

Biodynamic Agriculture Australia Ltd
Minutes of 2010 Annual General Meeting
held at Melbourne University – 26th June 2010

Annual General Meeting ready to commence at 11.05am

The Chair explained to the members present that she could not open the meeting and asked Anton van Klopper to explain why. The Board had been given legal advice that three members present, who were involved in a WorkCover claim of harassment in the workplace, should not attend a meeting where members of staff were present. They had been served with 'exclusion notices' by the Board. Discussion between members and the Board ensued re the legality of this decision.

Hugh Lovel indicated to the Chair that as the members were present for the AGM and not to debate the Chair's determination to exclude three members so Hugh stated that, in consideration for members present, he would leave the room. At this the other two excluded members also left the room. Debate continued until 12.45pm when a refreshment break was called. The three members concerned did not reappear after the break and the AGM proceeded.

Annual General Meeting opened by the Chair, Ulli Spranz at 1.15pm

Present: Greet Adams, Max Allen, Helma Bak, Hank Bak, Mike Boudry, James and Maxine Blackburn, Carl Brown, Margaret Bruvel, Sergio Carlei, Julian Castagna, Jen and Lloyd Charles, Jenny Codsí, Celia Cornick, Gley and Elizabeth Coronel, Jim Culbertson, Ian Cuming, Fred Davies, Carolyn Ditchfield, Rosie and Ernst Gegenhuber, Terry and Glen George, Ian Golding, Ron Hartwich, Mark Heinzl, Bood Hickson, Tamara Irish, Shan and Shane Joyce, Steve Kapolice, Cheryl Kemp, Ian and Wendy Klein, Mark and Helen Lewis, Hugh Lovel, Hamish Mackay, Richard May, Ross McDonald, Sally Mirams, David Munday, David Murray, Karen Newby, Darius Outhred, Diana Outhred, Kevin Pace and Sue McKenzie, John and Dorothy Priestley, Christine Radford, Alison Schedlich, Ulli Spranz, Andrew Steiner, Paul Tait, Ray and Judi Unger, Anton van Klopper, Diana Watkins, Jo Wearing, Sue and Eddie Webster, Linda Whitaker, David Williams, Richard Willmott, Ralph Wood, Claire Mason, Clinton Annett. Alan Johnstone, Leonie Milne.

Apologies: Brian Keats, Bruce Wearing, Heidi Halter, Annet van Kesteren, Anthony Coote, Shane and Maree Greg, Patsy Elliott, Karl and Hanna Karltentbach, Douglas Fox, Leon Nietschke, Carolann Castagna, Sylke Rees, Colin Hamilton, Peter Duncan, Leif Jamvold, Scott Boon, John Vicary, Thelma Sheedy, Bryan McConnel, Alex Kennedy, Tony Franckin, Kate Perkins, Gavin Gustafson, Jannie Higginson, Louise Skidmore and Randolph Olsen, Margery and deBurgh Joyce, Kate Kirkhope, Ian Russell, Maaïke Steiner, Terry Browning, Ross Stone, Heinz Gugger, Nicola Apps, Rob Birse, Bruce Zell, Tony Battaglini, Bloss Hickson, Nicole Schmid, Ross Taylor, Don Want, Maurice Evans, Leigh Davison, 38 students from Victorian Biodynamic Course, John Rose, Norman Whitaker, David Matthews, Diana Forster, Jan Drury, Lynn Cowley, Cris Geri, Linda White, and excluded members John Priestley, Dorothy Priestley and Hugh Lovel.

➤ **Motion: That the apologies be accepted**

Moved: Andrew Steiner, Seconded: Rosie Gegenhuber. Carried

Welcome by the Chair

Ulli said that this was not an ordinary AGM of Biodynamic Agriculture Australia because the AGM is usually held in conjunction with a National Workshop. The Board made the decision not to hold a National Workshop with the AGM this year because they didn't want visiting speakers to be subjected to the politics of the organisation. Ulli mentioned how successful last year's National Workshop was. She reported that in the June report of IBIS (the rate of growth of all of the world's industries), the Organic Movement was rated the fastest growing industry in the world. We should be proud to be part of that industry.

Ulli said that controversy within Biodynamic Agriculture Australia must stop or two separate organisations need to form. The Board has worked extremely hard to keep the Company together despite disruptive forces from within, however they were unable to get the disruption out of the organisation. The Board has not been able to fully understand what is going on and were therefore slow at reacting to

some things. Ulli pointed out that all Board members have businesses and lives outside Biodynamic Agriculture Australia but that they continue to offer their services as Board members. The Board is the employer of a wonderful team of people in the office and preparations areas. They have been inundated by phone calls about Company politics. Abuse of staff has occurred through the phone. She thanked Leonie and Alan for coming to help out at the AGM. Ulli stated that the Chair needs to follow procedures – if she can't do this then she can't be on the Board. She continued that in spite of the mess it was in, Biodynamic Agriculture Australia is still the most colourful and important Organic organisation in Australia.

