

AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED

CONSTITUTION

1. Name

The name of the Company is AUSTRALIAN ANIMAL HEALTH COUNCIL LIMITED (the “Company”).

2. Interpretation

2.1 In these Rules:

- (1) "Absolute majority" means a majority of all those entitled to attend and vote at the meeting, whether present at the meeting and choosing to vote or not.
- (2) "Act" means the Corporations Act 2001 (Cth).
- (3) "Aquatic Organisation" means an organisation admitted as an Aquatic Organisation Member under this Constitution that has not ceased to be an Aquatic Organisation Member.
- (4) "Associate Member" means a person admitted as an Associate Member under this Constitution and who has not ceased to be an Associate Member.
- (5) "Board" or "Board of directors" means the directors of the Company elected or appointed pursuant to these Rules.
- (6) “Chairperson” means the person appointed to perform the duties of the chairperson of the Board of directors.
- (7) “Chief Executive Officer” means any person appointed to perform the duties of the chief executive officer of the Company as set out in Rule 35.
- (8) "Company" means Australian Animal Health Council Limited ACN 071 80 956.
- (9) “Financial Year” means the year ending on 30 June.
- (10) "Industry Organisation" means an organisation admitted as an Industry Organisation Member under this Constitution that has not ceased to be an Industry Organisation Member.
- (11) "member" means a member of the Company whether an Ordinary Member, an Associate Member or some other group of member created in accordance with this Constitution.
- (12) "NBC" means the National Biosecurity Committee (or its successors).
- (13) “Nominated Representative” means a person authorised in writing by a member, in accordance with the procedure set out in Rules 8.4 or 8.5(2) to act as the member’s representative.

- (14) "Ordinary Member" means a member within one of the five (5) groups of membership of the Company specified in Rules 8.2(1) to 8.2(5) inclusive.
- (15) "Register" means the register of members kept in accordance with Rule 8.8.
- (16) "Seal" means the common seal of the Company.
- (17) "Secretary" means any person appointed to perform the duties of a Secretary of the Company and includes an Honorary Secretary.
- (18) "Selection Committee" means the persons who from time to time are:
 - (a) the Chairperson or nominee of the AHA Board of Directors;
 - (b) a person who is an officer of the Commonwealth nominated by the Secretary of the Commonwealth Department of Agriculture (or its successors);
 - (c) the chairperson of NBC (or its successors);
 - (d) the President or the nominee of the National Farmers' Federation (or its successors);
 - (e) one member (other than the chairperson) of NBC (or its successors) representing the group of members described in Rule 8.2(2);
 - (f) where the group of members described in Rule 8.2(3) comprises at least 5 members, one member representing that group selected by the group;
 - (g) where the group of members described in Rule 8.2(4) comprises at least 5 members, one member representing that group selected by the group; and
 - (h) such other persons as are appointed by the Ordinary Members in general meeting,
- (19) "Service Provider Member" means any person admitted as a Service Provider Member under this Constitution and who has not ceased to be a Service Provider Member.

2.2 In these Rules, unless the context otherwise requires:

- (1) expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form;
- (2) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (3) the singular includes the plural and vice versa, and words importing any gender include all other genders;

- (4) except for the definitions in Rule 2.1, an expression or term has, in a provision of these Rules that deals with a matter dealt with by a particular provision of the Act, the same meaning as in that provision of the Act;
- (5) "includes" means includes without limitation;
- (6) a reference to an "animal" includes both terrestrial and aquatic animals; and
- (7) headings are for convenience of reference only and do not affect interpretation.

3. Objects:

3.1 The objects of the Company are to:

- (1) assist the Australian animal health service system in maintaining acceptable national animal health standards aimed at meeting consumer needs and market requirements at home and overseas;
- (2) aid the improvement in the quality of animal health infrastructure and services in Australia by:
 - (a) providing strategic leadership in the identification of national priorities and the development of national policy for Australia's animal health system;
 - (b) facilitating the resourcing and performance of the national animal health system to meet market and commercial requirements;
 - (c) promoting international confidence in the capacity of Australian animal health services;
- (3) advise and advocate action to industry and government on:
 - (a) strategic national animal health priorities;
 - (b) animal health system delivery arrangements and resources;
 - (c) nationally consistent animal health policy;
- (4) establish and manage a national animal health information management system;
- (5) develop, manage and evaluate national animal health programs;
- (6) develop and implement rolling multi year strategic plans and an annual operational plan in relation to animal health service systems;
- (7) facilitate joint involvement of industry and government in Australia's animal health system;
- (8) facilitate joint industry and government management and funding for agreed national animal health programs;
- (9) operate at the policy and strategic level with linkages to a wide range of operational/program delivery structures for animal health;

- (10) be concerned with strategic activities which are not limited to any particular point along the production chain but focus on major national animal health issues affecting marketing of animals and animal products;
- (11) undertake information management and communication as key activities;
- (12) be concerned about the link between good animal welfare practices and trade requirements and sanctions, as well as good commercial performance;
- (13) have an involvement in residue related issues as they relate to animal health and impact on commercial performance;
- (14) actively broker sharing of resources by the Commonwealth, States and industry for priority animal health programs;
- (15) have international status as the national animal health policy and advisory body;
- (16) establish close working linkages to a wide range of operational and program delivery structures in the animal health industry in Australia including Industry Policy Councils and Associations, Australian Quarantine and Inspection Service (AQIS), State and industry animal health administrations, the National Residue Survey, National Registration Authority (or the successors to those organisations), research and development bodies, and the private sector;
- (17) establish close working linkages with international agencies associated with animal health and animal welfare issues which affect trade (for example such organisations as, but not limited to, the Office International des Epizooties (OIE) and Codex Alimentarius);
- (18) be responsive to the needs and requirements of animal health services and act in ways which recognise the roles and responsibilities of all its members;
- (19) conduct its agreed programs in a manner which is consistent with the activities of animal health service agencies of members which enables involvement of, and agreement with, the private veterinary service providers and tertiary institutions;
- (20) undertake commissioned animal health service projects;
- (21) conduct such public seminars and conferences as may be required in the formulation of opinion in any matters pertaining to the enhancement of the animal health industry in Australia;
- (22) publish, disseminate, and market animal health service information developed through collaboration and consultation with members and any work of the Company or any other materials approved by the Company;
- (23) arrange for, or to assist in, research and development into matters pertaining to animal health;
- (24) administer funds (as trustee, manager or otherwise) for the purpose of national animal health programs or initiatives; and

