

AUSTRALIAN FARM INSTITUTE LIMITED
ACN 107 483 661

CONSTITUTION

1. NAME

The name of the Company is Australian Farm Institute Limited ('The Institute').

2. CORPORATE STRUCTURE

The Institute is a company limited by guarantee, incorporated in accordance with the Corporations Act 2001.

3. DEFINITIONS & INTERPRETATION

(a) Definitions

In this Constitution the words and phrases set out hereunder shall have the following meanings:

(i) Membership

- **'Founding Member'** means NSW Farmers Association, ABN 31 000 004 651.
- **'Foundation Member'** means a person or entity admitted to membership of the Institute as a Foundation Member in accordance with clause 9(b).
- **'Ordinary Member'** means a person or entity admitted to membership of the Institute as an Ordinary Member in accordance with clause 9(c).
- **'Member'** means the Founding Member and each Foundation Member and Ordinary Member.
- **'Voting Member'** means the Founding Member and each Foundation Member.

(ii) **Directors**

- **'Executive Director'** means the person appointed from time to time to hold that office in accordance with clause 17.
- **'Director'** means the Executive Director and each Appointed Director.
- **'Board'** and **'Board of Directors'** means the Executive Director and all Appointed Directors.

(iii) **General**

- **'Objectives'** means the objectives of the Institute as set out in clause 4.
- **'Research Advisory Committee'** means the Committee of that title established in pursuance of clause 18.
- **'Research Fellow'** means a person appointed to such a position with the Institute in accordance with clause 19.
- **'Exclusive Research Fund'** means the fund created in accordance with clause 20.

(b) **Interpretation**

In this Constitution, unless the contrary intention is indicated:

- (i) The word 'person' includes an individual, a firm, a corporation, an incorporated or unincorporated association, a public or local authority, a state-owned corporation or any other Government entity.
- (ii) The singular includes the plural and vice versa.
- (ii) The use of any gender-specific expressions includes all genders.
- (iv) Where a word or part of speech or phrase is given a particular meaning, other grammatical forms of any such word, part of speech or phrase shall have a corresponding meaning.
- (v) A reference to any statute includes a reference to that statute as amended from time to time and any statute enacted in its place, and any rules and regulations made under that statute.

4. OBJECTIVES

- (a) The objectives of the Institute are:
- (i) To conduct research into public policy issues impacting on Australia's farmers, with the aim of identifying policy solutions that enhance the ability of farmers to operate in a profitable and sustainable manner.
 - (ii) To promote the results of policy research to governments and the wider community.
 - (iii) To foster debate on farm policy issues.
 - (iv) To engage in such other activities of a like nature as may be identified as contributing to the agricultural sector in Australia.
- (b) The Institute is committed to operating on a non-party political basis, and in a manner whereby policy and research outcomes are developed with integrity and without undue influence from political, financial or social interests.

5. PROPERTY & INCOME

- (a) The income and property of the Institute, however derived, must be applied solely to the promotion of the Objectives of the Institute. No part of that income or property may be paid or transferred (directly or indirectly) by way of dividend, bonus, or otherwise by way of profit, to Members of the Institute. Provided that this clause 5(a) does not prevent:
- (i) The payment in good faith of remuneration to any officer, employee or Member of the Institute for services rendered to the Institute or for goods supplied to the Institute in the ordinary course of business;
 - (ii) The payment of interest (at a rate not exceeding the rate from time to time fixed by the Board of Directors for the purposes of this clause) on money borrowed from a Member; or
 - (iii) The payment of reasonably and proper rent for premises let or provided to the Institute by a Member.
- (b) No Director of the Institute may be paid or receive from the Institute any remuneration or other benefit in money or moneys worth. Provided that this clause 5(b) does not prevent:
- (i) The payment to any Director of out-of-pocket expenses incurred by a Director in or about the affairs of the Institute;

- (ii) The payment of interest – at a rate not exceeding that fixed for the purposes of clause 5(a)(ii) – on money borrowed by the Institute from a Director;
- (iii) The appointment of any Director to the office of Executive Director, or any other salaried office, of the Institute, on a recommendation basis approved by the Board of Directors; or
- (iv) The engagement or employment of any Director, or any company or firm in which a Director may be engaged or interested, in a professional capacity in or about the affairs of the Institute, at usual professional remuneration rates.

