

June 2005

AMENDEMENTS TO THE FRESHFEL ARTICLES OF ASSOCIATION

- ADOPTED BY AGM 20 FEBRUARY 2002
- AMENDED BY AGM 2 JUNE 2004
- AMENDED BY AGM 1 JUNE 2005

ARTICLES OF ASSOCIATION

I. TITLE, REGISTERED OFFICE AND OBJECTIVE

Article 1

An international non-profit association is hereby constituted under the name “European Fresh Produce Association” operating under the denomination “FRESHFEL Europe”. This association is ruled by the provisions of Title III of Belgian Law of 27 June 1921 on non-profit associations, foundations, and international non-profit associations.

Article 2

The registered office of the Association is located in the metropolitan area of Brussels at avenue de Broqueville 272, 1200 Brussels. The registered office may be transferred to any location in Belgium by decision of the Council. This decision shall be published in the Annex of the Moniteur Belge during the month in which it was taken.

Article 3

3.1 The Association follows the following scientific and educational objectives:

- a) Commission scientific research and set up educational programmes to improve the positioning and competitive performance of the sector
- b) Study measures aiming at improving freedom of international trade and distribution of fresh produce, as well as the development of consumption of fresh produce in Europe and European produce in third countries
- c) Facilitate exchange of opinion between the members and analyse problems and opportunities of the sector. The Association will provide a forum where industry representatives can meet and share their views on issues of common concern affecting the industry.
- d) Analyse legislation and proposals having a direct impact on the activities of the fresh produce industry and make the corresponding follow up. It will seek to convince legislators to create a trading environment that will stimulate competition.
- e) Inform and advise members on regulations and other essential aspects, which deal with the fresh, produce sector and could impact on the members’ activities.

3.2 Besides, the Association aims at representing small, medium and large companies in the fresh produce sector, which adhere to the Association or are represented through their national or regional association. The Association is guided by the principle of free trade, for the import, wholesale, retail and export trade. The view of minority groups is also taken into account.

II. MEMBERS

Article 4

- 4.1 Membership of the Association is classified into full voting members and non-voting associated members.
- 4.2 Full voting members must be a legal entity constituted according to the law and custom of their country of origin. Are full voting members:
- a) Companies directly involved in import into, export from, distribution and retail of fresh fruit and vegetables. These companies need to be established in one of the countries of the European Union (EU) or of the European Free Trade Association (EFTA) – College A.
 - b) National or regional trade associations registered within the European Union or within EFTA, whose activity is to represent the interests of members involved in the import, export, distribution or retail of fresh produce. These national or regional associations must be established in the European Union or in one of the EFTA countries. The Association encourages companies described under 4.2.a to be members of their local, national or regional association as described under 4.2.b and which represents the trade activity they are involved with – College B.
- 4.3 The non-voting associated members are:
- Any company or association whose activity does not correspond to the above definitions, but which have an interest in the activities of the voting members of the Association.

Article 5

- 5.1 The admission of new members is submitted to the following conditions:
- a) Applicants wishing to become full members should address their application to the Council; admission will be at the sole discretion of the Council, which is not obliged to provide any justification of its decision. The candidate full member supports his application with a statement concerning his business activity. This statement will allow identifying his activity linked either to import, export, distribution or retail of fresh produce in the EU or in the EFTA. (Applicants must provide a statement that they are prepared to adhere to the principles and objectives of the Association as described in Article 3).
 - b) Applications for non-voting associated members are lodged with the General Delegate.
- 5.2 Full voting members and non-voting associated members undertake to pay an annual subscription as determined by the General Assembly each year. Members should collaborate to the objectives of the Association and use their best endeavours to facilitate the work of the General Delegate and the Secretariat.
- 5.3 The full voting members, Companies and Trade Associations, each have one vote that they may cast in a General Assembly (ordinary or extraordinary); See article 9 for details on the voting procedure.
- 5.4 Members may resign their membership under the following conditions:
- a) Each full voting member or non-voting associated member may resign their membership by written request in a registered letter addressed at least 6 months before the start of the next financial year. During the pre-notice period, rights and obligations of the resigning member and of the Association remain unchanged.
 - b) Members of the Association may be withdrawn by the General Assembly or on a recommendation by Council. The Member has the right to make any written or oral representation to the General Assembly in defence of his continued membership. The decision of the General Assembly is taken in accordance with the provisions laid out in Article 9.2. The Council may decide to suspend the membership till the decision of the General Assembly, without any refund of the annual fee.
- 5.5 The member who ceases to be part of the Association is without any rights on the reserves of the Association.

