

# **Statutes of the International Organization of the Flavor Industry IOFI**

**Adopted by the IOFI  
General Assembly on  
October 15, 1998  
Amended on October 22, 1999  
October 18, 2000  
February 15, 2005  
October 27, 2006  
October 23, 2008  
July 26th, 2010  
April 19<sup>th</sup>, 2012**

## **Name, Head Office**

### ***Article 1***

An international not-for-profit organization, established under Swiss law [art. 60 et seq. of the Civil Code (CC)] with the title of “International Organization of the Flavor Industry” (IOFI) with headquarters in Geneva, hereafter “Association”.

## **Purpose**

### ***Article 2***

The purpose of the Association is to serve and advance the collective interests of the flavor industry worldwide that is active in the creation, manufacturing and trade of flavour ingredients and compounds. The Association achieves its purpose by ensuring the use of sound science in safety assessment and regulation, by promoting appropriate regulation, by encouraging and providing training, education and communication, and by supporting the protection of the intellectual property of flavor manufacturers.

### **Article 3**

The Association may conduct its activities on the territory of an association ordinary member only with the consent of the member concerned.

## **Membership**

There are two membership categories:

### **Ordinary Members**

#### **Article 4**

##### **Association ordinary members:**

- National or Regional trade associations representing the flavor industry.

##### **Company ordinary members:**

- Firms and corporations, engaged in the manufacture and sale of flavour ingredients and compounds to unrelated parties.

Company ordinary members shall maintain membership in at least three national associations, which are an ordinary member of IOFI in at least three out of four geographic regions (North America; South America; Europe; Asia/Pacific).

Candidates for membership in both categories are subject to approval of the General Assembly, in accordance with Article 12.

The rights and obligations of ordinary members are as provided for in these Statutes.

Members agree to comply with these Statutes, the Internal Rules of the Association in accordance with Article 33, and the Decisions of the General Assembly and of the Management Board (hereafter called 'Board') , provided that such compliance does not conflict with national or regional legal requirements, or the legal obligations of members.

Members shall pay annual dues as determined by the General Assembly acting in accordance with Annex “D” in accordance with Article 33.

### ***Corresponding members***

#### ***Article 5***

National trade associations that do not meet the requirements for ordinary members can be admitted by the General Assembly as corresponding members. Such status must be approved annually by the General Assembly.

Corresponding membership is a (temporary) membership status that may be granted by the General Assembly. Upon approval of the General Assembly as an ordinary member, the member shall become responsible for the payment of dues equal to the member’s market share.

A corresponding member has the same rights as an Ordinary Member i.e. to receive communications and assistance from the IOFI General Secretariat but is not allowed to vote in the General Assembly.

Corresponding members are required:

- To pay annual dues as determined by the General Assembly, acting in accordance with Annex “D” in accordance with Article 33.
- To inform the Association about all relevant developments in their countries.

Corresponding members agree to comply with these Statutes, the Internal Rules of the Association in accordance with Article 33, and the Decisions of the General Assembly and of the Board provided that such compliance does not conflict with national or regional legal requirements, or the legal obligations of members.

### ***Definition of a Regional Association***

#### ***Article 6***

A Regional Association is an association representing the interests of a particular geographic region that is comprised of national associations in that region and/or

individual companies doing business in that region. Regional Associations may be accepted for membership in IOFI subject to approval by the General Assembly in accordance with Article 12.

## ***Withdrawal***

### ***Article 7***

Members may withdraw from the Association only after sending their resignation by registered letter to the Secretariat, at least six months before the end of the fiscal year.

Membership in IOFI is not transferable. In the event of a company merger, company ordinary membership is subject to review and approval by the General Assembly.

## ***Expulsion***

### ***Article 8***

Any member not abiding by the Statutes or any Internal Rules in accordance to Article 33 or decisions as stated in Articles 4 and 5 may be expelled by decision of the General Assembly acting in accordance with Article 12.

The Association must indicate to the expelled member the reasons of its decision. The member in question shall always have the right to present its defence prior to such action.