6. LIMITED LIABILITY

- (a) The liability of the Members of the Institute is limited.
- (b) Every Member of the Institute undertakes to contribute to the assets of the Institute, if it is wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the debts and liabilities of the Institute contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and of any adjustment of the rights of contributing Members amongst themselves. No amount so required from a Member shall exceed ten dollars (\$10.00).

7. WINDING UP/DISSOLUTION

- (a) If on a winding up or dissolution of the Institute there remains, after satisfaction of its debtors and liabilities, any property whatsoever, that property:
 - (i) if forming part of the Exclusive Research Fund, shall be transferred to the research fund account of another organisation in Australia which has been endorsed as an approved research institute for the purposes of the *Income Tax Assessment Act*;
 - (ii) otherwise shall be given or transferred to another entity or entities, approved by the Commissioner of Taxation for the purposes of Section 78(4) of the Income Tax Assessment Act 1936, which prohibits the distribution of income or property of the entity to its members or beneficiaries.
- (b) In such a circumstance the entity or entities to benefit pursuant to subclause (a) shall be determined by the Board of Directors, at or before the time of liquidation or dissolution, with preference given to entities with objectives similar to those of the Institute.

8. ACCOUNTS

- (a) True and proper accounts must be kept of moneys and property received and expended or distributed by the Institute, and the manner and objects of such expenditure and distribution, and of all assets, credits and liabilities of the Institute.
- (b) All such accounts must, where required by the Corporations Act, be open and available for inspection by Members.
- (c) Once in every year the accounts of the Institute must be audited by a properly qualified auditor, who must report in accordance with the requirements of the Corporations Act.

9. MEMBERSHIP

- (a) The membership of the Institute shall comprise:
 - (i) the Founding Member;
 - (ii) any Foundation Members admitted to membership in accordance with clause 9(b), and
 - (iii) any Members admitted to membership in accordance with clause 9(c).
- (b) A person or entity shall be eligible for admission as a Foundation Member of the Institute if that person or entity:
 - (i) has been approved by the Founding Member and such approval has been recorded in a minute of a meeting of the Board of Directors,
 - (ii) has entered into a binding agreement with the Institute to provide funding to the Institute for not less than the minimum level for Foundation Member funding prescribed by the Board of Directors from time to time; and
 - (iii) signs an application for membership in the form of Schedule 1 to this Constitution or in a form as may be determined by the Board of Directors from time to time, and pays the membership fee specified in that application.
- (c) A person or entity shall be eligible for admission as an Ordinary Member of the Institute if that person or entity:
 - (i) has been approved by the Board of Directors for admission; and
 - (ii) signs an application for membership in the form of Schedule 1 or in a form as may be determined by the Board of Directors from time to time, and pays the membership fee specified in that application.

- (d) A Member ceases to be a Member on:
 - (i) resignation;
 - (ii) death in the case of a natural person or liquidation or dissolution in the case of a corporate entity; or
 - (iii) termination by the Board in accordance with clause 9(f).
- (e) A Member may by notice in writing to the Institute resign membership, either with immediate effect or with effect from a future date (but not being later than six months from the date of the notice).
- (f) The Institute may by notice in writing to a Member terminate the membership of that Member, either with immediate effect or with effect from a future date (but not being later than six months from the date of the notice).
- (g) Subject to the provisions of this Constitution and the Corporations Act the Board of Directors may admit any person, corporation or other legal entity to be a Member of the Institute in the category of membership for which he, she or it is eligible in accordance with clauses 9(b) and 9(c).

9A. FUNDING COMMITMENT AGREEMENTS.

- (a) In this Constitution the expression “**Funding Commitment Agreement**” means a binding agreement between a Member and the Institute specifying the amount of funding which the Member is prepared to commit to the Institute and the terms of payment of that funding commitment.
- (b) It is a condition of the voting rights conferred on the Founding Member by this Constitution that in respect of each financial year of the Institute’s operations that the Founding Member will, prior to the commencement of each financial year of the Institute, enter into a Funding Commitment Agreement with the Institute in respect of the Institute’s next financial year.
- (c) Each Foundation Member admitted to membership pursuant to clause 9(b) of this constitution must, as a condition of continuing as a Foundation Member and being entitled to exercise the rights conferred by this Constitution on a Foundation Member, enter into Funding Commitment Agreement with the Institute in respect of the Institute’s next financial year.