- (25) carry out all or any functions and operations that in the opinion of the Board of directors, are appropriate to be carried out by the Company in furtherance of or incidental to any of the above objects.

4. Legal Capacity and Powers

- 4.1 Under Section 124 of the Act the Company has the legal capacity of a natural person provided that it can only borrow, raise or secure the payment of money with the approval of the Company in general meeting.
- 4.2 The Company may only exercise its powers for its objects.
- 4.3 The income and property of the Company shall be applied towards the promotion of the objects of the Company as set forth in this Constitution and no portion shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise to the members of the Company.
- 4.4 Rule 4.3 does not prevent the Company from entering, in good faith, into contracts with members on reasonable commercial terms in making payments to members in accordance with those contracts, subject to Rule 4.6.
- 4.5 In Rule 4.4 “contracts” includes contracts for the supply of goods and services, the borrowing of money, and the leasing of premises.
- 4.6 The rate of interest on a loan under Rule 4.4 must not be higher than the maximum overdraft rate specified by the Reserve Bank of Australia in the latest edition of the Statistical Bulletin published monthly by the Reserve Bank.
- 4.7 Rule 4.3 does not prevent the Company from making a payment to the Commonwealth in accordance with the emergency animal disease responses provisions of the Australian Animal Health Council (Live-stock Industries) Funding Act 1996 as amended from time to time.

5. Liability of members:

- 5.1 The liability of the members is limited.
- 5.2 If the Company is wound up:
 - (1) during the term of their membership; or
 - (2) within one year after they cease to be a member,each member undertakes to contribute to the Company’s property for:
 - (3) payment of the Company’s debts and liabilities contracted for a period of twelve (12) months before they ceased to be a member;
 - (4) payment of the costs, charges and expenses of winding up;
 - (5) adjustment of the rights of the contributories among themselves,

such amount as may be required from each member not exceeding \$100.

6. Winding-up

- 6.1 If upon the winding up or dissolution of the Company any property remains, after satisfaction of all its debts and liabilities, that property must not be paid to or distributed among the members of the Company but must be given or transferred to some other institution or institutions determined by the Ordinary Members of the Company at or before the time of dissolution.
- 6.2 If the Ordinary Members do not make the necessary determination under Rule 6.1, the Company may apply to the Supreme Court of the Australian Capital Territory to determine the institution or institutions.
- 6.3 No institution is eligible to receive property under this Rule 6 unless:
- (1) it has objects similar to the objects of the Company;
 - (2) its constitution prohibits the distribution of its income and property among its members to an extent at least as great as is imposed on the Company under this Rule 6; and
 - (3) its income is exempt under Division 50 of the *Income Tax Assessment Act 1997*.

7. Accounts

- 7.1 True accounts shall be kept of all financial transactions of the Company and, subject to any reasonable restrictions as to time and manner, such records shall be open to inspection by the members. At least once in every year the accounts of the Company shall be examined by one or more properly qualified Auditor or Auditors.

8. Membership

- 8.1 The members and such other persons as the Company in general meeting shall admit to membership in accordance with these Rules shall be members of the Company.
- 8.2 There will be, until otherwise determined, at least six (6) different groups of members of the Company, being:
- (1) **The Commonwealth**

The government of the Commonwealth of Australia represented by the person from time to time holding office as Commonwealth Minister of the Crown responsible for agriculture.
 - (2) **States and Territories**

The governments of the States of New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, the Australian Capital Territory and the Northern Territory represented by the person from time to time holding the office of Minister of the Crown responsible for agriculture in respect of that State or Territory government.

(3) **Industry Organisations**

Any organisation determined by the Board to represent a sector of the Australian livestock industry and have legal capacity.

(4) **Aquatic Organisation**

Any organisation determined by the Board to represent a sector or a sub-sector of the aquaculture industry engaged in farming, production or harvesting of aquatic animals in Australia (or part of Australia) and to have legal capacity.

(5) **Service Provider Members**

Any organisation determined by the Board to be a service provider to Australia's animal health service system and to have legal capacity.

(6) **Associate Members**

Any organisation determined by the Board to be active in the Australia's animal health service system, or scientifically or commercially interested in the health of Australian livestock or aquatic animals, and to have legal capacity.

Only members in the groups identified in Rules 8.2(1), 8.2(2), 8.2(3), 8.2(4), and 8.2(5) will be Ordinary Members.

8.3 Additional groups of members may be created with the status and rights as determined from time-to-time by the Company in a general meeting in accordance with the Act.

8.4 A member which is a corporate body or a body politic may either under seal or under the hand of a duly authorised officer, authorise a person (by name or by office or position) to act as the member's representative at any meeting of or otherwise for the purpose of the Company and any persons so authorised shall be entitled to exercise the same powers (including, in the case of an Ordinary Member, the power to appoint a proxy) as the member could exercise provided however that the member shall give to the Company notice in writing of the appointment or revocation of appointment and such an appointment or revocation of appointment shall not bind the Company until received by it.

