

L A W Y E R S

53

23 August 2000

Partner
Eddie Scuderi (07) 3228 9319
Email: Eddie_Scuderi@corrs.com.au

Mr Ross Jones
Australian Competition & Consumer Commission
470 Northbourne Avenue
DICKSON ACT 2602

Our reference
ECS/55201-7515194

Dear Mr Jones

PREMIUM MILK SUPPLY PTY LTD

I refer to our brief discussion at the recent Trade Practices Committee conference at Coolumb. I confirm that we act for Premium Milk Supply Pty Ltd ("Premium").

Premium proposes to represent approximately 580 milk producers for the purpose of negotiating terms and conditions of milk supply to Pauls Limited.

Premium is seeking authorisation for its proposed arrangements with milk producers and Pauls. In this regard, we **enclose**:

- Our client's application for authorisation with its relevant attachment;
- The proposed Constitution of Premium; and
- Our client's cheque made payable to the ACCC for \$7,500.00.

Mr Pat Rowley is Premium's representative. Mr Rowley is happy to meet with officers of the Commission in Canberra to discuss the application. Please let us know if you require such a meeting.

If you have any questions, please do not hesitate to contact us. As I will be away for 3 weeks from today, please direct any queries during my absence to Ms Lee Hollis on (07) 3228 9816.

Yours faithfully

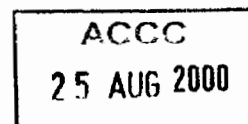
CORRS CHAMBERS WESTGARTH

per: Pamela Sefton
Eddie Scuderi
Partner

WATERFRONT PLACE 1 EAGLE STREET BRISBANE 4000
GPO BOX 9925 QLD 4001

TELEPHONE (07) 3228 9333 INT +617 3228 9333 FAX (07) 3228 9444

DX 135 BRISBANE



SYDNEY

MELBOURNE
B/383327

BRISBANE

PERTH

CANBERRA

GOLD COAST

FORM B

Regulation 7

COMMONWEALTH OF AUSTRALIA
Trade Practices Act 1974 – Subsection 88(1)

AGREEMENTS AFFECTING COMPETITION:

APPLICATION FOR AUTHORISATION

To the Australian Competition and Consumer Commission:

Application is hereby made under subsection 88(1) of the *Trade Practices Act* 1974 for an authorisation under that subsection:

- to make a contract or arrangement, or arrive at an understanding, a provision of which would have the purpose, or would have or might have the effect, of substantially lessening competition within the meaning of section 45 of that Act;
- to give effect to a provision of a contract, arrangement or understanding which provision has the purpose, or has or may have the effect, of substantially lessening competition within the meaning of section 45 of that Act.

1.

(a) Name of Applicant

Premium Milk Supply Pty Ltd (ACN **)

(b) Short description of business carried on by applicant

Negotiation of farmgate milk prices and milk quality standards for milk to be acquired by Pauls Limited from producers represented by the Applicant.

(c) Address in Australia for service of documents on the applicant

c/- Eddie Scuderi
Corrs Chambers Westgarth
GPO Box 9925
BRISBANE QLD 4001
Tel: (07) 3228 9319
Fax: (07) 3228 9444

2.

(a) Brief description of contract, arrangement or understanding and, where already made, its date

Please see Attachment.

- (b) **Names and addresses of other parties or proposed parties to contract, arrangement or understanding**

Please see the Schedule to the Attachment.

3. **Names and addresses of parties and other persons on whose behalf application is made**

Please see the Schedule to the Attachment. In addition, the Applicant seeks to cover other persons who may participate in the scheme as producers in the future pursuant to s88(10) of the Act.

4.

- (a) **Grounds for grant of authorisation**

Please see Attachment

- (b) **Facts and contentions relied upon in support of those grounds**

Please see Attachment

5. **This application for authorisation may be expressed to be made also in relation to other contracts, arrangements or understandings or proposed contracts, arrangements or understandings, that are or will be in similar terms to the above-mentioned contract, arrangement or understanding.**

- (a) Is this application to be so expressed: No

6.

