Committee or committee to which any powers have been delegated must exercise the powers delegated in accordance with any directions of the Directors and a power so exercised is deemed to have been exercised by the Directors.

102. A Director may resign as a Director of the Company by giving a written notice of resignation to the Company at its registered office.

103. The Company may pay the Directors' traveling and other expenses that they incur in attending meetings and in conjunction with the Company's business.

104. The Directors may, by power of attorney, appoint any person or persons to be the attorney or attorneys of the Company for such purposes, with such powers, authorities and discretions for such period and subject to such conditions as they see fit.

105. Each Director shall act in the best interests of the Company as a whole and with due regard to the furtherance of the Company's objectives.

106. The Board may set up such committees as it deems fit to assist in the management of the Company's business.

107. The Board may set up such subsidiary companies as it deems fit to assist in furthering the objectives of the Company and Trust. The Chair (or representative) shall always be appointed as Directors of any subsidiary Company.

108. A Director must disclose to the Company any material personal interest in a matter before the Board. The right to vote and attend any meeting on the matter shall be as decided by the Board, but shall also be consistent with the provisions of the Corporations Act 2001 and any policies adopted by the company.

Directors' Meetings

109. The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they see fit.

110. The Chair shall chair all Board meetings of the Company. If the Chair is not available then the Deputy Chair shall chair the meeting. If neither is available the Board will appoint another Director who is willing to chair the meeting.

111. A resolution of the Directors must be passed by a majority of the votes cast by Directors entitled to vote on the resolution. The Chair has the casting vote, if necessary, in addition to any vote he may have in his capacity as a Director.

112. The quorum for a Directors' meeting shall be five (5) Directors and the quorum must be present at all times.

113. A notice of meeting of the Board shall be sent to all Directors. The notice shall set out the place, date and time of meeting, and state the general nature of the business to be dealt with at the meeting and, if the meeting is to be held in two or more places, the technology that will be used to facilitate the holding of the meeting in that manner. The notice may be given in person or by post, facsimile, electronic or other forms of audio and visual communication.

114. A Directors' meeting may be called or held using any technology consented to by all the Directors. The consent of a Director may be a standing one and may only be withdrawn within a reasonable period before the meeting.

115. The non-receipt of a notice of a Board meeting or accidental omission to give a Director a notice of a Board meeting does not invalidate the holding of a Board meeting or any resolution passed thereat.

116. The Directors must cause minutes of meetings to be made and kept in accordance with the Corporations Law.

117. The Directors may pass a resolution without a Directors' meeting being held if all the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. Separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy and the resolution is passed when the last Director signs. Electronic methods of transmitting copies of the document may also be used.

118. The Chair and the Secretary must upon the written requisition of three (3) or more Directors, convene a meeting of the Directors.

119. An act carried out by a person acting as a Director or by a meeting of Directors or a committee of Directors is not invalidated by reason only of a defect in the appointment of the person as a Director or the person not being entitled to vote, if that circumstance was not known by the person or the Directors or committee (as the case may be) when the act was carried out.

Company Secretary

120. There must be at least one Secretary of the Company who is to be appointed by the Directors. A Secretary holds office on the terms and conditions (including as to remuneration) that the Directors determine and has the following duties:

- (a) the Secretary or another officer nominated by the Board shall cause proper minutes to be kept of all general meetings, Member Council meetings and Board meetings and meetings of any committee of Member Councils and the Board;
- (b) the Secretary shall ensure that a register of members and register of Councillors is maintained;
- (c) the Directors may vest in the Secretary such other duties, powers and authorities as they may from time to time determine and the Secretary must exercise all such powers and authorities subject at all times to the control of the Directors; and
- (d) the Secretary shall ensure that the elections for the positions of Chair, Directors, and members of the Council Committees are held in accordance with the Membership Rules and take place in sufficient time to allow the elected persons to take office on completion of the relevant annual general meeting.

121. The Secretary cannot be a director.

Company Treasurer

122. The Company Treasurer is responsible for keeping the accounts of the business of the Company in accordance with the requirements of the Corporations Law.

123. (Blank)

Accounts

124. The Directors must cause the Company to keep accounts of the business of the Company in accordance with the requirements of the Corporations Law.

125. The Company shall appoint an auditor. The Directors must cause the accounts of the Company to be audited in accordance with the provisions of the Corporations Law.

Inspection of Books

126. By resolution of any of the Board, the Members in general meeting or a Member Council, or under any provision of the Corporations Law, a Member or a Councillor may be authorized to inspect the books of the Company.