Article 6

Members pay an annual subscription as determined by the General Assembly and upon proposal of the Council. Payment is due within six weeks upon reception of the invoice.

III. GENERAL ASSEMBLY

Article 7

- 7.1 The General Assembly is gathering all the full-voting members. The General Assembly fulfils the overall competences of the Association.
- 7.2 The competences of the General Assembly include among others the following points:
- a) Approval of the budget, fixing of the annual subscription and discharge of the accounts
 - b) Approval of the Activity Report of the Association for the preceding year
 - c) Election of the President, Vice-President, Treasurer upon recommendation of the Council. The term of the mandate is two years. The President and the Vice-President of the Association can only be re-elected once, for a two-year term.
 - d) Creation of a specific division for fostering the dialogue among members, mainly on the basis of the objectives describe in article 3 §1 and 2. The General Assembly establishes the divisions, upon recommendation of the Council
 - e) Amendments of the Articles of Association
 - f) Dissolution of the Association.

Article 8

- 8.1 An ordinary General Assembly will take place each year between the months of January and June. An Extraordinary General Assembly may be called at any moment.
- 8.2 The agenda of a General Assembly (ordinary or extraordinary) is transmitted by the Secretariat of the Association by letter, fax or electronic mail or any other means of communication, at least one month before the General Assembly. A detailed agenda is provided, as set up by the President. No decision may be taken on issues that have not been clearly notified to the members in the agenda.
- Any member may ask to include a point in the Agenda which will be forwarded to the members and dealt with as A.O.B.
- 8.3 An Extraordinary General Assembly is called at any time
- a) by the President or, in his absence, the Vice-President or by a majority decision of the Council
 - b) by one third of companies represented in college A - and one third of trade associations – represented in college B - requesting such a meeting in writing. The request is supported by valid reasons for calling such a meeting.

Article 9

- 9.1 The procedure for passing resolutions put before a General Assembly (ordinary or extraordinary) is designed to give equal weight to the companies and the trade associations and is as follows:
- a) There are two voting colleges:
 - College A representing the views of Companies
 - College B representing the views of Trade Associations
 - b) Companies and Trade Associations may vote on any resolution put before a General Assembly by casting their single vote, either in person or by proxy, in their representative College.
 - c) The Companies and Trade Associations can have up to two proxies which they may cast in their own College only.
 - d) The General Assembly will be quorate if there is a simple majority in each of the Colleges (i.e. 2/3rds or more of the Companies voting and 2/3rds or more of the Trade Associations voting must cast their vote in favour of the resolution).

- 9.2 Unless half of the full members of the Association are present or represented in each of the colleges A and B, a new General Assembly is called under the same conditions as described above. This Assembly will take valid deliberation on the proposals under consideration with a majority of two thirds of votes of the members present or represented, independently from their number.

Article 10

The decisions of the General Assembly are notified to all the full members. Decisions are kept and registered at the office of the Association.

Article 11

- 11.1 Amendments to the Articles of Association will only apply following approval by the competent authority (AGM), in accordance with the provisions of article 50 § 3 of the legislation and following publication in the Annexes of the Belgian Monitor, as foreseen in article 51 § 3 of such legislation.
- 11.2 The General Assembly may decide on the dissolution of the Association, following the procedural conditions described in article 9.1 and, when appropriate 9.2. In case of dissolution, the General Assembly will decide on the devolution of the net assets after liquidation to a non-profit moral person.

IV. COUNCIL

Article 12

- 12.1 The Council will be composed of at least three administrators. The Council will include the President and the Vice-President of the Association, the Treasurer, as well as the Chairman and the Vice-Chairman of each division. The terms of the President, Vice-President and Treasurer is set for two years, renewable once, for a period of two years. The provisions governing the mandate at the Council of the Chairman and Vice-Chairman of each Division are set in Article 13.5 of the statutes.
- 12.2 The Council shall meet at least twice per year. The members of the Council will be invited to the meeting at least with one month's notice, by post, fax, electronic mail or any other means of communication.
- 12.3 The competence of the Council will include among others:
- a) The overall coordination of activities of the Association and fixing of the general guidelines of the Association. Council should keep members – within the Divisions – informed of its decisions.
 - b) Recommendations to the General Assembly regarding appointments of President, Vice-President and Treasurer
 - c) Determination of date and place of the General Assembly
 - d) Preparation, in coordination with the Treasurer, of a budget proposal and a proposal for annual subscriptions to be adopted by the General Assembly
 - e) Setting up of ad hoc working committees
 - f) Appointments of official representatives of the Association to external bodies
 - g) Approval of projects with financial implications which would be proposed by a division or an ad hoc committee
 - h) Take decision on applications of membership of full voting members
 - i) Make recommendations to the General Assembly on the exclusion of a member
 - j) Determination of the general policy of the Association in order to allow representation of the Association by the President and the General Delegate
 - k) Receive positions and decisions established by each of the divisions. The representation of these positions is made by the Chairman of the division and the General Delegate and, if appropriate, in coordination with the President of the Association.
 - l) Appointment of the General Delegate.