A member cannot be expelled for failing to comply with a decision taken by the Association concerning the region/country which it represents, provided that the member has abstained from voting on or has opposed the decision.

### ***Article 9***

A member who leaves the Association by resignation, expulsion or for any other reason shall have no claim on the funds of the Association but shall remain liable for its subscription for the current year, in which the member has resigned or has been expelled from membership.

## **General Assembly**

### ***Article 10 - Powers***

The General Assembly is the supreme power of the Association, and as such, accomplishes the purpose of the Association.

### ***Article 11 - Members***

The General Assembly consists of all members of the Association, in accordance with Article 4 and Article 5.

Regional Associations shall be regarded as association ordinary members as decided by the General Assembly in application of Article 6.

Each ordinary member shall designate a delegation-representative as its official delegate to the General Assembly carrying voting power. Should a regional association have more than one association, these associations must appoint a single delegation-representative for voting purposes.

The names of delegation-representative to the General Assembly must be communicated to the Secretariat.

Such appointments may be changed from one General Assembly to the next one.

Each delegation-representative is empowered to vote on all matters debated during meetings of the General Assembly.

A delegation-representative may represent only one other delegation-representative, provided however that a proxy has been delivered in writing to the Secretariat at least ten days prior to the meeting.

### ***Article 12 - Quorum and Voting***

The General Assembly may conduct a meeting only if delegates representing two thirds of the voting rights are present or represented. If this quorum is not reached, another General Assembly must be scheduled between the eighth and fifteenth day

following the adjourned meeting and subsequently, until the same quorum is obtained.

Any decision of the General Assembly shall require an 85% majority of the voting rights of the ordinary members present or represented by proxy.

No one company ordinary member alone shall be able to exercise a veto.

The voting rights of the ordinary members are defined in Annex "D" in accordance with Article 33.

It is possible to act on matters which are not on the agenda in cases of urgency and with the consent of an 85% majority of the voting rights of the ordinary members present or represented by proxy.

The addition of an urgent matter to the agenda will be communicated not less than 48 hours before the meeting to the Secretariat, which will immediately send notice of such urgent matters to the other members.

### ***Article 13 - Meetings***

The annual General Assembly shall meet in ordinary session once a year under the Chairmanship of the President of the Association, on a date and at a place determined during the previous annual General Assembly.

The annual General Assembly, unless special reasons occur, will be held in October.

It will take place each year, on a rotation basis, in a different region of the national association members (North America, South America, Europe and Asia/Pacific).

The President of the Association may call an extraordinary General Assembly at any time. He must call such meetings upon a request of at least one fifth of the ordinary membership's voting rights.

Any ordinary member of the Association may add topics to the agenda provided that a request for same is received in writing by the Secretariat at least twenty days before

the scheduled meeting date. The Secretariat will immediately send notice of such additions to the other members.

## **Administration**

### **Article 14**

The Association is administered by a Board..

Subject to Articles 14, 16 and 17, such Board shall be composed of 10 Directors as follows:

- 5 Directors representing the Association Ordinary Members, one representing Europe (EFFA), one North America (FEMA), one Japan (JFFMA), one Latin America, and one representing Asia.
  
- 5 Directors chosen among the Company Ordinary Members as proposed and accepted by the Nomination Committee according to Annex C in accordance with Article 33.

No more than one representative from any company may serve on the Board at any time except that the General Assembly may permit two people from one company to serve on the Board for one year only to facilitate the desired succession and rotation of Board members with one person representing a Company Ordinary Member and the other person representing an Association Ordinary Member.

Each Director will have one vote.

If a region does not have an Association, a representative from a Company Ordinary Member may represent the region according the Nomination procedure in Annex C in accordance with Article 33, but with no voting right.

Each Director who has been nominated by the Nomination Committee has to be appointed by the General Assembly for a three year term.

The nominees shall be submitted to the Secretariat by the Nomination Committee not later than 45 days prior to the General Assembly.

Directors must be employed by a company that is an ordinary member of an IOFI-member association and have the support and commitment of that company to allow the Director to represent the best interest of the industry.