Common Seal

127. The Company may have a Common Seal.

128. The Board or the Secretary at the direction of the Board must provide for the safe custody of the Common Seal.

129. The Common Seal may be used only by the authority of the Directors, or of a committee of Directors authorized by the Directors to authorize the use of the Common Seal. Every document to which the Common Seal of the Company shall be affixed must be signed by a Director and countersigned by another Director or the Secretary or another person appointed by the Board for that purpose. All documents signed under Common Seal shall be recorded in a register and noted by the Board at a subsequent Board meeting.

Terms of Office for Directors and Councillors

130. The normal term for a Director will be three years, and a maximum of six years.

131. The normal term for the Company Chair will be three years, and a maximum of nine years.

132. A director is considered to have resigned if he/she has failed to have attended three (3) consecutive board meetings, unless there are good reasons for not attending, such as illness or absence overseas. The same director can be re-instated if a majority of board members decides to do so at the next board meeting

133. The normal term for a Councillor will be three years, and a maximum of six years.

134. Past Directors and Councillors can nominate again after serving a full term of six years after standing down from office for one election cycle.

135. Past Company Chairs can nominate again after serving a full term of nine years after standing down from office for one election cycle.

136. Four (4) of the Director positions will come up for re election at the first election cycle and the remaining the five (5) of the Director positions will come up for re election at the following election cycle with the sequence of elections cycles following the process and times described in Annex B.

137. Three (3) of the Council Committees positions of a Member Council will come up for re election at the first election cycle and remaining four (4) of the Council Committees positions will come up for re election at the following election cycle with the sequence of election cycles following the process and times described in Annex B.

138. The election cycles will be held on the day of the Annual General Meeting.

139. Members must be given at least 21 days notice of an election cycle by the Company Secretary and this notice and the nomination forms are to be sent with the notice of the Annual General Meeting pursuant to Articles 20 through to 28 of this Constitution.

Removal of a Director

140. Directors of the Company and the Trust can be removed, provided that all Member Councils support such a proposal, as well as a majority of the Board of the Company.

Protocol in respect to Vacant Board Seats

141. In the case of any Director standing down, and thus creating a vacancy, prior to the expiration of their normal term, their replacement will be nominated by the same Council Committee who originally nominated their predecessor.

142. The relevant Council Committee can relinquish the right to nominate a Director if they have no suitable candidate. In that instance the Board of the Company may seek a nomination from a specific Council Committee, subject to the rules of maxima and minima.

143. (blank)

Validity of Appointments

144. All acts done by any meeting of a Council Committee, the Board or any committee of or established by the Board or Member Council or by any person acting as a Member of or an officer of the Member Council, the Board or of any committee shall (notwithstanding it be afterwards discovered that there was some defect in the

appointment of any such person or body acting as aforesaid or that the person or body had been disqualified or had vacated office) be as valid as if every person or body had been duly appointed and was qualified to do such acts.

Indemnity

145. General

Subject to Article 145, each person who is or has been an officer of the Company or a Member Council or, a committee member including, but not limited to, members of properly constituted subcommittees that are formed to advise, act on behalf of or engage other services in the further pursuit of the interests of the Company, are entitled to be indemnified, to the relevant extent, out of the property of the Company against any liabilities for costs and expenses incurred by that person:

- (a) in the case of an officer, relating to that person's position with the Company or its subsidiaries; and
- (b) in the case of a Councillor or a committee member, relating to that person's involvement in the affairs of the Company or its subsidiaries, save in relation to:
 - (i) a liability owed to the Company or a related body corporate of the Company;
 - (ii) a liability for a pecuniary penalty order under section 1317G of the Corporations Law or a compensation order under section 1317H of the Corporations Law;
 - (ii) a liability that is owed to someone other than the Company or a related body corporate of the Company and which did not arise out of conduct in good faith.

Legal Costs

146. Each person who is or has been an officer of the Company or a Councillor, The Trust, a sub committee member including, but not limited to, members of the committees that are formed to perform other services in the further pursuit of the interests of the Company are entitled to be indemnified, to the relevant extent, out of the property of the Company against any liabilities for legal costs and expenses incurred by that person (including in connection with proceedings other than criminal or civil proceedings such as but not limited to a Royal Commission of Inquiry or Inquiries constituted by any Act of Parliament or Government or Statutory Authority) unless the legal costs and expenses are incurred:

- (a) in defending or resisting proceedings in which the person is found to have a liability for which they could not be indemnified under Article 144;
- (b) in defending or resisting criminal proceedings in which the person is found guilty;
- (c) in defending or resisting proceedings brought by the Australian Securities and Investments Commission or a liquidator for a court order if the grounds for making the order are found by the court to have been established (provided that the person shall be entitled to be indemnified in respect of costs incurred in responding to actions taken by the Australian Securities and Investments Commission or a liquidator as part of an investigation before commencing proceedings for the court order); or
- (d) in connection with proceedings for relief to the person under the Corporations Act 2001 in which the court denies the relief.