Minutes from 2009 Annual General Meeting

Amendments:

- 1) Diana Watkins needs to be listed as attending.
- 2) Ralph Wood believes that he did not make the statement as recorded in the minutes “Ralph Wood enquired as to whether there is an allegation that Hamish was holding \$30,000 of members’ money.” About 10 members including the Treasurer Ross McDonald, to whom the inquiry was made, confirmed that they did hear Ralph make this statement. Ralph accepted that the minutes remain unchanged in this regard if his comment above was noted.
- 3) Shane Joyce stated that the last 2 paragraphs of 2009 minutes occurred after the meeting was closed and should not be part of the minutes.

➤ Motion: That the minutes of 2009 AGM as amended be accepted.

Moved: Darius Outhred. Seconded: Rosie Gegenhuber. Carried

Business Arising from 2009 AGM Minutes

Questions:

- 1) Shane Joyce queried whether the 2008 Raffle occurred? This question was not answered. The response was that a successful 2009 raffle occurred at the end of the 2009 not at the National Workshop.
- 2) What is FRRR? The Foundation for Rural Regional Renewal is not a government grant. It is a Deductible Gift Recipient (DGR) which offered a service whereby tax deductible donations to BAA could be accepted on behalf of BAA.
- 3) Motion put regarding radionics by Cheryl Kemp. There was not time for the Board to give this motion attention due to its heavy work load.

Agenda item ‘Overview 1 over last Year’ skipped due to lack of time.

Chair’s Report

The report as written to members was read by Ulli Spranz.

Comments:

- 1) Is the Proposed Constitution a new or amended constitution? It is legally described as an amended constitution.
- 2) It is not easy to compare the proposed constitution to the present constitution paragraph by paragraph as the proposed constitution has been rearranged.
- 3) Carolyn Ditchfield noted that the new constitution has been put up on the Company Website without the prefix ‘Draft’ or ‘Proposed’. This is irregular as it has not been voted on as yet.
- 4) Disappointment was expressed at this morning’s interruption to the commencement of the AGM. It was pointed out that alleged WorkCover issues were disputed and private and had no place at an AGM.
- 5) Jo Wearing said that she could not accept the Chair’s report because some language, offensive to her, is used in it.

Written comments from Hamish Mackay

- 1) Strategic Planning: Can the Chair outline for the meeting just what is new in the recent Board strategic plan for Biodynamic Agriculture Australia, as compared to the previous one?
- 2) Why did the Board not simply notify the ‘concerned members’ by email or solicitor letter that their proposed EGM was not legal? Why did the Board decide to spend \$6,000 of our funds instead of a few hundred dollars?

3) In the Chair's letter to members following the 2009 AGM we were informed AGM minutes, Board minutes and reports would be on the Website. To date, the last reports are from 2008. Why has all of this information not been made available as promised?

➤ **Motion: That the Chair's Report be accepted.**

Moved: Alan Johnstone Seconded: Andrew Steiner

Voting: 33 for and 88 against – motion lost.

Treasurer's Report – Audited accounts had been supplied. Ross McDonald also circulated unaudited Management Accounts from January to May 2010. Ross commented on the Management Accounts: The Company is \$30,000 worse off this year than this time last year. The EGM legal fees and stress leave have cost the Company \$30,000. This has involved a lot of totally non-productive work and has taken the Board away from its other more beneficial duties.

Ross McDonald asked for questions on his reports.

Questions / Comments on Treasurer's Report

1) What were the expenses of the Board in 2009? This question was taken on notice by Ross. Answer to be made available to the membership ASAP.

2) Is cash in the bank of \$100,000 in term deposits or Cash at Bank? Answer – This is cash at bank.

3) Why is reference to FRRR not mentioned in accounts? Ross said that the auditors advised that the FRRR be taken out of the accounts and that the \$41,000 that had accrued in that account was transferred to the general account to be spent at the Board's discretion according to the FRRR guidelines.

4) Ray Unger questioned the paragraph headed 'Significant Changes in State of Affairs' on Page 2 of Treasurer's Report and in particular the sentence '*The operations of the company were being materially effected by the performance of the CEO...*'

➤ **Motion : That the statement on page 2 of the Treasurer's Report '*The operations of the company were being materially effected by the performance of the CEO...*' be struck off.**

Moved: Ray Unger Seconded: Carolyn Ditchfield.

Anton van Klopper stated that the Board was not willing to discuss employer / employee relations at an AGM. The motion did not need to be voted on as the Treasurer agreed to strike off this statement so as not to hold up the AGM.