The initial Board will be nominated for a term of one, two or three years respectively thus to ensure that the board membership is staged and is not being renewed at the same time.

The Directors can be elected for a maximum of three terms.

Board vacancies occurring mid-term may be filled by appointment by the Board subject to confirmation by the next General Assembly. Vacancies filled in this manner shall be for the unexpired portion of the term of the former Board member.

### ***Officers of the Association***

#### **Article 15**

The officers (President, Vice-President and Treasurer) will be selected among the ten Directors nominated by the Nomination Committee, approved by the Board and appointed by the General Assembly, according to Article 14 and attachment "C" in accordance with Article 33.

There shall be an Officers Meeting, which will meet on a needed basis to provide guidance on very urgent issues such as when the full Board cannot be convened, or to prepare a Board meeting or debrief after a Board meeting.

The rules for the Officers meeting are established in an Annex "B" in accordance with Article 33.

#### ***Article 16 - President***

The General Assembly shall appoint a President who is a member of the Board at the proposition of the Nomination Committee, and approved by the Board.

The appointment as President is valid for two years.

The President is not eligible for another term, but can remain on the Board, within the provisions of Article 14.



The President shall preside over meetings of the General Assembly and the Board. Should he be unable to preside, the Vice-President will preside.

The President is responsible to the General Assembly for the functioning of the Association.

**Article 17- Vice President**

The General Assembly shall appoint a Vice President who is a member of the Board at the proposition of the Nomination Committee, and approved by the Board.

The Vice-President will assist the President in fulfilling his task. He will replace the President whenever the President is unavailable.

The Vice-President will be elected for a term of 2 years of office which will expire at the same time as the term of office of the President. At the expiration of the term of the President, the Vice-President may be confirmed by the General Assembly as President for two years.

If the President retires before the end of his term of office, the Vice-President will replace him as Acting-President until the next Annual General Assembly. The Acting-President may then be confirmed by the General Assembly as President for another two years.

**Article 18 - Treasurer**

The General Assembly shall appoint a Treasurer who is a member of the Board at the proposition of the Nomination Committee, and approved by the Board.

The Treasurer will be an officer of the Association. He will be responsible for the annual budget of the Association and for the reporting on the financial performance of the Association to the Board in accordance with Article 31 and 32.

The Treasurer may remain in his position during the term of his Board membership. He needs to be reappointed as such at each annual General Assembly, by which occasion he needs to be discharged for the previous year.

At the request of the annual General Assembly of the Association, an audit of the financial performance of the Association may be initiated. A written report on such audit should be made available to the membership within 45 days of such filed request.

## **Management Board**

### ***Article 19***

All authority not residing with the General Assembly pursuant to these Statutes or to any mandatory provision of the law in accordance with Article 38, governing the Association shall be with the Board.

### ***Article 20***

A Director may be represented at a meeting of the Board by a person that has been duly authorized pursuant to a written proxy, mentioning that the person representing the Director has the full power and is entitled to vote and otherwise act on behalf of the represented Director.

### ***Article 21***

The Board will convene four times a year.

At least two meetings will be actual and two meetings may be virtual by telephone conference or other means of communication.

A quorum shall consist of two thirds of the ordinary members present or represented by proxy.

A non-voting board member cannot be represented.

Decisions must be adopted by a two third majority of the members present or represented.

Board members shall make a good faith effort to attend all actual Board meetings and participate in other Board meetings conducted virtual.

The immediate Past President, as a source of information and in an advisory role to the President, The Executive Director, The Executive Directors of the association ordinary members, as well as the staff members responsible for science, communications and

regulatory may, upon the invitation of the President, attend actual Board meetings and participate in other virtual Board meetings. Such individuals have no voting rights. The invitation to attend will be made at the time that the Board agenda is distributed by the Secretariat.

### **Article 22**

The President shall have the authority to sign all documents binding the Association without further proof of specific authorization if there are no special proxies. The Association shall be legally bound by the President or the Executive Director or any other legally registered signatory in the Swiss commercial register.