8.5

(1) An application for membership must be:

- (i) in writing in a form approved by the Board;
- (ii) signed by the applicant;
- (iii) signed by the proposer and the seconder, each of whom must be members; and
- (iv) accompanied by such documents or evidence as to qualification for the type of membership applied for as the Board determines.

(2) If the applicant is a body corporate or body politic it must nominate a person who will act as the Nominated Representative to represent it if the application is

successful. The applicant must state the name and address of the person proposed as the Nominated Representative.

- (3) An application form must be accompanied by:
 - (i) An application fee, if any, determined in accordance with Rule 8.9; and
 - (ii) The annual subscription determined in accordance with Rule 8.9.

8.6

- (1) Subject to Rule 8.6(2), the Company in general meeting will consider an application for membership as soon as practicable after its receipt and determine, in its absolute discretion, the admission of the applicant.
- (2) The applicant must be accepted by a majority of the members in the 4 groups of Ordinary Members of the Commonwealth, States and Territories, the Industry Organisations, and the Aquatic Organisations present and voting on the application.
- (3) The Company need give no reason for the rejection of an application.

8.7

- (1) If an applicant is accepted for membership:
 - (a) The Secretary must notify the applicant of admission in the form of a receipt for the application fee, if any, and annual subscription or in such other form as the Board determines; and
 - (b) The name and details of the member must be entered in the Register.
- (2) If an application for membership is rejected the Secretary must notify the applicant in writing.

8.8

- (1) A Register of members of the Company must be kept in accordance with the Act.
- (2) The following must be entered in the Register in respect of each member:
 - (a) the full name of the member;
 - (b) the residential address, facsimile number and electronic mail address, if any, of the member;
 - (c) the category of membership;
 - (d) the date of admission to and cessation of membership;
 - (e) in the case of a corporate or body politic member the full name, address, facsimile number and electronic mail address, if any, of its Nominated Representative; and

(f) such other information as the Board of directors requires.

(3) Each member and Nominated Representative must notify the Secretary in writing of any change in that person's name, address, facsimile number or electronic mail address within 1 month after the change.

8.9 The application fee and annual subscription payable by a member shall be the amount the Company in general meeting shall from time to time prescribe. For the avoidance of doubt, a different application fee or annual subscription may be determined for different groups of members or for individual members within a group.

8.10 All annual subscriptions shall become due and payable at such times and in such manner as the Board shall from time-to-time prescribe. If the annual subscription of a member remains unpaid for two months after it becomes payable and a notice of default is given to the member pursuant to a resolution of the Board of directors, the member, if it is an Ordinary Member, ceases to be entitled to vote at general meetings of the Company.

9. Resignation

9.1 A member may at any time by giving not less than six months notice in writing to the Secretary, resign as a member provided that any amount owed up to the end of the Financial Year in which the resignation takes effect by such member to the Company at the time of resignation shall remain due and payable.

10. Removal

10.1 The Company may by resolution passed by an Absolute majority of Ordinary Members, censor, fine, suspend or expel a member if, in its opinion, the member;

(1) has engaged in conduct prejudicial to the Company; or

(2) has willfully refused or neglected to comply with the Constitution or regulations of the Company;

provided that at least one (1) week before the meeting of the Ordinary Members at which such a resolution is proposed the member is given notice of such meeting and of what is alleged against that member and of the intended resolution and that member shall at such meeting and before the passing of such resolution have an opportunity of giving orally or in writing an explanation or defence the member may think fit.

10.2 If any member ceases to be a member in accordance with these Rules the member remains liable to pay to the Company any monies whatsoever which, at the time of the member ceasing to be a member, the member owes the Company on any account whatsoever.

11. Annual General Meeting

11.1 An annual general meeting of the Company shall be held in accordance with the Act. All general meetings, other than annual general meetings, shall be called general meetings.

12. Convening

12.1 The Board may at any time convene a general meeting of members.

- 12.2 The Board must, within 21 days of a request being made, call a general meeting if one is requested by Ordinary Members in accordance with Section 249D of the Act.
- 12.3 In addition to the provisions of Rule 12.2, Ordinary Members may call a general meeting in accordance with Section 249F of the Act.

13. Notices

- 13.1 Subject to the provisions of the Act relating to special resolutions and short notice, at least 21 days' notice of a general meeting must be given in writing to those persons who are entitled to receive notice from the Company.
- 13.2 Written notice of a meeting of the Company's members must be given individually to:
- (1) each member;
 - (2) each Nominated Representative of a corporate or body politic member;
 - (3) each director; and
 - (4) the Company's auditor.
- 13.3 A notice of a general meeting must:
- (1) set out the place, date and time for the meeting;
 - (2) state the general nature of the business of the meeting;
 - (3) if a special resolution is to be proposed at the meeting, set out an intention to propose the special resolution and state the resolution; and
 - (4) contain a statement setting out the following information:
 - (a) that an Ordinary Member has a right to appoint a proxy; and
 - (b) that the proxy need not be a member of the Company.
- 13.4 The Company may give the notice of meeting to a member:
- (1) personally;
 - (2) by sending it by post to the address for the member in the Register or the alternative address (if any) nominated by the member; or
 - (3) by sending it to the facsimile number or electronic address (if any) nominated by the member.
- 13.5
- (1) A notice of meeting sent by post is taken to be given 6 business days after it is posted.
 - (2) Except as provided by Rule 13.4(3), a notice of meeting sent by facsimile, or other electronic means, is taken to be given on the business day after it is sent.

- (3) Service by facsimile or electronic mail is not effective if:
 - (a) in the case of service by facsimile, the Company's facsimile machine fails to issue a transmission report which shows that the relevant number of pages comprised in the notice has been sent;
 - (b) in the case of service by electronic mail, the Company's computer reports that delivery has failed; or
 - (c) in either case the addressee notifies the Company immediately that the notice was not fully received in a legible form.
- (4) For the purpose of this Rule "business day" means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the place where the Company has its registered office.