- (a) **Does this application deal with a matter relating to a joint venture (see section 4J of the Trade Practices Act 1974)?**

No

- (b) **If so, are any other applications being made simultaneously with this application in relation to that joint venture?**

Not Applicable

- (c) **If so, by whom or on whose behalf are those other applications being made?**

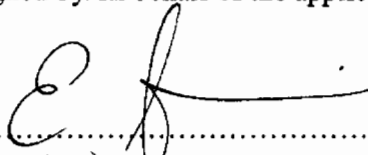
Not Applicable.

7. **Name and address of person authorised by the applicant to provide additional information in relation to this application**

Mr Eddie Scuderi, Partner, Corrs Chambers Westgarth
GPO Box 9925, Brisbane Qld 4001
TEL: (07) 3228 9319
FAX: (07) 3228 9444
Eddie_Scuderi@corrs.com.au

Dated this _____ day of _____ 2000

Signed by/on behalf of the applicant


.....
(Signature)

E. SCUDERI
.....
(Full Name)

PARTNER CORRS CHAMBERS WESTGARTH
.....
(Description)

ATTACHMENT TO APPLICATION FOR AUTHORISATION BY PREMIUM MILK SUPPLY PTY LTD

BACKGROUND

As the Commission is aware, the Milk Industry in various States has deregulated. In Queensland, farmgate milk prices were deregulated from 1 July 2000.

Currently, Queensland has approximately 1,480 milk producers selling to three processors, Pauls Limited, Dairy Farmers' Co-operative Ltd and National Foods Limited. The two prominent processors are Dairy Farmers' Co-operative Ltd which represents approximately 900 producers and Pauls Limited which currently purchases milk from six supply co-operatives operating in various regions throughout Queensland and representing approximately 580 producers. The supply Co-operatives currently representing these producers are:

- Metropolitan Milk Producers Co-op Association Limited;
- Sunshine Coast Milk Co-op Association;
- The Burnett Milk Producers Co-operative Associated Limited;
- The Maryborough Co-operative Dairy Association Limited;
- Dairyfields Milk Suppliers Co-operative Limited; and
- Port Curtis Milk Suppliers Co-operative Association Limited.

The proposal for which authorisation is sought has been developed to reduce the negative impact of deregulation on producers by providing them with a more effective means by which to influence farmgate pricing supply arrangements and milk standards. This is done by allowing for collective bargaining of prices and standards through a representative body (Premium Milk Supply Pty Ltd) in direct negotiations with Pauls Limited. The elements of this proposal are more fully set out below.

DETAILS OF PROPOSAL

It is proposed to convert Premium Milk Supply Pty Ltd ("Premium") into a company limited by guarantee offering membership to the 580 producers currently selling milk to Pauls Limited ("Pauls") through six co-operatives. The rules of membership will provide for the following:

- Premium will be a not-for-profit organisation. Consequently, there will be no right to dividends.
- Members will be entitled to elect a board initially consisting of eleven directors and moving, over a two year period, to a board of eight;
- Members will agree to allow Premium to negotiate with representatives of Pauls on a Milk Management Committee in relation to:
 - milk quality and compositional standards required by Pauls;
 - prices to be paid for the various standards of milk required; and
 - volumes of milk required by Pauls Limited;
- Premium will not purchase milk from its members. Premium proposes to negotiate with Pauls on behalf of its members for the supply volumes, delivery requirements, quality

standards and prices that will apply for six monthly periods (or such longer periods as may be agreed). Members of Premium will be free to negotiate privately with Pauls or any other processor. However, a member who wishes to negotiate its own supply arrangements must first give Premium six month's notice. The notice period is designed to ensure continuity of supply for a reasonable period pending re-organisation of supply and demand arrangements to cater for Paul's loss of supply from the departing member.

- Pauls will not be bound by any exclusivity arrangement with Premium.
- For the purposes of the scheme, Queensland will be divided into 4 geographical zones having regard to different processing and consequent transport facilities. The producer members within each zone will be entitled to elect 2 Premium board members to represent that zone. The zonal system will take effect in year 3 of the scheme.