### **Nomination Committee**

#### **Article 23**

There shall be a Nomination Committee. Its roles and responsibilities are described in Annex "C" in accordance with Article 33.

### **Secretariat**

#### **Article 24**

The office(s) of the Association shall be located as decided by the Board. The staff of the Secretariat is retained by the Executive Director.

The Executive Director, to direct the Secretariat, is nominated by the President, and appointed by the Board. The responsibilities of the Executive Director are specified in Annex "E" in accordance with Article 33.

In addition to the responsibility in application of Article 25, the Executive Director is also to pursue other activities, such as those defined in his job description.

The Executive Director is obligated to follow the decisions of the General Assembly as well as the directives of the Board, based on decisions of the General Assembly.

The Executive Director shall exert his office objectively and in agreement with Article 3 of the statutes. He reports to the President and will cooperate closely with all bodies of the Association as well as with the staff of the Secretariat.

**Article 25**

The Secretariat shall perform the activities and functions with which it has been entrusted by the Board or by the Internal Rules, such as those defined in Annex "A" in accordance with Article 33.

**Committees and Task Forces****Article 26**

The Board of the Association is empowered to establish standing Committees and Task Forces as needed in pursuit of its purpose.

**Article 27**

The members of standing committees shall be nominated by the ordinary members and approved by the Board who shall also approve Bylaws for such committees when appropriate.

The President has the power to appoint the members of temporary Committees and Task Forces to pursue a task limited in scope and time.

Each committee shall have a Chairperson, who will report to a board liaison with regard to the committee's activities.

**Subscriptions - Budget - Accounts****Article 28**

The members' subscription to the Association shall be determined annually by the General Assembly, acting in accordance with Annex "D" as described in Article 33.

**Article 29**

Each member of the Association shall be liable for the subscription determined by the General Assembly, but shall not be liable individually for the obligations undertaken in the name of the Association.

**Article 30**

The fiscal year commences on January 1st and ends on December 31st of the same year.

**Article 31**

The Board shall submit annually, for the approval of the General Assembly, the accounts of the previous financial year and the budget for the coming fiscal year.

**Article 32**

The organization's accounts will be presented for approval to the Annual General Assembly under the supervision and the responsibility of the Treasurer (Article 18).

**Internal Rules of the Association**

**Article 33**

The Association may, subject to the provisions of Article 10, establish Internal Rules, such as annexes "A", "B", "C" and "D", which have to be in line with the Statutes so as to assure the proper functioning and administration of the Association. These Annexes, which will not be part and parcel of the Statutes, but of the Internal Rules, can be amended with the approval of the Board.

**Code of Practice**

**Article 34**

The Board shall establish a Code of Practice for the Association that describes best practices for the global flavor manufacturing industry.

The Code of Practice shall apply in instances when the best practices described therein do not conflict with national, regional, or supranational laws and regulations, or with the policies and procedures of IOFI member associations.

The Code of Practice shall be maintained by the Secretariat consistent with Articles 24 and 25 under the management of a Task Force appointed by the Board consistent with Article 26.

### ***Article 35***

Member associations of IOFI shall, as a condition of membership in IOFI, assure that their governing statutes, bylaws, or policies appropriately acknowledge the IOFI Code of Practice consistent with the relevant national, regional and supranational laws and regulations, and the policies and procedures of the IOFI member associations.

## **Amendments to the Statutes and dissolution**

### ***Article 36***

The text of any proposed amendment to the Statutes shall accompany the notice of a meeting of the General Assembly which will consider the matter in accordance with Article 12.

### ***Article 37***

The Association is dissolved when it is insolvent or when the Board can no longer be constituted according to the Statutes. In the event that the Association is dissolved, the available assets shall be entirely attributed to an organization of public interest that pursues similar purposes to the Association. In no case shall its assets be returned to the founders or to the members, nor used for their benefit, in part or in whole, in any manner whatsoever, unless as provided above. The General Assembly will establish the method of liquidation of the association.

## **General Rule**

### ***Article 38***

Any subject not contained in the present Statutes will be settled according to the provisions of Swiss law (articles 60-79 of the Swiss civil code).