147. In Articles 145 and 146:

- (a) "officer" has the meaning given to that term in the Corporations Act 2001;
- (b) "to the relevant extent" means:
 - (i) to the extent that the Company is not precluded by law from doing so;
 - (ii) where the liability is incurred in the conduct of the business of another corporation or in the discharge of the duties of the person in relation to another corporation, to the extent and for the amount that the person is not entitled to be indemnified and is not actually indemnified out of the assets of that corporation;

(iii) to the extent and for the amount that the person is not otherwise actually indemnified, including an indemnity under any insurance policy or contract;

(iv) where the indemnity consists of a payment or an agreement to make a payment (whether by way of advance, loan or otherwise) in respect of legal costs incurred by the person in defending an action for a liability incurred as an officer of the Company, the indemnity may only be provided on the condition that the person agrees to repay the amount if the costs become costs for which the Company is prohibited under Articles 145 and/or 146 from giving the person such an indemnity, unless the Board resolves otherwise;

(c) the outcome of proceedings is the outcome of the proceedings and any appeal in relation to the proceedings.

148. The benefit of any indemnity given under Articles 145 and 146 continues, despite any amendment to or deletion of Articles 145 and 146, in respect of liability arising from acts or omissions occurring before the amendment or deletion.

Insurance

149. The Company may pay a premium for a contract insuring a person who is or has been a member of the Company Board, an officer of the Company or a Councillor or a committee member of the Company and its related bodies corporate against:

(a) any liability incurred by that person:

(i) in the case of an officer, as such an officer, which does not arise out of conduct involving a willful breach of duty in relation to that person's position with the Company or its subsidiaries or a contravention of Section 182 or 183 of the Corporations Law; and

(ii) in the case of a Councillor or a committee member, relating to that person's involvement in the affairs of the Company or its subsidiaries which does not arise out of fraudulent conduct relating to that person's involvement in the affairs of the Company or its subsidiaries; and

(b) any liability for costs and expenses incurred by that person in defending proceedings relating to that person's position with or involvement in the affairs of the Company, whether civil or criminal, and whatever their outcome.

Amending the Constitution

150. This constitution may only be amended by a special resolution at a general meeting of the Company, or by ballot and requires a majority of the Members present in person and by proxy, or a majority of the returned ballots.

Membership Rules

151. The Membership Rules annexed to the Constitution, as Annex A, shall become the initial Membership Rules of the Company. The Membership Rules of the Company may be amended only by a resolution a general meeting of the Company, and such resolution requires a majority of not less than two-thirds of the Councillors present in person or by proxy, such majority being also an absolute majority of the Member Councils

152. The Membership Rules of a Member Council may be amended only by a resolution of the Member Council at a Member Council meeting of the Company, and such resolution requires a majority of not less than two-thirds of the Members present in person or by proxy, such majority being also an absolute majority of the Member Organisation.

153. Where the interpretation of the Constitution of the Trust or the rules of the Member Councils conflict with this Constitution, this Constitution will take precedence and will be the correct meaning or procedure.

154. Where the constitution refers to an Annex and there is a conflict in the meaning between the Annex and the Constitution, the interpretation of the Constitution will be the

correct meaning or procedure, except for Annex B which are the transition arrangements that will be in force until this constitution is adopted and will have precedence as the correct meaning or procedure.

155. Where there is disagreement over the interpretation of this Constitution, the Constitution of the Trust or the rules of the Member Councils the decision of the Board of the Company will be the correct meaning or procedure and will be final.

Nominations Committee

156. The Company will have a 5 person Nominations Committee to vet the nominations of Directors on behalf of the Board of the Company.

157. The Nominations Committee will be elected by Councillors at least 14 days before the Annual General Meeting and will include;

- (a) the Company Chair, except when the Chair is up for election and the board will nominate a board member, who is not up for election, to chair the committee;
- (b) at least one other board member apart from the Chair
- (c) at least one external independent party;
- (d) financial Members of the Company.

158 (blank)

Conflicts and Disputes

159. Where there are conflicts and disputes the decision of the Board of the Company will be the correct meaning or procedure and will be final.