10. MEETINGS OF MEMBERS

- (a) The Directors may convene a general meeting of Members of the Institute whenever they think fit.
- (b) A general meeting may be convened on requisition of Members in accordance with Section 249F of the Corporations Act, but not otherwise.
- (c) The Directors shall convene an annual general meeting in each year in accordance with the requirements of the Corporations Act.
- (d) Subject to the provisions of the Corporations Act as to short notice:
 - (i) not less than 14 days notice of general meetings, and
 - (ii) in the case of a general meeting at which a special resolution not less than 21 days notice

must be given in writing to Members. A notice of meeting must specify the place, day and hour of the meeting, and the general nature of any special business to be considered at the meeting.

- (e) The Institute's Auditor shall be entitled to receive notices of and to attend all general meetings.
- (f) The Board of Directors may cancel or postpone to a date and time determined by the Directors, any meeting convened by the Board, but not a meeting requisitioned in accordance with clause 10(b) or by the Court in accordance with Section 249G of the Act. Written notice of postponement or cancellation of a meeting must be given to all persons entitled to receive notice of the meeting at least three days prior to the scheduled date, and such notice must specify the reason for postponement or cancellation.

11. PROCEEDINGS AT GENERAL MEETINGS

- (a) The business of an annual general meeting shall be to consider the effectiveness of the Institute's overall efforts to meet its objectives, as stated in clause 4. It shall also be to receive and consider the profit and loss account, the balance sheet, and the reports of the Directors and the Auditor, and to elect Directors in place of those retiring.
- (b) All business – other than that referred to in clause 11(a) – which is transacted at an annual general meeting, and all business transacted at any other general meeting shall be considered special business.
- (c) The Founding Member and at least one Foundation Member (if there be such) present in person or by proxy or representative shall constitute a quorum at a general meeting.

- (d) An item of business may not be transacted at a general meeting unless a quorum is present when the meeting proceeds to consider it. However, if a quorum is present at the beginning of a meeting, it is to be deemed present through the meeting, unless the Chair of the meeting otherwise declares.
- (e) The Chairman of the Board of Directors shall preside as Chair at general meetings.
- (f) If there is an equality of votes the Chair has (both on a show of hands and on a poll) a casting vote in addition to any votes to which he or she is entitled as a Member. The Chair has discretion both as to whether or not to use the casting vote, and as to the way in which it is used.
- (g) Every question submitted to a meeting is to be decided by consensus, or if a consensus cannot be reached by a show of hands. The Chair will express the resolution of the meeting to be taken down in the minutes.
- (h) A declaration by the Chair of the meeting that the motion has been carried (or carried unanimously, or without dissent, or by a particular majority, or lost), and an entry to that effect in the minutes of the meeting, are conclusive evidence of that occurrence. It shall therefore be unnecessary to prove the number or proportion of votes cast in favour of (or against) the motion.
- (i) The Chair of a meeting may with the consent of the meeting adjourn the meeting from time to time and place to place. However, the only business that may be transacted at an adjourned meeting is the business left unfinished at the meeting from when the adjournment took place.
- (j) If a meeting is adjourned for more than 14 days, notice of the adjournment must be given in accordance with Clause 10(f).

12. VOTES OF MEMBERS

- (a) The Founding Member and the Foundation Members shall be the only members of the Institute entitled to vote at general meetings, and they shall have the voting rights specified in Clause 12A of this Constitution.
- (b) Ordinary Members shall be entitled to receive notices of and to attend at general meetings, but shall not be entitled to vote at any general meeting.
- (c) A Member which is a Corporation may appoint a representative to attend and, if applicable, vote on its behalf at general meetings in accordance with the Corporations Act.

- (d) Any Member may appoint a proxy to attend and, if applicable, vote on its behalf at general meetings. The form of proxy shall be as indicated in each notice of meeting.