Questions/Comments on Management Accounts.

1) Carolyn Ditchfield commented on the last note. It was not the 'Lovel faction' as a group of 70 members called for the EGM.

➤ **Motion: That the Treasurer be censured for putting Hugh Lovel's name to the Management Accounts.**

Moved: Hamish Mackay Seconded: Carolyn Ditchfield

The Chair was not willing to proceed with this motion as the Treasurer agreed to remove the word Lovel from his management report.

➤ **Motion: The Treasurer's Report as amended is accepted.**

Moved: Ian Cuming Seconded: Julian Castagna Motion carried by show of hands.

Business Manager's Report had been written and sent out to all members prior to the AGM. It was not read out at the AGM and no vote of acceptance was proposed because the Business Manager was not present at the AGM.

Written Comments on the Business Manager's Report provided by Hamish Mackay, who requested that they be included in the minutes: 'Please minute these omissions from the Business Manager's Report.'

Dot point 16: The Business Manager has omitted reference to four workshops also held during 2009 at Bathurst, Boorowa, Gunning and Walcha.

Dot point 17: The Business Manager has omitted to advise the membership that the Bush Fire Project in Victoria was the initiative of Shane Martin and Hamish Mackay.

Omitted entirely: On 1st December, 2009, the Business Manager lodged legal proceedings against a member in the Bellingen Local Court on behalf of BAA. As this is an unprecedented act by BAA, it would be reasonable for the membership to expect the Business Manager to report this to the AGM so that they (the members) can exercise due diligence and not have claims made against them also.

Can the Business Manager explain how the decision is made to differentiate between writing off an amount owed by a member as a bad debt and deciding to initiate legal proceedings against a member to recover an outstanding debt? By what time frame and by what process is a BAA member's debt written off?

Questions from the floor

1) Maxine Blackburn said that she submitted seven motions, that she wanted put at the AGM to the Board on 26 May 2010 within the correct Constitutional time frame. Why were they not accepted and why didn't she receive any communication from the Secretary?

The Board replied that they had considered Maxine's motions and had decided that they were not appropriate to be put to a postal vote as motions at the AGM.

Carolyn Ditchfield commented that the Board felt that it could vet what a BAA member desires to be raised at an AGM.

Ian Cuming, Secretary, responded that the Board needs to follow legal procedure which they are doing. He acknowledged that the 7 motions proposed by Maxine are valid questions and were appropriate to be raised as questions at the AGM but not as motions. He apologised that he had not responded to Maxine's submission as he had 75 other letters to respond to.

➤ **Motion: That the 7 motions proposed by Maxine Blackburn, the 3 motions proposed by Shane Joyce and the motion proposed by Louise Skidmore for the 2010 AGM be recorded in the minutes with an explanation as to why these proposed motions were not accepted by the Board and not put to the postal vote as intended by the members who proposed them.**

Moved: Shane Joyce Seconded: Carolyn Ditchfield. Carried.

Proposed Motions submitted 26 May 2010 by Maxine and James Blackburn:

1) "The Biodynamic Agriculture Australia Ltd Board withdraw all legal actions against Biodynamic Agriculture Australia Ltd members until issues under litigation have been presented to the Biodynamic Agriculture Australia Ltd members at a General Meeting."

Moved: Maxine Blackburn, Seconded James Blackburn

2) "The Biodynamic Agriculture Australia Ltd Board withdraw the intention to terminate Hugh Level's Biodynamic Agriculture Australia Ltd membership."

Moved: Maxine Blackburn, Seconded James Blackburn

3) "The Biodynamic Agriculture Australia Ltd Board rescinds its decision to terminate Hugh Level's Board membership of the Biodynamic Agriculture Australia Ltd."

Moved: Maxine Blackburn, Seconded James Blackburn

4) "The Biodynamic Agriculture Australia Ltd Board present to the 2010 AGM the unaudited accounts, balance sheet and income and expenditure for the first 5 months of this BAA accounting year – from 1 January, 2010 to 31 May 2010, specifically detailing all legal expenses incurred, paid or due, by Biodynamic Agriculture Australia Ltd during this period."

Moved: Maxine Blackburn, Seconded James Blackburn

5) "The Biodynamic Agriculture Australia Ltd Board withdraw its intention to terminate Hamish Mackay's Biodynamic Agriculture Australia Ltd membership."

Moved: Maxine Blackburn, Seconded James Blackburn

6) "The Biodynamic Agriculture Australia Ltd Board make available to the members at the AGM all correspondence and minutes relating to the termination of Hamish Mackay's position of CEO and further, demonstrate to the members that the board's letter to members of 6th April, indicating Hamish Mackay was not dismissed from employment with Biodynamic Agriculture Australia Ltd reflects the minuted board decisions and correspondence relating to Hamish's departure from Biodynamic Agriculture Australia Ltd employment."