13.6 The accidental omission to give notice of any general meeting to or the non-receipt of the notice by any person entitled to receive notice of a general meeting under this Constitution or the accidental omission to advertise (if necessary) the meeting does not invalidate the proceedings at or any resolution passed at the meeting.

13.7 When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for 1 month or more.

14. Proceedings at General Meetings

14.1 Subject to Rule 14.3 no business shall be transacted at any general meeting unless at least two thirds of the Ordinary Members (which must include a representative of each of the groups of the Commonwealth, States and Territories, Industry Organisations, and Aquatic Organisations provided that that group of members comprises at least 3 members) are present in person or by proxy or its Nominated Representative at the time when the meeting proceeds to business. The Board may postpone the holding of any general meeting whenever they think fit (other than a meeting requisitioned by the Ordinary Members pursuant to the Act) for not more than 21 days after the date for which it was originally called. Whenever any meeting is postponed (as distinct from being adjourned under Rule 14.2) the same period of notice of the meeting must be given to the persons entitled to receive notice of a meeting as if a new meeting were being called for the date to which the original meeting is postponed.

14.2 If within two hours from the time appointed for the meeting, a quorum is not present the meeting, if convened upon the requisition of the Ordinary Members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as may be determined by the Board.

14.3 At the adjourned meeting, if two thirds of the Ordinary Members are present by proxy or its Nominated Representative the meeting shall proceed. If at least two thirds of the Ordinary Members are not present by proxy or its Nominated Representative within 30 minutes from the appointed time for the meeting, the meeting shall be abandoned.

14.4 At a general meeting of the Company an Associate Member will have the right to attend the meeting and speak on items of business but will have no voting right and will not be counted for the purposes of determining a quorum.

15. Chair

15.1 The Chairperson shall preside as chairperson at every general meeting of the Company, or if there is no Chairperson or the Chairperson is not present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act, then the directors present may choose one of their number to be chairperson of the meeting.

16. Adjourned Meeting

16.1 The chairperson of the meeting must adjourn a meeting of the Company's members if the Ordinary Members present with a majority of votes at the meeting agree or direct that the Chairperson must do so.

16.2 Only unfinished business is to be transacted at a meeting resumed after an adjournment.

16.3 Except as provided in Rule 13.7, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

17. Voting

17.1 Only Ordinary Members whose rights have not been suspended and their proxies or Nominated Representatives are entitled to vote at general meetings.

17.2 Each Ordinary Member present by proxy or Nominated Representative has one vote. If a proxy present at a general meeting represents more than one Ordinary Member then on a show of hands the person has only one vote and on a poll the person has one vote for each Ordinary Member that the person represents.

17.3 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (1) by the chairperson of the meeting; or
- (2) by at least four (4) Ordinary Members entitled to vote on the resolution who are present in person or by proxy or Nominated Representative.

17.4 The poll may be demanded:

- (1) on any resolution;
- (2) before a vote is taken;
- (3) before the voting results on a show of hands are declared; or
- (4) immediately after the voting results on a show of hands are declared.

17.5 The demand for a poll may be withdrawn.

- 17.6 A poll duly demanded on a matter other than the election of a chairperson of the meeting or the question of an adjournment must be taken when and in the manner the chairperson directs.
- 17.7 A poll on the election of a chairperson of the meeting or on the question of an adjournment must be taken immediately.
- 17.8 The demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 17.9 The result of the poll is the resolution of the meeting at which the poll was demanded.
- 17.10 In the case of an equality of votes, whether on a show of hands or on a poll, the question being determined will be resolved in the negative.
- 17.11 Any resolution shall only be decided in the affirmative on a vote on a show of hands or a poll if a representative of each of the following four (4) groups of Ordinary Members of the Commonwealth, States and Territories, Industry Organisations, and Aquatic Organisations is present when the vote or poll is taken unless the resolution was decided at an adjourned meeting pursuant to Rule 14.3 in which case a resolution shall be decided in the affirmative if it is supported by a majority of votes of the Ordinary Members (unless the law requires it to be passed by a special majority)
- 17.12 Any resolution relating to a proposed amendment to the objects of the Company in the Constitution shall only be decided in the affirmative on a vote on a show of hands or poll by a special resolution of the Ordinary Members.
- 17.13 An objection may be raised to the qualification of a person to vote only at the meeting or adjourned meeting at which the vote objected to is given or tendered. The objection must be referred to the chairperson of the meeting whose decision shall be final. A vote not disallowed following the objection is valid for all purposes.

18. Proxies

- 18.1 An Ordinary Member may appoint one (1) proxy. The proxy need not be a member. The instrument appointing a proxy shall be in writing under the hand of the Ordinary Member or of the Ordinary Member's Nominated Representative or of the Ordinary Member's attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. An Ordinary Member or a Nominated Representative shall be entitled to instruct the proxy to vote in favour of or against any proposed resolutions. Unless otherwise instructed the proxy may vote as the proxy thinks fit. If a proxy is only granted for a single meeting it may be used at any postponement or adjournment of that meeting, unless the proxy instrument states otherwise.
- 18.2 The instrument appointing the proxy may be in the following form or in a common or usual form.

"I of
being an Ordinary Member of AUSTRALIAN ANIMAL HEALTH COUNCIL
LIMITED hereby appoint of"

or failing him/her of
as my proxy to vote for me on my behalf at the (annual general meeting or general meeting as the case may be) of the Company to be held on theday of 20xx and at any adjournment thereof.

My proxy is hereby authorised to vote *in favour of/*against the following resolutions.

Signed by (Member))

in the presence of:)

Ordinary Member

.....
Witness

Note - In the event of the Ordinary Member desiring to vote for or against any resolution he or she shall instruct his proxy accordingly. Unless otherwise instructed the proxy may vote as he or she thinks fit.