The second element of the proposal is to establish a Milk Management Committee with equal representation (three each) from Premium and Pauls. The Milk Management Committee's role will be limited to the determination of prices to be paid by Pauls to member producers for various classes of milk meeting the composition standards set by the Committee. The Committee will set prices and standards at regular intervals, initially being six monthly. The prices may vary amongst the four proposed zones to reflect different transportation costs to the nearest processing plant.

As stated above, despite Pauls Limited's involvement on the Milk Management Committee there will be no obligation on Pauls Limited to acquire milk at the relevant prices recommended by the Committee, and there will be nothing preventing Pauls Limited from acquiring milk from any member or any other party at the same or a different price.

Pauls wishes to participate in the scheme so as to ensure better security of supply at desired quality and composition standards and to encourage investment in technology by producers so as to improve efficiency and achievement of higher quality. Pauls considers that the proposed scheme is more likely to deliver those results than continuing to deal with six independent co-operatives as it currently does, or by dealing individually with each of the producers. The producers agree with that assessment based on experience in the co-operative environment.

Pauls will obviously also benefit from the reduced transaction costs associated with dealing with a single entity.

The object of the proposal is to better provide for the objective and transparent determination of prices, and quality and composition standards, and to give member producers an opportunity to influence prices and standards through collective negotiation. The success of the proposal will be entirely dependent on the effectiveness of the Milk Management Committee in setting reasonable prices and standards having regard to competitive forces. The lack of any compulsion on members (subject to the six month notice requirement), to sell, or on Pauls Limited to buy milk at particular prices, reinforces this view.

The 580 members of Premium are listed in the Schedule to this attachment. The proposed rules of membership have not been reduced to writing but will reflect the matters set out above.

GROUND'S FOR GRANT OF AUTHORISATION

It is submitted that any potential detriment to competition is outweighed by the public benefit associated with the proposal.

Any anti-competitive elements of the proposal are diminished because of the lack of any compulsion on member producers to sell, or on Pauls Limited to buy, at any particular prices established by the Milk Management Committee. In any event, even assuming that detriment to competition ensues, there are significant public benefits flowing from the proposal including:

- the creation of countervailing bargaining power in favour of member producers;
- the proposed arrangements will significantly increase the prospects of a smooth transition from a regulated to a deregulated farmgate price environment. (The parties are seeking a permanent authorisation subject to the Commission's power for review).
- collective negotiation of quality and compositional standards will create certainty for member producers and thereby allow for investment in new technology, plant and equipment to ensure that quality standards are achieved and improvements are made.

FACTS AND CONTENTIONS RELIED UPON IN SUPPORT OF THE APPLICATION FOR AUTHORISATION

Before dealing with the facts and contentions in support of the specific grounds for authorisation, it is worth noting some of the characteristics of the relevant sector.

In Australia, there are approximately 10.4 million litres of milk produced annually of which approximately 1,970 million litres constitutes drinking milk and 8,430 million litres constitutes manufacturing milk. Manufacturing milk prices in Australia are influenced heavily by import parity with New Zealand prices which in turn reflect world prices and exchange rates.

There is a very high volume of manufacturing milk available on the Australian Eastern Seaboard which will compete directly with the supply by Premium members.

There are three major processors on the Eastern Seaboard. These are Pauls Limited, Dairy Farmers' Co-Operative Limited and National Foods Limited. Of these, Pauls and Dairy Farmers' Co-Operative are the largest operators in Queensland. There is significant competition amongst the three major processors and in turn, the major supermarket chains have a very high degree of market power vis-a-vis the processors, and through home brands, are vigorous competitors of processors at retail level.

Victorian producers account for 64% of Australia's total milk production. Prices paid for milk in Victoria will therefore significantly impact the prices paid in other States.

Dairy Farmers' Co-Operative represents a approximately 900 producers and will exercise significant competitive influence over the prices paid by Pauls, particularly in light of the lack of any compulsion by Premium's members to sell to Pauls.

Whilst National Foods has only recently commenced processing operations in Queensland, National Foods is expected to provide a viable alternative buyer of Queensland milk.