Review Arrangements

160. The structure of the company is to be reviewed after three years (2008) to ensure that it is relevant to the organic sector's needs at that time.

Transition Arrangements

161. The Transition Arrangements from the Incorporated Association to the Company as described in Annex B will be the transition procedures endorsed in this Constitution

162. All members of the existing Incorporated Association will automatically become members of the Company, however the classes of membership can be subject to change pursuant to the rules of the Constitution.

163. The Company will continue with all existing subcommittees, projects, activities, assets, funds and responsibilities of the Incorporated Association, however these can be subject to change pursuant to the rules of the Constitution.

Annex A Membership

Membership of OFA

1. Membership of OFA will be open to all individuals, incorporated organisations, and other entities (the latter quoting an ABN)
2. Each member will join the Member Council that they consider is most appropriate to their circumstances.
3. A member can join more than one Member Council, however no member can vote in more than two Member Councils.
4. A Member must nominate which Member Councils they intend to vote in.
- 5-10 (blank)

Member Councils, Council Committees, and OFA.

11. It will only be possible to vote within a Member Council on an OFA issue if the individual/entity is a current financial member of the OFA.
12. The Council Committees will determine the rules of conduct on how they wish their Member Councils to be structured and operate internally in regards to, but not limited to, elections, voting procedures, financial status etc.
13. These rules of conduct must be created in conjunction with OFA board, to ensure that there is a consistency of objectives between the entities, and that the rules are in compliance with the OFA Constitution.
14. Pursuant to articles 153, 155 and 159, where there is a conflict, the Constitution of the OFA will take precedence over the rules and decisions of the Member Councils and the decision of the Board of the Company on these matters will be final.
- 15 – 19 (Blank)

Membership Fees

20. The underlying principles are;
 - (a) There would be an initial membership joining fee and an annual renewal fee.
 - (b) The size of the fees would vary between Member Councils, determined by the size of the member and the capacity to pay.
 - (c) There would have to be both fee minima and fee maxima to ensure some degree of equity between members.
 - (d) The Member Council Committees will determine the fees that their members pay, however the final determination of funding formulae will be the responsibility of the OFA Board.
 - (e) There will be an 80/20 split of income between OFA and Council Committees with 80% going to the OFA to run the whole organisation. 20% will be retained by the Council Committees to pay for their meetings and legitimate expenses.

Requirements for Membership of the Member Councils

21. The minimum requirement for membership in the Member Councils of groups A B C and D would be an incorporated entity with 20 members or more.
22. Incorporated companies, coops and other legal identities can join as voting members.
23. Individuals and related organisations such as farming organisations, food and nutrition organisations, conservation groups, and single issue organisations can join in a separate Member Council under group E.
24. The Council Committees of the Member Councils can change the membership requirements however this will be subject to approval of the Board of the Company.
25. (blank)

26. Member Councils and Membership Eligibility

(a) Group A (Organic Producer organisations)

Organisations that are Incorporated, Limited Liability, a COOP or a Company with at least 20 members with a focus on organic production. Unincorporated Organisations with at least 20 members can join subject to the approval of the OFA Board. One Vote per organisation.

(b) Group B (Manufacturers and Traders organisation)

Commercial enterprises with ABN and with significant proportion of their business involved in selling products or services to the organic sector. This group will include, but is not limited to, input suppliers, retailers, wholesalers, exporters, organic inspectors, trainers, promoters, marketers and service providers. One Vote per organisation.

(c) Group C (Consumers)

Incorporated (usually not for profit) associations Organisations that represent broad organic interests including consumers One Vote per organisation.

(d) Group D (AQIS approved certifying organisations)

This group is restricted to AQIS approved certifying organisations. Each organisation is entitled to appoint a maximum of one (1) person to be on the Council Committee. Voting to be determined by the Council Committee pursuant to the approval of the OFA board.

(e) Group E (Individuals and allied supporters)

This group will include, but is not limited to, individuals, food and nutrition organisations, universities, TAFE colleges, schools, research organisations, conservation organisations, farming organisations and single issue organisations, All to have one vote per membership.

Classes of membership

27. There will two classes of members:

- (a) Ordinary members who have to pay a membership fee that is determined by the Membership Organisation;
- (b) Life members who do not have to pay a membership fee. Life members are approved jointly by their Council Committee and the OFA Board.

Annex B

The Proposed Transition Arrangements

Status of the Organic Federation of Australia Incorporated (OFA) Membership

1. The new Constitution will ensure that all existing OFA members are to have automatic membership of the new entity.
2. Members will have to decide which Membership Organisation/s they wish to join when they renew their membership subsequent to the First General Meeting.