12A, VOTING RIGHTS.

- (a) The Founding Member and each Foundation Member shall be entitled to have one vote by virtue of their membership of the Institute (**Initial vote**) and shall each have further votes as determined in accordance with the ensuing sub-clauses of this Clause 12A (**Supplementary Votes**).
- (b) Subject to sub-clauses (c) and (d), the number of Supplementary Votes exercisable by the Founding Member and each Foundation Member shall be determined by reference to the amount of funding committed by each such Member of the Institute in the Funding Commitment Agreement pursuant to Clause 9A of this Constitution in respect of the twelve (12) month period commencing on the date of such Members Funding Commitment Agreement. The computation of the number of Supplementary Votes for each Member shall be one (1) vote for each dollar committed under the terms of the applicable Funding Commitment Agreement.
- (c) If as at the date of Notice of the general meeting pursuant to clause 10(b), a member has not entered into a current Funding Commitment Agreement or is in default under a Funding Commitment Agreement then, that Member shall lose the right to exercise its Supplementary Votes at that general meeting.
- (d) Subject to clause 9A(b) and clause 12A(c), the Founding Member shall, in recognition of its initial contribution to the establishment of the Institute, always have the right to exercise at general meetings the number of Supplementary Votes equivalent to either:
- (i) twenty six percent (26%) of all votes exercisable at the general meeting; or
 - (ii) the number of Supplementary Votes which the Founding Member is entitled to exercise under sub-clause 12A(b);

which ever number is the greater provided that the Founding Member must not exercise more than forty nine percent (49%) of the total of all votes exercisable at the general meeting.

13. DIRECTORS

- (a) The Board of Directors shall comprise not less than two (2) nor more than four (4) Appointed Directors (or such other number as the Members may from time to time determine) and the Executive Director.
- (b) The initial Appointed Directors and the initial Executive Director shall be appointed by the Founding Member.

- (c) The initial Appointed Directors shall be appointed as to one for a term of one year, one for a term of two years, and the others for a term of three years, as determined by the Founding Member. Thereafter all new Appointed Directors shall be appointed for terms of three years. A retiring Director may act until the conclusion of the meeting at which he retires.
- (d) At each Annual General Meeting any Appointed Directors whose term has expired shall retire, but may offer themselves for re-election.
- (e) The initial Chairman of the Board of Directors shall be appointed by the Founding Member. Thereafter the Chairman shall be elected in accordance with clause 16(c).
- (f) The Directors may from time to time appoint a person as a Director to fill a casual vacancy, but not so as to exceed the number of Directors specified in clause 13(a).
- (g) If at any time the number of Directors is reduced below the minimum number specified in clause 13(a), the continuing Directors may act only for the purpose of filling vacancies in accordance with clause 13(f) to the extent necessary to bring the number of Directors up to the minimum.
- (h) The Appointed Directors shall be entitled:
 - (i) to be paid such remuneration as, in the case of the initial Appointed Directors is determined by the Founding Member, and thereafter as is determined by the Institute in general meeting; and
 - (ii) to be reimbursed out of the funds of the Institute for travelling, accommodation and other expenses reasonably incurred in relation to attendance at Board meetings and general meetings or otherwise when engaged on the affairs of the Institute.
- (i) The terms of engagement of the Executive Director shall be determined in accordance with clause 17.

14. TERMINATION AND CONFLICTS

- (a) The office of a Director is automatically vacated if the Director:
 - (i) resigns because of poor health, or other personal reasons; or
 - (ii) ceases to be a Director by virtue of, or becomes prohibited from being a Director because of, an order made under the Corporations Act; or,
 - (iii) refuses to act; or,

- (iv) is not present personally at the meetings of the Directors for a continuous period of twelve (12) months without leave of absence from the Directors; or,
 - (v) is removed from office by a resolution under Section 203C of the Corporations Act.
- (b) A Director may not vote in respect of a contract in which the Director has directly (or indirectly) a personal, material interest. If the Director does so vote, that vote may not be counted.
 - (c) A Director is not disqualified by that office from serving the Institute in any other office (except that of Auditor), nor in any other professional capacity, and is not liable to account for any remuneration in that office or capacity.
 - (d) A firm or company in which a Director is a member or director may be engaged in a professional capacity in or about the affairs of the Institute (except as Auditors), at usual professional remuneration.
 - (e) A contract entered into (by or on behalf of the Institute) is not void or voidable by reason only that a Director is in any way (directly or indirectly) interested in it.
 - (f) An interested Director may attest the affixing of the seal to, or otherwise execute on behalf of the Institute, any contract or other document.