- 12.4 The decisions of the Council are taken with a simple majority of members of which it is composed and which are present for the vote. The President has a casting vote. The Council may only take a decision if at least half of its members are present or represented.
- 12.5 The decisions taken by the Council are communicated to all members.

V. DIVISIONS

Article 13

- 13.1 The Association will have a number of Divisions including:
- Import
 - Export
 - Wholesale/Distribution (instead of Internal Trade)
 - Supply Chain / Retail
- 13.2 Any full voting member may participate to the work of the Division in conformity with their declared commercial activities as mentioned in Article 5.
- 13.3 Each Division elaborates its position on the subjects of its competence, as described in article 3, relating to the Association's objectives. Frequency of meetings is linked to the matters to be discussed. Invitations to participate are transmitted by the Secretariat of the Association to the members of the Division.
- 13.4 The positions are adopted by consensus of the members present. No minimum quorum of presence is required to decide in a valid way.
- 13.5 Each Division elects by simple majority a Chairman and a Vice-Chairman who must have a commercial background consistent with the Division there are standing for election. The term of the mandate is set for two years. The Chairman and Vice-Chairman may be re-elected once, for a two-year term. The Chairman and the Vice-Chairman will represent their Division at the Council. They will inform the Council of any decision within their Division. The Chairman and the General Delegate will represent the Division and the positions adopted by the Division.
- 13.6 The minutes of all Divisional meetings will be circulated to all members of the Association.
- 13.7 Each Division might recommend to the Council to set up an ad hoc Committee to study a particular point of horizontal or vertical nature.
- 13.8 In the event of an issue arising that requires immediate action, the General Delegate will consult with the representative Division as widely as practicable in the circumstances. However, should the circumstances require an urgent decision, it may be taken by the Chairman or Vice-Chairman of that Division. The members of the concerned Division will be informed immediately about the actions undertaken and the reasons behind.

VI. AD HOC COMMITTEES

Article 14

- 14.1 The Council shall establish the ad hoc committees, possibly upon recommendation of Divisions. These committees are competent to advise and make recommendations to the Council on specific issues of general interest for the fresh produce supply chain or on technical aspects for which the committee was established to study.
- 14.2 Full and associated members may participate to the work of the committee according to their interest.
- 14.3 Each committee chooses a Chairman among its delegates.

VII ADMINISTRATION

Article 15

- 15.1 All appointments within the Association, with the exception of the General Delegate and the Secretariat, are honorary and carry no remuneration. The General Delegate is placed under the authority of the President and the Treasurer for the employment terms and conditions.
- 15.2 The Association, except when the member's expenditure has been previously authorized by the Council, does not reimburse travel expenses and other costs of members
- 15.3 The General Delegate and the secretariat of the association will support the work of the General Assembly, Council, Divisions and ad hoc Committees.

Article 16

Any legal act, which commits the Association, is, signed by the General Delegate, the President and the Treasurer, unless the General Delegate is answerable to the Board.

Article 17

Legal actions either requesting or defending are followed by the Council which is represented by its President or another appointed Administrator for this particular purpose or by the General Delegate.

VIII BUDGET AND ACCOUNTS

Article 18

- 18.1 The financial year is closed on December 31.
- 18.2 The Council will submit for approval to the General Assembly the accounts of the previous year, as well as a budget proposal for the forthcoming year.

IX GENERAL PROVISIONS

Article 19

English is the working language of the Association for its meetings and communications.

Article 20

- 20.1 All issues and questions not covered by the present Articles of Association may be solved by an internal regulation ("réglement d'ordre intérieur")

Otherwise all issues and questions not covered by the present Articles of Association will be solved by reference to Title III of Belgian Law of 27 June 1921, on non-profit associations, foundations and international non-profit associations.

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