

EUROPEAN FOOD AND FEED CULTURES ASSOCIATION (EFFCA)

BY-LAWS

EFFCA by-laws 2015 approved by GA 2015

TITLE I

Form – Definition and objectives – Name – Head office – Term

ARTICLE 1 – Form

The organisation is founded as a legal entity, more specifically as an international non profit organisation (hereafter "INPO") following the Law of 27th of June 1921 concerning the non profit organisations and the foundations, published in the Belgian State Gazette on the 1st of July 1921 and modified by the Law of 2nd of May 2002 and the Law of 16th of January 2003 (hereafter "NPO Law").

The INPO carries the name : EFCCA – The European food & feed cultures association

ARTICLE 2 – Definition and objectives

The European Food and Feed Cultures Association will deal with Microbial Food Cultures other than yeasts used as processing aids in the food and feed industries.

The objective of the Association is to set up a forum in order to promote the cooperation between the economic operators of the industry. The Association will participate in the work of any commissions and/or organizations for promoting the development of applications of food and feed cultures in particular it will:

- prescribe standards, specifications, guidelines or regulations,
- follow up the issue permits and approvals, and the draw up of nomenclature, and
- more generally take any measures having a possible impact on the conditions of use of food and feed cultures.

Its tasks also include maintaining the latter's authorized applications through such actions as will be deemed appropriate.

To that effect, the Association will develop relations with European and International institutions and other partners, institutional or not.

The Association will also be in charge of studying all relevant matters relating to economic, legal, scientific and technical aspects concerning the industry and circulating among its

Members any information pertaining to the use of food and feed cultures ant to their relevant applications.

Another purpose of the association is to develop actions to promote the industry's image, its products and its companies so as to provide the public with any information which could be useful for a better understanding of the positive role played by the cultures in the food and feed industries.

It is expressly agreed between the Association's Members that the Association shall have no activities other than those intended to serve, directly or indirectly, the above defined purposes.

Internal regulations may be adopted specifying the means of action available to the Association.

ARTICLE 3 – Name

The name of the Association shall be “European Food and Feed Cultures Association” (EFFCA).

ARTICLE 4 – Head office

The Head office of the Association shall be at the Office of Kellenagep/KellenEurope, Avenue Jules Bordet 142, 1140 Brussels, Belgium.

It may be transferred to another place in any country of the European Community if so decided by the Board of Directors and ratified by the General Assembly.

ARTICLE 5 – Term

The Association shall be deemed to have been found on January 1st, 1992 for an indefinite term. Financial years of the Association shall cover the period from January 1st to December 31st of any calendar year.

TITLE II

Membership

ARTICLE 6 – Members of the Association

The Association shall have 2 different types of Members as follows:

- Full Members, which are companies active in the Microbial Food and Feed Cultures business, executing these Articles of the Association and having production as well as marketing and selling activities in an EU Member State;
- Associate Members, i.e. companies engaged in activities linked to Microbal Food Cultures, including research institutes. They will have access to information exchange and will attend General Assembly Meetings. They shall have no voting rights.

Applications for membership shall be submitted to the President in writing. Membership will be granted by a vote of the majority of the Board and ratification by the General Assembly.

ARTICLE 7 – Membership fees

Operating expenses of the Association shall be borne by the Members as follows:

The General Assembly will fix a basic fee. The basic fee can be modified by the Assembly when necessary.

Full Members shall be divided into two groups according to their estimated worldwide annual turnover in Microbial Food Cultures: higher and lower membership fee groups.

Associated Members shall pay a flat rate fee established by the General Assembly.

ARTICLE 8 – Loss of membership

The Association trusts its members to demonstrate high standard ethical business practices and to perform any of its business operation in compliance with applicable laws and regulations.

Membership will terminate if a Member:

- either resigns upon six months' prior notice to the Chairman of the Board by registered letter with return receipt requested;
- or is voted out by a majority of three quarters of present or represented Directors when:
 - a) it fails to comply with these Articles of Association or the Association's internal regulations, or
 - b) its failure to pay its membership fee during the current year.

Before taking such action against any Member, the Board of Directors shall give it an opportunity to account for its behaviour. The General Assembly should ratify the loss of membership.

In case of Members elected to the Board of Directors, provisions of article 10 apply.

Resigning and voted-out Members shall be expected to pay outstanding fees, if any, as well as those due in respect of the year during which they have lost membership.

ARTICLE 9 – Liability

Commitments entered into on behalf of the Association shall be guaranteed solely by the latter's property, to the exclusion of any personal liability of any of its Members or Directors.

TITLE III

Direction

ARTICLE 10 – Board of Directors

Only full Members have the right to be represented at the Board of Directors.