Milk producers invariably have significant amounts of capital tied up in land, livestock and equipment. The nature of land holdings make alternative uses economically unviable for most milk producers.

The lead time for investment in major new technology is approximately 3 years. Consequently, security of demand is essential if producers are to adopt innovative production methods.

Countervailing Power

In the absence of a mechanism such as that being proposed, producers in a deregulated market will have very little bargaining power. There are a number of factors which contribute to this fact including:

- milk is a highly perishable product that reduces the producer's ability to negotiate. A means by which longer term prices and supply conditions can be determined, will overcome the difficulties arising from the nature of the product;
- the size of most producers in Queensland. Whilst there are a number of large volume producers, the majority of producers, and certainly the majority of those that would be represented by Premium, are smaller producers who do not have the financial capacity or volume to effectively negotiate individually with processors.

By contrast with the bargaining power of the producers, the processors are large corporate entities with significant financial capacity and the ability to source product from various suppliers.

In the case of Pauls, whilst it has significant bargaining power, it wishes to participate in the proposal to secure for itself, longer term security of supply at appropriate standards of quality and composition. Pauls could not achieve this result by simply negotiating on an individual basis with 580 or more producers or through six independent co-operatives as currently occurs. There are administrative as well as tangible benefits from negotiating such matters through a single body.

It should also be noted that in the absence of a scheme such as that being proposed, the 580 producers to be represented by Premium will be at a significant disadvantage in comparison with the 900 members of Dairy Farmers' Co-operative Limited. The Dairy Farmers' Co-op producers have a producer Board representing their interests.

Investment in New Technology

Dairy farming has become increasingly capital intensive. There is a direct correlation between the quality of milk produced and the amount invested in technology. On average, major investment in new technology carries a three year lead time.

In order for dairy farmers to make that capital investment, they need security of return in the short to medium term. The current proposal, whilst not guaranteeing any sales of milk to Pauls, gives the relevant producers sufficient certainty (particularly if the scheme operates effectively for the first year) to create an incentive to make the necessary investment in technology.

The incentive to make the investment is further enhanced by the tangible benefits flowing from attainment of the relevant standards set by the Milk Management Committee.

Smooth Transition to Deregulation

It is submitted that there is a clear benefit in any mechanism which provides for a smooth transition from a regulated industry to a deregulated one. Whilst the current proposal seeks to reduce the adverse effects of complete deregulation of farmgate prices, the fully negotiable nature of the price at the Committee level, and the lack of any compulsion to sell or buy at a negotiated price, preserves the competition benefits that deregulation seeks to achieve.

It is also submitted that the countervailing power which the proposal provides in favour of the producers will also add to a smooth transition to a deregulated industry, and will provide producers with some encouragement to make investment in technology so that longer term production efficiencies can be achieved and improved.

SCHEDULE

**LIST OF PROPOSED PREMIUM MEMBERS
AND OTHER PARTIES TO THE SCHEME**

Premium Milk Supply Pty Ltd

Pauls Limited

List of producer members attached.