- 18.3 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that appointment or power or authority shall be deposited at the registered office of the Company or at such other place as is specified for that purpose in the notice convening the meeting, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. If the Company has facilities for receipt of facsimile transmission "deposited" shall include the receipt by the Company of the transmitted facsimile of the appointment, power or authority.
- 18.4 A vote given in accordance with the terms of an instrument of proxy or of a power of attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or the revocation of the instrument (or of the authority under which the instrument was executed) provided no notice in writing of the death, unsoundness of mind or revocation has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

19. Board of Directors

- 19.1 The management and control of the affairs of the Company shall be vested in the Board of directors which (in addition to any other powers and authorities expressly conferred upon the Board by these Rules) may carry into effect all or any of the objects of the Company and subject to the Constitution may exercise all powers of the Company and do all such acts or things as may be exercised or done by the Company that the Constitution or the Act do not require to be exercised by the Company in general meeting but no resolution passed by a general meeting shall invalidate any prior act of the Board which would have been valid had that resolution not been passed.
- 19.2 Without limiting Rule 19.1 and subject to Rule 19.3, the Board may recommend to members the level of any remuneration payable to the directors.
- 19.3 The remuneration payable to the directors must be approved at an annual general meeting of members by the Ordinary Members.
- 19.4 Rule 19.3 does not prevent the Company from making payments to directors in the following circumstances:

- (1) for any service rendered to the Company in a professional or technical capacity, where the provision of that service has the prior approval of the Board of directors and the amount payable is approved by a resolution of the Board of directors and is on reasonably commercial terms; or
- (2) as an employee of the Company, where the terms of employment have been approved by a resolution of the Board of directors.

20. The Size of the Board

20.1 Unless otherwise determined by the Ordinary Members in general meeting, there shall be a Board of no fewer than five (5) directors and no more than seven (7) directors as determined by the Board from time to time.

21. Appointment of the Chairperson

21.1 The Directors will appoint one director as Chairperson to chair Board meetings.

21.2 The term of appointment of the Chairperson will be until the sooner of:

- (1) the commencement of the Board meeting following the expiration of two (2) years from the Chairperson's appointment; or
- (2) the end of the Chairperson's term as a Director.

21.3 A Director who has been a Chairperson is eligible for reappointment.

22. Appointment of Directors

22.1 The Company in general meeting will consider and, if thought appropriate, approve the Selection Committee's nominees for directors to the Board of the Company. If the Company in general meeting does not approve the appointment of any nominee the Selection Committee will select another nominee. In making the decision whether or not to approve the Selection Committee's nominees the Ordinary Members will take into account the factors listed in Rule 22.2.

22.2 In recommending the appointment of directors, the Selection Committee will consult with the Chairperson and the Ordinary Members and take into account the following mix of capabilities:

- (1) knowledge of and expertise in the extensive livestock production sector or a sector or sub-sector of aquaculture;
- (2) knowledge of and expertise in the intensive livestock production sector or a sector or sub-sector of aquaculture;
- (3) expertise in the processing marketing sector, with a strong understanding of major export markets for aquatic animals or livestock and their products;
- (4) understanding of industry organisational arrangements, networks and interfaces with Government;

- (5) knowledge of and expertise in Government policy and its development;
- (6) expertise and technical qualifications in the delivery of animal health services;
- (7) expertise in quality management approaches to animal health;
- (8) strategic planning expertise;
- (9) economic expertise;
- (10) financial management expertise; and
- (11) corporate governance expertise.

22.3 The Selection Committee will appoint one of its members (other than the Chairperson) to chair the Selection Committee and be responsible for communicating with the Chairperson and Ordinary Members on its behalf.

23. Term of Office and Vacancies

23.1 Subject to the Rules, the term of appointment for each director of the Company will be for the period until the 4th annual general meeting after the annual general meeting at which the director's appointment is approved by the Ordinary Members.

23.2 A director who is not disqualified by law or these Rules is eligible for reappointment at the end of the director's term of office.

23.3 A director may resign by giving written notice to the Company at its registered office. A notice of resignation takes effect at the time when the notice is received by the Company.

23.4 A director may be removed by the Company in general meeting in accordance with Section 203D of the Act.

23.5 The office of a director becomes vacant if the director:

- (1) receives any payment or benefit from the Company otherwise than in accordance with this Constitution;
- (2) ceases to have legal capacity;
- (3) becomes an insolvent under administration;
- (4) is prohibited by order or notice under the Act from managing a Corporation; or
- (5) is directly or indirectly interested within the meaning of Section 191 of the Act in any contract or proposal with the Company, and fails to declare the nature of his or her interest as required by the Act.

23.6 The Board may continue to act despite any vacancy in the office of a director.

23.7 In the event of an office of director becoming vacant, the Selection Committee may recommend a replacement director to the Board of directors to be appointed by the Board and any director so appointed holds office only until the next general meeting of the

Company. The director's appointment is then eligible for approval by the Company and if appointed, will hold office for the duration of the vacating director's remaining term of office.

24. Quorum of the Board

- 24.1 The quorum for meetings of the Board is the presence in person of more than half of the members of the Board including the Chairperson.
- 24.2 If a quorum is not present within two (2) hours of the time specified in the Notice of Meeting, the meeting may not proceed and will be adjourned to the same place at the same time one week later.
- 24.3 In the case of an adjourned meeting, the subsequent meeting may only carry out the business for which notice was given at the meeting which was adjourned.