Each Member, paying the highest membership fee, have the right to nominate one Director. The Members paying the lower membership fee have the right to elect amongst them one Director.

Their term office shall be two years, and they shall be immediately re-eligible.

In order to provide for continuity of services, Members delegating a Director to the Board of Directors shall take an engagement to remain Member of the Association and of the Board of Directors for at least two years.

A legal person may be appointed as Director of the Association, provided that he shall then designate a permanent representative having full powers to represent him at meetings of the Board of Directors and at General Meetings.

In case of vacancy of a Director's seat, the Board may co-opt a temporary substitute, subject to ratification of that appointment by the next Ordinary General Assembly. A substitute Director shall only remain in office until the normal expiration of this predecessor's two-year term.

ARTICLE 11 – Board officers

The Board of Directors shall elect among its Members or their permanent representatives: a Chairman, a Vice-Chairman, and a Treasurer.

If deemed appropriate, the Board of Directors may designate more than one Vice-Chairman and deputy Treasurer.

Said officers shall be elected for a two-year term, and they shall not be immediately re-eligible to the same position.

ARTICLE 12 – Meeting and proceedings of the Board of Directors

The Board of Directors shall meet at least once a year. Meetings shall be convened on the initiative of the Chairman or at the request of at least three Directors and shall be held whenever

required in the Association's interest, whether at its Head office or at any other place specified in the notice.

The agenda will be determined by the Chairman or by those Directors at whose request the meeting has been convened.

A quorum of at least two thirds of Directors in office will be required to be present or represented for the validity of any resolutions passed.

Except for the provisions of art 8, decisions shall be taken by a majority of votes present or represented, with the Chairman having a casting vote in case of tie.

The Director can delegate his/her voting rights to another Director or to another person. A Director shall not represent more than one Director for any particular meeting.

Proceeding shall be recorded by the secretary and approved by the Board of Directors. .

ARTICLE 13 – Powers of the Board of Directors

The Board of Directors will be fully empowered to act in the Association's name and to have approved any and all actions or operations that are consistent with its purpose and are not within the competence of the General Assembly.

The Board of Directors may, in particular, ask for the collaboration of a Secretary, lease such premises as the Association may require to carry out its tasks, have performed any transaction, purchase and sell stocks and securities, or any personal property or chattels, make use of funds belonging to the Association, and represent it in court, whether as claimant or as defendant.

In the event internal regulations of the Association are established by its officers, the Board shall approve same and submit them to the Ordinary General Assembly.

The Board may set up committees and determine their composition and duties.

The Board may delegate all or part of its powers to the Chairman, to the Vice-Chairman or to one or more Directors, and may appoint as an assistant any expert or consultant of its choice.

ARTICLE 14 – Powers of Board officers and assistance of an Outside Organisation

The Chairman shall control that the Board's decisions are enforced and shall be responsible for the proper working of the Association, which he represents at law and in all acts of civil life.

If a Vice-Chairman is appointed his role will be to assist the Chairman in the performance of his office and to replace him in case of prevention.

The Treasurer or the certified public accountants appointed as auditors will examine and verify the accounts of the Association.

EFFCA can deliver to an outside organization a mandate for the financial management of EFFCA.

TITLE IV

General Assemblies

ARTICLE 15 – Attendance and frequency of Assemblies

Association Members will hold General Assemblies which may be either Extraordinary where amendments to the Articles of the Association are involved, or Ordinary in all other cases.

Such General Assemblies shall be attended by full and associate Members..

Members of the Association may, upon notice in writing sent to the Head office, appoint other Members as their representatives.

A General Assembly will be called once a year by the Board of Directors; it will be held on the day and at the time and place specified in the notice.

In addition, other Ordinary or Extraordinary General Assemblies may be convened by the Board of Directors when deemed useful, or at the request of at least one fourth of the Association Members.

ARTICLE 16 – Notice of Meetings and Agenda

Association Members will receive notice of a General Assembly at least one month in advance, in a letter sent to each of them stating the reason for holding such a meeting.

The Agenda will be determined by the Chairman and/or by the Board of Directors, or by those Members of the Association at whose request the meeting has been convened.

Meetings will be held at the Head office of the Association or at any other place specified in the notification.

Minutes of a General Assembly are to be submitted to the Members for approval within 60 days after its closing.

ARTICLE 17 – Officers

General Assemblies shall be presided over by the Chairman of the Board, or in his absence by the Vice-Chairman, or else by a Director acting on the authority of the Board.

A counsel or Member of the meeting designated by the Chairman shall serve as Secretary. An attendance list shall be drawn up, to be signed by Association Members and certified by the Chairman of the Meeting.