15. POWERS OF DIRECTORS

- (a) The management of the affairs of the Institute is vested in the Directors, who may exercise all such powers and do all such things as the Institute is by this Constitution and by the Corporations Act is authorised to exercise and do.
- (b) The power shall not include any things which are required by this Constitution or by the Corporations Act to be exercised or done by the Institute in a general meeting.
- (c) The Directors must in the course of exercising the above powers abide by any resolution passed at general meetings of the Institute giving directions as to the business and affairs of the Institute, but only to the extent that will not compromise or breach the obligations of the Directors under the Corporations Act and at general law.
- (d) The Directors shall appoint a person to be the Secretary of the Institute, with responsibility for discharging the functions of that office in accordance with the Corporations Act and this Constitution and any relevant directions from the Board, on such terms as to tenure, remuneration and otherwise as the Directors from time to time determine.

16. PROCEEDINGS OF DIRECTORS

- (a) The Directors may meet for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Until otherwise determined by the Directors three (3) Directors present are a quorum for their meetings. An interested Director is to be counted in a quorum notwithstanding the Director's interest.
- (b) Meetings shall be convened by the Executive Director or the Chair. A Director who is not in Australia is entitled to notice of a meeting of Directors, but if desired by the absent Director leave of absence for the meeting shall be automatically granted.
- (c) The initial Chairman of the Board shall be appointed by the Founding Member as provided in clause 13(e), and he shall hold office until the first annual general meeting. Thereafter the Chair shall be elected annually by the Directors.
- (d) The Directors may elect a Deputy Chair, and may determine the period for which the Deputy Chair is to hold office. The Chair and Deputy Chair may be removed by a resolution of the Directors, of which not less than 14 days' notice has been given to all the Directors for the time being in Australia.
- (e) Questions arising at a meeting of the Directors are to be decided by consensus or if a consensus cannot be reached by a majority of votes of Directors. In the event of an equality of votes, the Chair shall have and cast the deciding vote.
- (f) The Directors may delegate any of their powers to committees consisting of such Director or Directors as they think fit, and may revoke such delegation as well. However, the delegation may not be to the exclusion (or in substitution for) all or any of the powers of the Directors. A committee in the exercise of the powers delegated by the Directors must conform to any regulations imposed by the Directors.
- (g) Subject to subclause (h) hereof, the meetings and proceedings of a committee consisting of two (2) or more Directors are governed by the provisions of this Constitution as to the meetings and proceedings of the Directors (as far as they are applicable).
- (h) Subject to the Corporations Act, a resolution in writing signed by all the Directors who are for the time being in Australia (or all the members of a committee who are for the time being in Australia) is a valid and effectual as if it had been passed at a meeting of the Directors or committee duly called and constituted at the time the resolution was last signed. However, such Directors (or members of a committee) must in either case be at least a quorum. In addition, such resolution may consist of several documents in like form, each signed by one or more of the Directors (or members).
- (i) For the purposes of this Constitution, the contemporaneous linking together by telephone of a number of Directors, being at least a quorum, whether or not

anyone or more of them is out of Australia, is to be deemed to constitute a meeting of the Directors. All the provisions of this Constitution as to meetings of the Directors shall apply to such a meeting, if the following conditions are met:

- (i) All the Directors entitled to notice of a meeting of the Directors are given notice of the meeting, and for this purpose notice of the meeting may be given on the telephone; and
 - (ii) All the Directors wanting to take part in the meeting are linked by telephone for purposes of the meeting; and
 - (iii) At the commencement of the meeting each Director taking part acknowledges the respective Director's presence for the purpose of the meeting (to all other Directors taking part), and acknowledges that the Director is able to hear each of the other Directors taking part.
- (j) A Director may not leave a telephone meeting by disconnecting the telephone without the consent of the Chair of the meeting. A Director is to be deemed to be present (and to form part of the quorum through the meeting) unless the Director has obtained the consent of the Chair of the meeting to leave the meeting.
 - (k) A minute of the proceedings at a telephone meeting is sufficient evidence of the proceedings, and observance of all necessary formalities, if it is certified as a correct minute by the Chair of the meeting.
 - (l) All acts of the Directors or a committee (or a person acting as a Director or a committee or member of a committee), are valid notwithstanding that it is afterwards discovered that there was some defect in the appointment, election, or eligibility of them (or any of them) or that they (or any of them) were ineligible or had vacated office.

17. EXECUTIVE DIRECTOR

- (a) The initial Executive Director shall be appointed by the Founding Member, on such terms as to tenure, compensation, executive authority or otherwise as the Founding Member determines.
- (b) Upon expiry of the initial Executive Director's term of office under clause 17(a), or upon the prior resignation or termination of that initial Executive Director, the Board may appoint an Executive Director (who may be the initial Executive Director) on such terms as to tenure, remuneration, executive authority and otherwise as the Board may determine.
- (c) The Executive Director shall hold office subject to such of the provisions of clause 14 as are consistent with the terms of his appointment.
- (e) The Directors may confer on the Executive Director, in addition to the executive authorities provided for at the time of his appointment, such of the powers

conferred on the Directors by this Constitution, for such time, and to be exercised for such purposes, and on such terms and with such restrictions, as the Directors think fit. All or any of these powers may be conferred collaterally with, but not to the exclusion of, the powers of the Directors, and may be revoked by the Directors.

18. COUNCIL OF ADVICE

- (a) The Board of Directors shall, as soon as practicable after establishment of the Institute, establish a Council of Advice for the Institute, consisting of members of the Institute who are appointed to the Council by the Board of Directors.
- (b) The Council of Advice shall advise and make recommendations to the Board from time to time on the manner in which the activities of the Institute may best be conducted in order to achieve the objects of the Institute in the most effective and beneficial way.
- (c) Members of the Board of Directors of the Institute shall be *ex officio* members of the Council of Advice, and have full rights to attend and participate in any meetings of the Council.
- (d) Members of the Council of Advice who cease to be a member of the Institute also cease to be a member of the Council of Advice.
- (e) The members of the Council of Advice who are not also Directors of the Board shall not be, and shall not be deemed to be in any way Directors of the Institute, and shall not be held personally liable as Directors of the Institute.
- (f) The Board of Directors of the Institute may, by Resolution passed at a meeting of the Board of Directors, remove from office at any time a member of the Council of Advice if the Councillor has, in the opinion of the Board, engaged in conduct which is contrary to the best interests of the Institute.
- (g) The Council of Advice shall elect a Chairman from amongst its members, and meet from time to time as it thinks fit and in an agreed manner to provide advice on the operations and activities of the Institute.
- (h) All recommendations made by the Council to the Board of Directors or other decisions of the Council, including the appointment or replacement of any Chairman, shall be determined by majority resolution of the members of the Council.
- (i) A quorum of the Council of Advice shall comprise no fewer than three (3) of its members and shall include no fewer than two (2) Directors.