Funds and Property

3. All existing subcommittees, projects, activities, assets, funds and responsibilities of the Incorporated Association will be transferred to the new entity.

Initial Nominations Committee

4. Because the OFA Board will not be appointed before the initial nominations and selection process, the following transitional arrangements are proposed:
 - (a) The Initial Nominations Committee will comprise of three respected members of the organic industry, one independent party with senior human resources experience at Director selection level, and one experienced and senior Board Director from an organisation not connected with the organic industry.
 - (b) Industry Working Group members are to send a list of names of suitable people for the nominations committee to the Chair, identifying which one of the three criteria they represent.
 - (c) The Chair will put these names to key industry stakeholder organisations to develop a consensus on the final four people who will be on the nominations committee.
 - (d) It is important that these people are suitable to the whole industry so that the process of selecting the first board of the new OFA is seen as fair, transparent and to avoid any suggestions of favoritism or stacking.
 - (e) The final decision on the members of the Nominations Committee will rest with the Industry Working Group.

Transition to first board

5. Nominations for the Council Committees should be called in July 2005.
6. As this is the first election under the new system it is important that the new board is in place at the first AGM.
7. The candidates nominating for the various Council Committees indicate if they wish to nominate for the OFA Board of directors.
8. The selection criteria for being on the Board of directors will be sent out with the nomination forms.
9. Candidates nominating for the board of directors will have to supply a CV based on the selection criteria as well as two referees.
10. All candidates will have to be financial members of the existing OFA.
11. The nominations committee will then select the initial board based their skills and suitability.
12. The initial board will take up their roles as board members at the initial AGM.
13. The Board of Directors will appoint the initial Chair, Secretary and Treasurer on the day of First General Meeting.
14. The members of the various Council Committees will be elected by a vote of the members of the First General Meeting based on the written nominations.
15. Vacancies may be filled through nominations from the floor at First General Meeting.
16. The election and appointment of all office bearers will be subject to the provisions of the Constitution of the Organic Federation of Australia and all subsequent elections or meetings.

Initial Terms for the First Boards of OFA and the Trust

17. The initial Boards' terms will be staggered to ensure that there is an election process, which only requires a part of the Board to stand at any one election.
18. The following formula will be used for the initial Boards;

Board Initial Term of 2 Years Initial Term of 3 Years

Chairpersons OFA, Trust 2
OFA Directors 4, 4
Trust Directors 2, 2
Councillors 3, 4

19. The only condition relates to the OFA Board, where no Member Council can have more than one elected Director in the initial 2 years group.
20. The terms will be decided by a random drawing of names out of a hat and supervised by the returning officers appointed by the Chair. The first names drawn out will have the two (2) year terms.
21. All subsequent elections will be for a term of three years which ensures that approximately 50% of the Board comes up for election on each occasion there is an election.
22. The election cycle will therefore be; 2005, 2007, 2008, 2010, 2011, 2013 etc.

Annex C

The Charitable Trust

The purpose Charitable Trust

1. The purpose of the Charitable Trust is to generate funds for research into organic systems.
2. These will come from:
 - (a) tax-deductible donations from charitable and philanthropic sources
 - (b) green/environmental sources
 - (c) people leaving money in their wills
 - (d) some modest, unconditional funding from the OFA
3. The trust's board of directors will decide on the funding of appropriate research projects.

The Subsidiary Trustee Board for the Charitable Trust

4. It is proposed that;
 - (a) The Charitable Trust will have a separate Constitution, which is consistent with trust law and also consistent with the OFA Constitution. There will be no common Directors between the OFA Board and the Trustee Board.
 - (b) There will be a minimum of three (3) and up to five (5) Trustees appointed to the Trust, including the Chairman.
 - (c) Three Trustees will be nominated by the Council Committees and vetted by the Nominations Committee of the OFA Board, for approval by the OFA Board.
 - (d) Two Trustees will be nominated by the OFA Board.
 - (e) The Trustee Board will nominate its own Chairman
 - (f) The terms of service for the Trustees will be the same as for the OFA Board.
 - (g) No Member Organisation, through its Council Committee, may nominate more than one Trustee.

ANNEX D

Recognized Accreditation Agencies

- Australian Quarantine and Inspection Service (AQIS)
- International Organic Accreditation Service (IOAS)
- Joint Accreditation System of Australia and New Zealand (JAS-ANZ)

This list is only an example of present “Accreditation Services” being reviewed by the Board of the OFA, and does not pre-empt a decision. The Board will continue to evaluate all Agencies to get the best results for the Australian Organic Industry.