ARTICLE 18 – Number of votes

Each full Member of the Association shall have one vote, plus an additional vote for each Member he will be empowered to represent. Associate Members shall have no voting rights.

ARTICLE 19 – Ordinary General Assembly

The Ordinary General Assembly is competent to hear the Board of Director's report on its management and on the moral and financial situation of the Association, approve or adjust the account of the year under review and vote the budget for the coming year, ratify the appointment of Directors, authorize any purchase of real property which the association requires to achieve its purpose, and any exchanges or sales of such property, as well as the creation of mortgages or raising of loans, and more generally, decide all matters of General interest and all those submitted to it by the Board of Directors, except where amendments to the Articles of the Association are involved.

Resolutions passed by the Ordinary General Assembly shall be valid if at least one third of the Association's full Members are present or represented.

In the event this quorum is not reached, a new meeting shall be convened thirty days later, in accordance with the procedure described in Article 16 above. That second Ordinary General Assembly shall be competent to pass valid resolutions irrespective of the number of votes present or represented, but it may not decide any matters which were not on the agenda of the first meeting.

Decisions shall be taken by a simple majority of the voters present or represented.

The General Assembly may only be attended by the Directors of the Association and by duly authorized representatives who are full-time employees of its Member companies, to the exclusion of any commission agents, distributors or other agents including shareholders who are not employees of the engaged in legal, regulatory, technical, scientific or R&D activities, since business matters are entirely outside the scope and purpose of the Association.

ARTICLE 20 – Extraordinary General Assembly

The Extraordinary General Assembly is competent to amend these articles of Association in their entirety. It shall, in particular, decide that the Association should be dissolved before the end of its normal term, or should unite with other Associations.

Resolutions passed by the Extraordinary General Assembly shall be valid if at least half of the Association's full Members are present or represented.

In the event this quorum is not reached, a new meeting shall be convened thirty days later, in accordance with the procedure described in Article 16 above. That second Extraordinary General Assembly shall be competent to pass valid resolutions, but only in respect of matters which were on the agenda of the first Assembly.

Decisions of the Extraordinary General Assembly shall be taken by a three-fourths majority of the voters present or represented.

TITLE V

Resources of the Association

ARTICLE 21 – Annual resources

Two different types of resources will be available to the Association namely:

- Membership fees as determined by the Board of Directors, in execution of the budget voted by the Ordinary General Assembly, and
- Any other legally authorized resources.

Such resources will be used to cover the Association's operating expenses and shall balance budget voted each year by the General Assembly.

The Association may also raise specific funds for the performance of certain operations by charging a special price to recipients of its services, in compliance with applicable laws, rules and regulations.

Separate accounts of receipts and expenditures shall be kept for the day-to-day operating budget and for other activities covered by specific resources

TITLE VI

Dissolution – Winding up

ARTICLE 22 – Dissolution – Winding up

The General Assembly may be summoned by the Council or by at least 1/5 of all Members to discuss a proposal concerning the dissolution of the organisation. The notification and the agenda are made in accordance with the relevant provisions of article 4, section 4 of these Articles of Association.

The deliberation and decision concerning the dissolution requires the quorum and the majority put forward in article 4, section 5 of these Articles of Association. As soon as the decision is taken to dissolve the INPO, the organisation must always declare that it is an "INPO in dissolution" in accordance with article 57 NPO Law.

In the event that the proposal concerning the dissolution of the organisation is accepted, the General Assembly will designate one or more liquidators.

In the event of the dissolution and liquidation of the organisation, an extraordinary meeting of the General Assembly will determine the allocation of any remaining assets of the INPO. These assets must be allocated to another NPO with a similar or connected purpose, operational in Belgium.

All decisions concerning the dissolution, the liquidation requirements, the nomination and the termination of office of the liquidators, the closure of the liquidation and the distribution of the assets of the organisation will be deposited at the registry and published in the Annexes of the Belgian State Gazette in accordance with the relevant provisions of article 51 of the NPO Law and the relevant implementation decrees.

ARTICLE 23 – Internal regulations

Should internal regulations as referred to in several of these Articles be established, such regulations shall have the same force as these Articles and shall be binding upon each Member of the Association.

TITLE VII

Formalities

ARTICLE 24 – Registration and publication

Legal requirements in respect of registration and publication shall be fulfilled by the Board of Directors.

The bearer of an original certified copy of these Articles of Association shall be fully empowered to comply with such formalities.

ARTICLE 25 – Official language

The official language of the Association shall be English.

ARTICLE 26 -Law

The Association will be governed by the Belgian regulations applicable to Associations.

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