19. RESEARCH ADVISORY COMMITTEE

- (a) The Board of Directors shall, as soon as is practicable after the establishment of the Institute, establish a Research Advisory Committee, consisting of leading researchers and academics appointed or engaged by the Board for that purpose and any of the Directors.
- (b) The Research Advisory Committee must, at all times, consist of at least five members and who have also been approved to hold such position by the approving authority referred to in section 73A of the *Income Tax Assessment Act 1936* and the Commissioner of Taxation.
- (c) The function of the Research Advisory Committee is to ensure that:
 - (i) research methodology and procedures in research projects undertaken by the Institute are rigorous;
 - (ii) the conclusions of researchers are objective and supported by available data;
 - (iii) research reports and papers produced in the name of the Institute are of the highest standard; and
- (d) Where the Research Advisory Committee deploys moneys, funds or property from the Exclusive Research Fund, it is to ensure that research reports and papers are to be freely published in appropriate scientific and technical press and to make available for general use, on equal terms to all interested bodies, licences for Australian patents issued in the course of such research undertaken.
- (e) The Board may put in place such arrangements regarding tenure and financial compensation for members of the Research Advisory Committee as the Board may from time to time think fit in the case of each member of the Committee.
- (f) The Board may from time to time appoint a member of the Research Advisory Committee to be the Chairman of that Committee, and may remove and replace the Chairman from time to time.
- (g) The Executive Director shall be an ex officio member of the Research Advisory Committee.
- (h) The provision of clauses 16(f) and (g) shall apply to this Committee to the extent that they are applicable. Otherwise the Committee may put in place such operating principles and procedures as it may from time to time consider appropriate.
- (i) The Institute must provide a secretarial function for the Committee, and must meet all expenses associated with the operations of the Committee.
- (j) The Committee must, in relation to any of its activities which qualify for Approved Research Institute status, comply with all relevant requirements of the Australian

Taxation Office and any other relevant public authority; as to the management of research funds and otherwise.

20. RESEARCH FELLOWS

- (a) The Institute may from time to time, on the recommendation of the Research Advisory Committee, engage appropriately qualified persons as Research Fellows to undertake research on projects sponsored by the Institute.
- (b) Research Fellows may be engaged on such terms as to tenure, performance requirements and financial compensation as the Board of Directors may determine in each particular case.
- (c) Research Fellows must submit all research reports and papers in draft form to the Research Advisory Committee for approval, and must not publish any reports or papers which have not been approved by the Committee.

21. EXCLUSIVE RESEARCH FUND

- (a) The Board of Directors shall, as soon as is practicable after the establishment of the Institute, establish an Exclusive Research Fund account, for the purposes of accepting deposits of all gifts and donations of money to the Institute in respect of which the donor requires or seeks a tax deductible receipt under the *Income Tax Assessment Acts*.
- (b) The Exclusive Research Fund account must be a separate account from all other bank accounts and/or funds created by the Institute.
- (c) At all times the Research Advisory Committee as constituted pursuant to clause 18, shall have the sole control in respect of all decisions relating to the operation of the Exclusive Research Fund Account and the disbursement of funds from the Exclusive Research Fund Account and all such decisions by the Research Advisory Committee shall be made by majority in number of its members.
- (d) The Exclusive Research Fund account is established for the exclusive purpose of scientific research.
- (e) All gifts and donations of property to the Institute in respect of which the donor requires or seeks a tax deductible receipt under the Income Tax Assessment Acts, and all income derived from gifts and donations, shall also be kept separately from all other property of the Institute and shall become part of the Exclusive Research Fund and shall be dealt with, so far as is possible, in the same manner and controlled in the same manner as gifts and donations of money pursuant to clauses 20(c) and (d).

- (f) Where gifts of money, property or benefits are received, receipts must be issued by The Institute to the donors or such gifts which state:
 - (i) The name of The Institute;
 - (ii) The Australian Business Number applicable to The Institute;
 - (iii) The fact that the receipt is for a gift; and
 - (iv) The value of the gift.
- (g) To the extent not otherwise dealt with pursuant to clause 7 (a) (i), at the first occurrence of
 - (i) the winding up of the Exclusive Research Fund; or
 - (ii) the Institution ceasing to be an Approved Research Institute under section 30-40(1) of the *Income Tax Assessment Act 1997*

any surplus assets of the Exclusive Research Fund must be transferred to a research fund account of another organization in Australia which has been endorsed as an approved research institute for the purposes of the Income Tax Assessment Acts
- (h) The Commissioner of Taxation must be notified upon winding up of the Institution.

22. AUTHENTICATION OF DOCUMENTS

- (a) Documents may be executed by or on behalf of the Institute:
 - (i) in accordance with the Corporations Act, or
 - (ii) under common seal, if the Directors elect to have a common seal.
- (b) If a common seal is to be used then:
 - (i) the Directors shall provide for the safe custody of the seal;
 - (ii) the seal may be affixed to a document only by the authority of the Directors, or a committee of the Directors authorised in that regard;
 - (iii) every document to which the seal is affixed must be signed by two Directors or one Director and the Secretary.
- (c) Cheques, bills of exchange, promissory notes and other negotiable instruments may be signed, or accepted, drawn, made or indorsed, on behalf of the Institute in such manner and by such persons as the Directors from time to time determine.