25. Disclosure of Interest

- 25.1 Subject to and without limiting Sections 191, 192, 193 and 195 of the Act, a director of the Company may be directly or indirectly interested in a contract or arrangement with the Company and may hold office or possess any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his or her duties or interests as a director of the Company.
- 25.2 A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company must, as soon as practicable after the relevant facts have come to the director's knowledge, declare the nature of the interest at a meeting of the directors or by written notice to the Secretary of the Company.
- 25.3 A director who holds any office or possesses any property by which, whether directly or indirectly, duties or interests might be created in conflict with his or her duties or interests as director must declare at a meeting of the directors of the Company or by written notice to the Secretary of the Company the fact and the nature, character and extent of the conflict.
- 25.4 Except where permitted by the Act a director who has a material personal interest in a matter that is being considered at a meeting of directors:
 - (1) must not be counted in a quorum;
 - (2) must not vote on the matter;
 - (3) must not be present while the matter is being considered at the meeting: and
 - (4) must not vote on any motion relating to the contract or proposed contract.
- 25.5 If a director has an interest in a contract or proposed contract with the Company (other than as a member), or a conflicting interest or duty in relation to any other matter being considered by the directors, and the director discloses the nature and extent of the interest or duty at a meeting of the directors or by written notice to the Secretary of the Company:
 - (1) the contract may be entered into; and

- (2) if the disclosure is made before the contract is entered into:
 - (a) the director may retain benefits under the contract even though the director has an interest in the contract;
 - (b) the Company cannot avoid the contract merely because of the existence of the interest; and
 - (c) the director is not disqualified from the office of director.

25.6 For the purposes of this Rule, "contract" includes an arrangement, dealing or other transaction, either as vendor, purchaser, mortgagee or otherwise.

26. Management

26.1 Subject to the Act and to any provisions within these Rules, the Board may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its property, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability, or obligation of the Company.

26.2 The rate of interest payable by the Company in respect of money lent by members to the Company shall not be higher than the maximum overdraft rate specified by the Reserve Bank of Australia in the latest edition of the Statistical Bulletin published monthly by the Reserve Bank.

26.3 All cheques, promissory notes, drafts, Bills of Exchange, and other negotiable instruments, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by any two directors, or one director and Chief Executive Officer, or in such other manner as the Board from time to time determines.

27. Minutes of Board Meetings

27.1 The directors must ensure that:

- (1) minutes of all proceedings of general meetings and of meetings of its Board of directors are entered, within 1 month after the relevant meeting is held, in books kept for that purpose; and
- (2) those minutes are signed by the chair of the meeting at which the proceedings took place or by the chair of the next succeeding meeting.

27.2 Without limiting Rule 27.1, the directors must cause minutes to be made of:

- (1) all meetings of the directors that are not held in person;
- (2) all appointments of officers and employees;
- (3) the names of the directors present at all meetings of directors and the Company; and
- (4) the method by which each meeting of directors was held.

28. Meetings of the Board

- 28.1 The Board may meet together for the dispatch of business, adjourn, and otherwise regulate its meetings as it thinks fit.
- 28.2 A meeting of the Board may be convened:
- (1) at any time, by the Chairperson; or
 - (2) upon requisition of at least two (2) directors, by the Secretary.
- 28.3 Unless directors who are entitled to notice agree to the holding of a meeting at shorter notice (which agreement shall be sufficiently evidenced by the presence of all directors or by signing a notice to that effect) not less than seven clear days oral or written notice of a meeting of the Board shall be given to each director. Written notice may be given in accordance with the provisions of Rule 42.1.
- 28.4 For the purpose of these Rules the contemporaneous linking together in oral communication by telephone, audio-visual or other instantaneous means (“tele-communication meeting”) of a number of the directors not less than a quorum is deemed to constitute a meeting of the directors. All the provisions of these Rules relating to a meeting of the directors apply to a telecommunication meeting in so far as they are not inconsistent with the provisions of this Rule 28.4. The following provisions apply to a telecommunication meeting:
- (1) all the directors for the time being entitled to receive notice of a meeting of the directors (including any alternate director) are entitled to notice of a telecommunication meeting;
 - (2) all the directors participating in the meeting must be linked by telephone, audio-visual or other instantaneous means for the purpose of the meeting;
 - (3) notice of the meeting may be given on the telephone or other electronic means;
 - (4) each of the directors taking part in the meeting must be able to hear and be heard by each of the other directors taking part at the commencement of the meeting and each director so taking part is deemed for the purposes of these Rules to be present at the meeting; and
 - (5) at the commencement of the meeting each director must announce his or her presence to all the other directors taking part in the meeting.
- 28.5 If the Secretary is not present at a telecommunication meeting one of the directors present must take minutes of the meeting.
- 28.6 A director may not leave a telecommunication meeting by disconnecting his or her telephone, audio-visual or other communication equipment unless that director has previously notified the Chairperson of the meeting.
- 28.7 A director is conclusively presumed to have been present and to have formed part of a quorum at all times during a telecommunication meeting unless that director has previously obtained the express consent of the Chairperson to leave the meeting.

28.8 A minute of the proceedings of a telecommunication meeting is sufficient evidence of the proceedings and of the observance of all necessary formalities if the minute is certified to be a correct minute by the Chairperson of the meeting.

29. Voting

29.1 Subject to these Rules, questions arising at any meeting of the Board shall be decided by a majority of votes and a determination by a majority of directors shall for all purposes be deemed a determination of the Board. The Chairperson shall have a casting vote in addition to any vote he or she has as a director. The Chairperson has a discretion both as to whether or not to use the casting vote and as to the way in which it is used. In the case where there is an equality of votes at a meeting the question will be decided in the negative.

30. Continuing Directors

30.1 In the event of a vacancy or vacancies in the office of a director or offices of directors, the remaining directors may act.

31. Chair

31.1 The Chairperson appointed pursuant to Rule 21 shall preside as Chairperson at every meeting of the Board, or if there is no Chairperson, or if at any meeting the Chairperson is not present within 15 minutes after the time appointed for holding the meeting, then the directors may choose one of their number to be Chairperson of the meeting.

