

EUROPEAN FOOD AND FEED CULTURES ASSOCIATION (EFFCA)

BY-LAWS

EFFCA By-laws revised & adopted by the Extraordinary General Assembly **17 November 2016**

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 “INPO Law”).

The INPO carries the name: EFFCA – European Food & Feed Cultures Association

ARTICLE 2 – Definition and objectives

The European Food and Feed Cultures Association will focus on Food Cultures other than yeasts used as processing aids in the food industry.

The vision of EFFCA is to support the growth and promote the use of food cultures at global level. The mission of EFFCA is to promote and facilitate the dialogue between economic operators, regulatory bodies and other relevant organisations through various forums aiming at promoting the development of applications of food cultures. Particular activities may include:

- 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 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 cultures and to their relevant applications at global level.

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 industry worldwide.

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.

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 Kellen, Avenue Jules Bordet 142, 1140 Brussels, Belgium.

It may be transferred to another place in any country of the European Union 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 founded 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 shall be B2B food culture producer companies, having either production activities or production and sales activities in Europe;
- Associate Members shall be companies engaged in activities linked to Microbial 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 Chairman in writing. Membership will be granted by a vote of the majority of the Board and ratification by the General Assembly. Applicants for full membership should specify in the application their production and sales activities in Europe.

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 General Assembly when necessary.

Full Members shall be divided into two groups depending on whether they have a seat in the Board or not. Members that want to seat in the Board shall pay higher membership fees and members that do not want to seat in the Board shall pay lower membership fees. .

Associate Members shall pay a flat 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) it fails 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.

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 by the Board, as described for presence quorum in Article 12.

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, has 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 Assembly.

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, renewable.

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 General 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 vision and mission and are not within the competence of the General Assembly.

In particular and within the scope of the EFFCA vision and mission, the Board is accountable for the development, the resourcing and the execution of the annual strategic plans, once approved by the General Assembly. Since resources may include employees from EFFCA member organisations as well as third party contractors, the Board is responsible for developing an annual budget as well as appropriate membership fees to finance EFFCA activities, for submission to the approval 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.

The Board may set up various working groups to implement the annual strategic plans and determine their composition and duties. The Board shall also decide on the dissolution of the working groups, as appropriate.

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 Board meetings are chaired by the Chairman, whose role is to facilitate discussion, ensure that all Board members are heard and encourage input and feedback by Board members on all association's matters.

In particular the Chairman should:

- Create and maintain an open and transparent meeting culture
- Ensure compliance to EFFCA rules and procedures, including but not limited to, competition law guidelines, the Bye-laws, the internal regulations, any recommendation adopted by the Board, etc
- Ensure business ethics are maintained
- Call for extraordinary meetings/calls in case of urgent matters by requesting the Secretary General to send invitations for meetings/calls.

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.

ARTICLE 15 – Meeting via conference call.

A meeting of the Board may consist of a conference between members, who are not all in one place, but of whom each is able, whether directly or by telephonic communication, to converse with each of the others simultaneously. A member taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, at the office of the Association.

The minutes of such meeting will be circulated among all members.

ARTICLE 16 – Decision taken by written procedure.

Whether circulated by mail, facsimile, e-mail or other means, a signed resolution in writing, shall be as valid and effectual as if it had been passed at a meeting of the Board, provided that it is circulated together with an informative note allowing the members to be informed properly.

TITLE IV

General Assemblies

ARTICLE 17 – 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 18 – 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 19 – 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 20 – 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 21 – 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 18 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 of its member companies.

ARTICLE 22 – 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 18 above. That second extraordinary General Assembly shall be competent to pass valid resolutions irrespective of the number of votes present or represented, 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.

ARTICLE 23 – Meeting via conference call.

A meeting of the General Assembly or of the Extraordinary General Assembly may consist of a conference between members, who are not all in one place, but of whom each is able, whether directly or by telephonic communication, to converse with each of the others simultaneously. A member taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, at the office of the Association.

The minutes of such meeting will be circulated among all members.

ARTICLE 24 – Decision taken by written procedure.

Whether circulated by mail, facsimile, e-mail or other means, a signed resolution in writing, shall be as valid and effectual as if it had been passed at a meeting of the General Assembly, provided that it is circulated together with an informative note allowing the members to be informed properly.

TITLE V

Working Groups

ARTICLE. 25 - Working Groups

Working groups are responsible for the execution of the activities as identified in the strategic plans and in accordance to the allocated budget, and shall report to the Board on a regular basis. The working group might be asked by the Board to develop an implementation plan based on the strategic plan and in accordance to the allocated budget. The Board shall agree on the implementation plan.

These working groups will be designated by and under the control of the Board, which may determine their respective mission and mandate.

All EFFCA full members may participate or be represented in the working groups.

TITLE VI

Dissolution – Winding up

ARTICLE 26 – Dissolution – Winding up

The General Assembly may be summoned by the Board 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 22 of these Articles of Association.

The deliberation and decision concerning the dissolution requires the quorum and the majority put forward in article 22 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 27 – Internal regulations

The Board, where it is required to do so and further also as it deems it necessary, decides on the adoption of Internal Regulations of the Association and the amendments thereof.

The Internal Regulations shall serve the purpose of ensuring the proper functioning of the Association and of its organizational structure.

In particular, the Internal Regulations shall contain provisions which clarify, interpret or implement the provisions of the Association’s present Articles.

The Internal Regulations may not conflict with the Association’s Articles. Subject to the foregoing, the Internal Regulations shall have the same force as these Articles and shall be binding upon each Member of the Association.

TITLE VII

Formalities

ARTICLE 28 – 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 29 – Official language

The official language of the association shall be English.

ARTICLE 30 -Law

The association will be governed by the Belgian regulations applicable to associations.

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