Index	Initials	First Name	Last Name	Business Name	Property Address	Address 1	Address 2	City	State	Zip
0006		ODP Multiplicity	Multiplicity Research Station	Primary Industries Corporation		Attention: Wayne Erlich	MS 925	PEAK CROSSING	OLD	4306
0011	PF	Peter	Madley			50 Pullenvale Road		KENMORE	OLD	4306
0013	ER & KR	Eric & Kim				MS 126		HARRISVILLE	OLD	4307
0014	DJ, GM & P	David, Gwen & Paul	Roderick	Roderick & Partners		MS 126		HARRISVILLE	OLD	4307
0016	G, L & B	George, Gary, Lloyd & Brian	Freck	Freck & Sons	Frederick Park	MS 126		HARRISVILLE	OLD	4307
0017	AB, KM, G & P	Peter	Hutchinson	Hutchinson Partnership		Peak Crossing Road		HARRISVILLE	OLD	4307
0019	KV	Ken	Mandelkow			Coleville		HARRISVILLE	OLD	4307
0020	GR, RJ & DB	Gordon, Rowena & Daphne	Ross			MS 23		ROSEWOOD	OLD	4340
0022	P & OJ	Peter & Joanne	Keeshaw			MS 126		HARRISVILLE	OLD	4307
0023	JJ, MG, P & K	John, Margaret, Paul & Kelli	Ploetz	Ploetz & Co		MS 23		ROSEWOOD	OLD	4340
0025	PR & HH	Peter & Heather	Wahl	Wahl Family Trust		MS 23		ROSEWOOD	OLD	4340
0026	DJ & SA	Denis & Susan	Schulze			MS 23		ROSEWOOD	OLD	4340
0032	RE & EA	Raymond & Elaine	Quinn			MS 23		ROSEWOOD	OLD	4340
0102	RJ	Bob	Murphy			Four Mile Lane		CANUNGRA	OLD	4275
0110	RL, SH, E & A	Andrew	Ludwig	Ludwig Family		PO Box 12		CANUNGRA	OLD	4275
0128	CC	Clarence & Ken	Stewart			MS 1372		ORRMEAU	OLD	4208
0127	OA, G & J	Owen, Glen & John	Coulter			1 Depot Road		ORRMEAU	OLD	4208
0134	IAH & MG	Ian & Margaret	Thomson			Thomson's Road		ORRMEAU	OLD	4208
0164	A	Ashley	Stevens	University of Queensland	Farm			PINJARRA HILLS	OLD	4069
0267	HA	Henry	Hester	Dalchian Pty Ltd		60 Jacobs Well Road		STAPYLTON	OLD	4207
0296	C	Clarrie	Kerkin	Novwell Milling Co Pty		Kerkin Road		NORWELL	OLD	4208
0332	GL	Geoffrey & Darryl	Wearing			Oaklands		JIMBOOMBA	OLD	4280
0334	IJ & D	Ivan & Delias	Wendt		Pleasant View			JIMBOOMBA FLAT	OLD	4133
0347	A, K & W	Alf, Carl, Mervyn & Warwick	Eckerman			Musch Road		JIMBOOMBA	OLD	4280
0348	GC	Gordon	Mollenhagen			Stockleigh Road		JIMBOOMBA	OLD	4280
0350	DJ & CL	Darryl & Charmaine	Wyrne			Cusack Lane		JIMBOOMBA	OLD	4280
0355	GJ & BJ	Gary & Bev	Ward			Brooklands Road		GLENEAGLE	OLD	4285
0361	KR & PM	Ken & Pam	Jamney			36 Cyna Road		BEAUDESERT	OLD	4285
0365	PF & IJ	Peter & Irene	Falkenhagen			33 Mahoney Road		BEAUDESERT	OLD	4285
0369	AJ & DJ	Arthur & Delina	Day			Undulla Road		BEAUDESERT	OLD	4285
0370	L, T, C & B	Leanne, Tracey, Craig & Brett	Teese			PO Box 207		BEAUDESERT	OLD	4285
0377	T, Z, D, L & C	Robert & Margaret	Fields	RJ Fields & Co		Glenside		BEAUDESERT	OLD	4285
0379	RJ & MJ	Robert & Margaret	Rodwell	Trustees for the Woodhead Trust		Hiscock Road		BEAUDESERT	OLD	4285
0380	JF, LM & G & TA	Jack, Lili, Greg & Tracey	Lindenberg			MS 185		BEAUDESERT	OLD	4285
0382	F, L, JE, D & J	Frank, Joan, Darryn & Tricia	Hesler			Walker Road		BEAUDESERT	OLD	4285
0388	ML, SE & AM	Michael, Suzanne & Adrian	Christofel			Lot 10 Cedar Pocket Road		BEAUDESERT	OLD	4285
0390	ER, CM, P & C	Errol, Cecelia, Paul & Connie	Teese		"Woodlands"			BEAUDESERT	OLD	4285
0391	DP & RA	David & Robyn	Christofel			MS 413		BEAUDESERT	OLD	4285
0393	CVY & CM	Colin & Caroline	Gee			Lot 2 Kangaroo Road		BEAUDESERT	OLD	4285
0395	M & M	Mal & Mark	Anderson & Tarnach	Tukana Pastoral Co		Beaudesert		BEAUDESERT	OLD	4285
0397	BJ, AJ, B & S	Sharon	Teese			MS 789		BEAUDESERT	OLD	4285
0398	IV, KF & D	Ivan, Kathryn & David	Harvey			MS 185		BEAUDESERT	OLD	4285
0402	WR & JB	Wally & Janette	Teese			MS 185		BEAUDESERT	OLD	4285
0404	GS, NR & R	Greg, Nerele & Rodney	Holcombe			MS 185		BEAUDESERT	OLD	4285
0410	LP & DA	Laure & Denise	Teese			Veresdale		BEAUDESERT	OLD	4285
0413	TP & KV	Kevin & Thomas	Dunne			MS 576 Round Mountain Road		BEAUDESERT	OLD	4285
0521	G	Graham	McLaughlin			Clear Mountain Road		BEAUDESERT	OLD	4285
0529	SJ, AA, WJ & JA	Bill & Julie	Young	Wilwerra Dairy P/L		Browns Creek Road		BEAUDESERT	OLD	4285
0564	J	Joe	Bradley	Est W F Bradley		MI Mile Road		BEAUDESERT	OLD	4285
0565	NG	Neville	Juffs			PO Box 27		BEAUDESERT	OLD	4285
						Ocean View		BEAUDESERT	OLD	4285