Moved: Maxine Blackburn, Seconded James Blackburn

7) "The Biodynamic Agriculture Australia Ltd Board informs the Biodynamic Agriculture Australia Ltd membership of any support or transactions, financial or otherwise, that Biodynamic Agriculture Australia Ltd has engaged with in relation to Biodynamic Certification Australia Ltd (BCA) during the last 18 months. Including any cross board membership by The Biodynamic Agriculture Australia Ltd board members who are or were also BCA members."

Moved: Maxine Blackburn, Seconded James Blackburn

Proposed Motions submitted January 2010 by Shane Joyce, seconded by Hugh Level:

1) "BAA and its membership be held to the agricultural growing and training and certification standard of Demeter International Ltd (Darmstadt Germany)."

Explanation: It is the belief of the BAA Board minority (Shane Joyce and Hugh Level) that the membership must choose whether hereafter Biodynamic Agriculture Australia (BAA) is to define and certify biodynamic farms according to the European Demeter Standards, or whether we will continue to define Biodynamic according to our more innovative Australian approach. It has come to our attention that the Chair has already entered it in the Australian Standards that the BAA membership accepts the Demeter International Standards for biodynamic. This is a momentous decision, and one which cannot be made by executive fiat, but must be voted on by the membership itself.

2) "That the number of directors of BAA be maintained at 7."

Explanation: The BAA Chair ruled—at a Board meeting Shane Joyce and Hugh Level were unable to attend—that the seventh board position is eliminated as unnecessary. This leaves the Board at six members and in the event of any tie vote this gives the Chair the casting vote (2 votes). We believe this ruling is self-serving, inappropriate and until we sign our approval or the membership votes we no longer need to maintain the number of directors at seven, it is not final.

3) "That BAA agrees to fund BCA (Biodynamic Certification Australia Ltd) for Demeter International Certification set up and ongoing costs."

Explanation: It is the belief of the Board minority (Shane Joyce and Hugh Level) that the allocation of members' funds for an independent organisation (with its own Board, membership and constitution) that will benefit only a limited number of BAA growers amounts to a subsidy, the size and scope of which we have been unable to ascertain. Is this subsidy of any benefit to the BAA or its members, and do we want to agree to it?

Proposed Motion submitted January 2010 by Louise Skidmore, seconded by Cheryl Kemp:

"That the new constitution is rejected and that a review committee is appointed from the membership to conduct a constitutional review over 24 months, enabling member input, with a view to presenting a member-approved constitution at the 2012 AGM."

(Members, note that the motions proposed above were rejected by the Board prior to the AGM. Sec.)

Agenda Items **Overview (2), New Business and Discussion** were omitted due to time constraints.

Voting Procedure

Richard Cen, Hayes Knight Audit Returning Officer, explained the process to insure a fair election which included having scrutineers present at all vote counting.

- 1) Names of voters were struck off current membership list. Envelopes with their names on them were retained.
- 2) The envelopes were opened and identifying numbers were cut off the voting papers, with voting papers being renumbered to remain anonymous.
- 3) At the AGM registration desk Hayes Knight Audit staff checked whether registrants were members, if they had voted, whether their proxies were members, whether their proxies had voted.
- 4) Those members and/or their proxies who had not voted were given blue voting papers to complete and put into the Ballot Box provided.

At midnight prior to the AGM, Biodynamic Agriculture Australia Ltd comprised 1528 voting members.

Postal Votes	443 received	411 Valid	32 Invalid
AGM Votes	44 received	41 Valid	3 Invalid
Total Votes	32% of membership	452 Valid	35 Invalid

1) Election of Directors in order on Voting Paper:

Ulli Spranz	187 votes	
Anton van Klopper	182 votes	
Julian Castagna	185 votes	
John Priestley	288 votes	Elected
Carolyn Ditchfield	270 votes	Elected
Ray Unger	256 votes	Elected
Cheryl Kemp	273 votes	Elected

2) Motion on acceptance of new Constitution

196 members voted 'YES' and 242 members voted 'NO' therefore the motion failed and the current Constitution remains active.

Outgoing Chair Ulli Spranz congratulated the New Board members and declared the AGM closed at 4.38pm. Margaret Bruvel offered an expression of thanks to the previous Board.

AGM reconvened at 5.07pm

Ray Unger stood in as Chair. Ross McDonald advised that he had negotiated a more competitive rate for auditing the annual accounts from the current auditors, WHK.

➤ **Motion:** That BAA retains the firm WHK as auditor.

Moved Ross McDonald Seconded: Shane Joyce. Motion Carried

Meeting Closed at 5.10pm.