32. Board sub-committees

32.1 The Board may delegate any of its powers or functions to one or more sub-committees consisting of such directors as the Board thinks fit. Any sub-committee so formed shall conform to any regulation that may be imposed by the Board and all directors of such sub-committee shall have one vote.

32.2 The Chairperson of the sub-committee will be appointed by the Board when establishing the sub-committee.

32.3 A sub-committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the Chairperson of the sub-committee shall have a second or casting vote.

33. Defect in the Appointment of a Board Member

33.1 All acts done by any meeting of the Board or a sub-committee or by any person acting as a member of the Board or a sub-committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment or continuation in office of any such member or person acting as aforesaid, or that members or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Board or sub-committee.

34. Resolutions in Writing

- 34.1 If all the directors at that time present in Australia and any director absent from Australia who has left a facsimile number at which he or she may be given notice have signed a document containing a statement that they are in favour of a resolution of the directors in terms set out in the document, a resolution in those terms is deemed to have been passed at a meeting of the directors held on the day on which the document was signed and at the time at which the document was last signed by a director or, if the directors signed the document on different days, on the day on which, and at the time at which, the document was last signed by a director.
- 34.2 For the purposes of Rule 34.1, two or more separate documents containing statements in identical terms each of which is signed by one or more directors are deemed together to constitute one document containing a statement in those terms signed by those directors on the respective days on which they signed the separate documents.
- 34.3 A reference in Rule 34.1 to all the directors does not include a reference to a director who, at a meeting of directors, would not be entitled to vote on the resolution.
- 34.4 Every resolution passed under Rule 34.1 must as soon as practicable be entered in the minutes of the directors' meetings.
- 34.5 A facsimile, electronic mail message or similar means of communication addressed to or received by the Company and purporting to be signed or sent by a director for the purpose of this Rule must be treated as a document in writing signed by that director.
- 34.6 The resolution is passed when the last director signs.

35. Chief Executive Officer

- 35.1 The Chief Executive Officer shall, subject to the Act, be appointed by the Board for such term and upon such conditions as it thinks fit, and any person so appointed may be removed by the Board.
- 35.2 Nothing herein shall prevent the Board from appointing a person as Honorary Secretary and any person so appointed who is a member of the Board shall be subject to the provisions of Rule 4.
- 35.3 The Chief Executive Officer is not a member of the Board but may attend meetings of the directors except where the directors otherwise request.

36. Secretary

- 36.1 Until such time as the Board determines otherwise and subject to section 204 A-G (inclusive) of the Act, the Chief Executive Officer shall be appointed as the Secretary and perform the duties and functions of the Secretary. A Secretary may be appointed by the Board for such term upon such conditions as it thinks fit and any Secretary so appointed may be removed by it.
- 36.2 The Secretary is not a member of the Board but may attend meetings of the directors except where the directors otherwise request.

37. Financial Year

37.1 Unless the Board otherwise resolves:

- (1) The first Financial Year of the Company is the period from Incorporation of the Company to the 30th June, 1996; and
- (2) Subsequent Financial Years are the 12 month periods from 1 July of each year to the 30 June of the following year.

38. Accounts

38.1 The Board shall cause proper books of account to be kept with respect to:

- (1) all sums of money received and expended or otherwise dealt with by the Company and matters in respect of which the receipts and expenditure takes place;
- (2) all sales and purchases of goods and services by the Company;
- (3) the assets and liabilities of the Company.

38.2 The books of account shall be kept at the registered office of the Company or subject to the Act at such other place or places as the Board thinks fit and shall always be open to the inspection of the directors.

38.3 The Board shall from time to time determine at what times and places the accounts or books of the Company or any of them shall be open to the inspection of members or officers of the Company.

38.4 The Board shall distribute copies of every balance sheet and profit and loss account made up to a date not more than five months before the date of the meeting.

39. Auditor

39.1 The Company must appoint an auditor of the Company in accordance with section 327B of the Act.

39.2 An annual general meeting must appoint an auditor if there is vacancy in the position, as required by paragraph 327(B)(1)(b) of the Act.

40. Common Seal

40.1 The Company may, but need not, have a common seal.

40.2 If the Company has a common seal the directors must provide for its safe custody.

40.3 The common seal may not be fixed to any document except by the authority of a resolution of the directors or of a committee of the directors duly authorised by the directors.

40.4 The Company executes a document with its common seal if the fixing of the seal is witnessed by:

- (1) 2 directors of the Company; or

(2) a director and a company Secretary of the Company.

40.5 The Company may execute a document without a seal if the document is signed by:

(1) 2 directors of the Company; or

(2) a director and a company Secretary of the Company.

41. Inspection of Records

41.1 Members of the Company and directors of the Board may inspect the records of the Company at any reasonable time.

41.2 Members of the Company and directors of the Board may at their own expense make copies of the records they have inspected, but may not remove or take away the records.

41.3 In this Rule "records" includes accounts and Minutes, but does not include records that relate to personal, employment or legal matters.

42. Service of Notices

42.1 A notice may be given by the Company to any member, Nominated Representative of any corporate body politic member or director either by serving it on the member, Nominated Representative or director personally or by sending it by post or facsimile transmission or other means permitted by the Act to the address, electronic address or fax number nominated by the member, Nominated Representative or director to the Company for the giving of notices.

42.2

(1) If a notice is sent by post, service of the notice is deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to be effected:

(a) on the sixth business day after posting if sent to an address in Australia; or

(b) on the tenth business day after posting if sent to an address outside Australia.