23. INSPECTION OF BOOKS

Subject to

- the Corporations Act,
- the provisions of this Constitution, and
- any resolution of the Members in general meeting,

the Directors may determine whether, and to what extent, at what times and places, and under what conditions and regulations, the books and documents of the Institute will be open to inspection by the Members and other persons.

24. SERVICE OF DOCUMENTS

- (a) A notice or other document may be delivered or served by the Institute either personally, or by serving it:
- (i) in the case of a Member, who does not have a registered address in Australia, by international airmail express post; or
 - (ii) in any other case, by ordinary post.

Such notices or other documents are at the risks of the addressee as soon as they are personally delivered and served.

- (b) A Member whose registered address is not in Australia may specify in writing an address in Australia to be deemed the Member's registered address within the meaning of this clause.
- (c) A document sent by post is to be deemed received or served three (3) days after the day on which it is posted (within Australia), and seven (7) days after the day on which it was posted by international air mail express overseas. In proving delivery or service it is sufficient to prove that the envelope or wrapper containing the document was properly addressed and stamped, and was posted.
- (d) A certificate in writing signed by a Director, Secretary, or other Officer of the Institute that a document (or its envelope or wrapper) was properly addressed and stamped, and was posted, shall be conclusive evidence of those facts.
- (e) Subject to the Corporations Act:
- (i) if a given number of days' notice, or notice extending over any other period is required to be given, the day on which the notice is to be deemed delivered or served, (and in case of a notice convening a meeting, the day on which the meeting is to be held), shall be excluded in calculating the number of days or other period; and

- (ii) if this Constitution requires or permits a notice to be given by the Institute, the Directors, a Director or Executive Director, or the Secretary, neither accidental omission to give the notice (nor non-receipt of the notice) invalidates the meeting, resolution, procedure, or matter to which the notice relates; and
- (iii) the signature to a written notice need not be handwritten.

25. INDEMNITY

- (a) Every Officer and Director (as defined by the Corporations Act), Auditor, and agent of the Institute is indemnified (to the maximum extent permitted by law) out of the property of the Institute against any liabilities or expenses incurred by that person:
 - (i) in defending any proceedings relating to that person's position with the Institute (whether civil or criminal), in which judgment is given in that person's favour (or in which that person is acquitted), or which are withdrawn before judgment; or
 - (ii) in connection with any administrative proceedings relating to that person's position with the Institute, except proceedings which give rise to civil or criminal proceedings against that person in which judgment is not given in that person's favour (or in which that person is not acquitted); or
 - (iii) in connection with any application in relation to any proceedings relating to that person's position with the Institute (whether civil or criminal) in which relief is granted to that person under the Corporations Act by the Court.

26. AMENDING THIS DOCUMENT

- (a) The Institute may revoke, add to or vary any of the provisions of this Constitution document, so long as:
 - (i) No part of The Institute or the income of The Institute becomes subject to any institutions, organization, fund or authority other than an approved scientific institution; and
 - (ii) Unless the Commissioner of Taxation consents to the revocation, addition or variation:
 - (A) No amendment is made to or affecting the purpose of The Institution;

- (B) No amendment is made which authorises the Research Advisory Committee to invest money of the Exclusive Research Fund other than in a manner in which trustees are permitted to invest under the laws of Australia or of any State or Territory of Australia.
- (b) The Institute must notify the Commissioner of Taxation of the amendment prior to the amendment being effected.

SCHEDULE 1**Application for Membership**

I would like to support the activities of the Australian Farm Institute by becoming a member.

Membership Category:

(Indicate one)

Ordinary Member

Individual Membership

Corporate Membership

Student Member

Member details

Name _____ +
 Position _____
 Organisation _____
 Address _____
 Town/City _____ State _____
 Country _____ Postcode _____
 Telephone _____
 Facsimile _____
 Email _____
 Occupation _____
 Signature _____
 Date _____

Members agree to be bound by the rules of the Institute as detailed in the Australian Farm Institute Limited Constitution.