(2) If a notice is sent by facsimile transmission or electronic means, service of the notice is deemed to be effected by transmitting it to the fax number or electronic address supplied to the Company for that purpose and to be effected on the next business day after the date of its transmission unless:

(a) in the case of a facsimile transmission, the Company's facsimile machine fails to issue a transmission report which shows that the relevant number of pages comprised in the notice has been sent; or

(b) the addressee notifies the Company immediately that the notice was not fully received in a legible form.

(3) For the purpose of this Rule "business day" means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where the Company has its registered office.

- 42.3 Members, Nominated Representatives and directors must notify the Company in writing of any change in the preferred address for service.
- 42.4 Notices of meetings must include the time, day and place of the meeting and the nature of the business proposed.

43. Indemnity

- 43.1 Directors and officers of the Company will be indemnified out of the property of the Company against any liability incurred by him or her in his or her capacity as officer to another person (other than the Company or a related body corporate) unless the liability arises out of conduct involving a lack of good faith.
- 43.2 A liability in Rule 43.1 includes, but is not limited to, any loss, cost or expense suffered or incurred by the director or officer:
- (1) in defending proceedings, whether civil or criminal, in which judgment is in favour of that person or in which that person is acquitted; or
 - (2) in connection with an application in relation to such proceedings, in which the Court grants relief to that person under the Act.
- 43.3 The Company may pay the premiums on any policy of insurance in relation to any liability of an officer, to the fullest extent permitted by the Act.

44. Replaceable Rules

- 44.1 The replaceable Rules contained in the Act do not apply to the Company.
- 44.2 The following are Ordinary Members of the Company and they agree to this Constitution:

COMMONWEALTH

The COMMONWEALTH OF AUSTRALIA

c/- Department of Agriculture and Water Resources
18 Marcus Clarke Street
CANBERRA ACT 2601

STATE AND TERRITORIES

The STATE OF NEW SOUTH WALES

c/- Department of Primary Industries
161 Kite Street
ORANGE NSW 2800

The STATE OF QUEENSLAND

c/- Department of Agriculture and Fisheries
80 Ann Street
BRISBANE QLD 4000

The STATE OF SOUTH AUSTRALIA

c/- Department of Primary Industries and Regions
14th Floor, Grenfell Centre
25 Grenfell Street
ADELAIDE SA 5000

The STATE OF TASMANIA

c/- Department of Primary Industries, Parks, Water and Environment
1 Franklin Wharf
HOBART TAS 7001

The STATE OF VICTORIA

c/- Department of Economic Development, Jobs, Transport and Resources
1 Spring Street
MELBOURNE VIC 3000

The STATE OF WESTERN AUSTRALIA

c/- Department of Agriculture and Food
3 Baron-Hay Court
SOUTH PERTH WA 6151

THE AUSTRALIAN CAPITAL TERRITORY

c/- Department of Territory and Municipal Services
Macarthur House
12 Wattle St
LYNEHAM ACT 2601

The NORTHERN TERRITORY

c/- Department of Primary Industries and Fisheries
Berrimah Farm
Makagon Road
BERRIMAH NT 0828

INDUSTRY ORGANISATION MEMBERS

Australian Alpaca Association Ltd

Level 1, 95 Northbourne Ave
TURNER ACT 2612

Australian Chicken Meat Federation Inc.

Level 7, 122 Walker Street
NORTH SYDNEY NSW 2060

Australian Dairy Farmers Limited

Level 2, Swann House
22 William Street
MELBOURNE VIC 3000

Australian Duck Meat Association Inc

86 Wilson Street
BRUNSWICK VIC 3065

Australian Eggs

Suite 4.02, Level 4
107 Mount Street
NORTH SYDNEY NSW 2060

Australian Horse Industry Council Inc.

13 Raynes Street
BALWYN VIC 3103

Australian Lot Feeders Association Inc.

Level 5
131 Clarence Street
SYDNEY NSW 2000

Australian Pork Limited

Level 2, 2 Brisbane Avenue
BARTON ACT 2600

Cattle Council of Australia Inc.

NFF House, 14-16 Brisbane Avenue
BARTON ACT 2600

Equestrian Australia Limited

Unit 7, 11-21 Underwood Road
HOMEBUSH NSW 2140

Harness Racing Australia Inc.

Level 1, 400 Epsom Road
FLEMINGTON VIC 3031

Sheep Producers Australia

NFF House, 14-16 Brisbane Avenue
BARTON ACT 2600

WoolProducers Australia

NFF House, 14-16 Brisbane Avenue
BARTON ACT 2600

Goat Industry Council of Australia

NFF House, 14-16 Brisbane Avenue
BARTON ACT 2600

SERVICE DELIVERY

Commonwealth Scientific and Industrial Research Organisation

Australian Animal Health Laboratory
5 Portarlington Road
GEELONG EAST VIC 3220

44.3 The following are Associate Members of the Company:

ASSOCIATE MEMBERS

Australian Livestock Export Corporation Ltd (LiveCorp)

PO Box 1174
NORTH SYDNEY NSW 2059

Australian Meat Industry Council Ltd

Level 2, 460 Pacific Highway
ST LEONARDS NSW 2065

The Australian Veterinary Association Limited

Unit 40, 6 Herbert Street
ST LEONARDS NSW 2065

Dairy Australia

Level 5, IMB Centre
60 City Road
SOUTHBANK VIC 3006

Meat and Livestock Australia

Level 1, 40 Mount Street
NORTH SYDNEY NSW 2060

National Aquaculture Council Inc.

PO Box 878
SANDY BAY TAS 7006

Racing Australia

Level 7, Drutt Street
SYDNEY NSW 2000

Veterinary Schools of Australia and New Zealand

PO Box 465
CRESWICK VIC 3363

Wildlife Health Australia Inc.

Suite E, 34 Suakin Drive
MOSMAN NSW 2088

Zoo and Aquarium Association Inc.

PO Box 20
MOSMAN NSW 2088