Index	Index	Full Name	Current Name	Business Name	Property Name	Address	Address 2	City	State	Postcode
0621	GI	Geoff	Marshall			55-57 Ross Road	Upper Kedron	BRISBANE	QLD	4005
0623	P	Peter	Trafford	Pandport Pty Ltd		Iravos Road	Sandy Creek	VIA KILCOY	QLD	4515
0630	SP & BL	Shane & Brenda	Wedley			MS 918	Warrego Highway	TOOWOOMBA	QLD	4350
0632	KM & EJ	Kevin & Edith	Griffiths		Dalwood Park	Coupe Road	M S 422	CLIFTON	QLD	4361
0637	LG	Lester	Pickering			21 Arbor Street	MI Mee	FERRY GROVE	QLD	4065
0656	DE, A & A	Don, Audrey & Aimee	Pickering	Pickering Pty Ltd		Sailins Road	MI Mee	DAYBORO	QLD	4521
0658	GR	Geoff	Russell	Reefwood Pty Ltd		7 Coolaroo Crescent	SAAMFORD	JINDALEE	QLD	4520
0670	F08325	Robert, Judith & Peter	Challen	Nesthaven Pty Ltd		PO Box 44	Kings Scrub	DAYBORO	QLD	4074
0682	Mrs ME	Margaret	Vudocky	Peter Las Pty Ltd			MI Pleasant	DAYBORO	QLD	4521
0695	P	Peter	Leis		"Pine Dairy"	340 Mt Brisbane Rd	MS 889	DAYBORO	QLD	4521
0702	G & L	Graham & Lorraine	Court			895 Lacey's Creek Road	Lacey's Creek	DAYBORO	QLD	4521
0818	RJH	Jim, Roderick & Debbie	Murray			Lacey's Creek Road	PO Box 24	DAYBORO	QLD	4521
0832	GAT & CF	Gary & Christine	Rowe			Costello Road	199 Sallin Road	DAYBORO	QLD	4521
0833	WN & JS	Bill & Jean	Rowe		"Einfeis"	PO Box 108	MI Mee	DAYBORO	QLD	4521
0834	CP & GE	Christopher & Gail	Relly			170 Walkers Lane	Hausmann Road	DAYBORO	QLD	4521
0835	TA & MK & MR & JA	Joy	Weston	Sellin & Co		PO Box 38	Ocean View	DAYBORO	QLD	4521
0836	EF & MJ	Ferrol & Margaret	Sellin			MI Pleasant	MI Pleasant	DAYBORO	QLD	4521
0843	RS	Ron	Turnbridge			PO Box 9	PO Box 19	DAYBORO	QLD	4521
0844	B	Bill	Gulbransen		Buena Vista	MI Pleasant	MI Pleasant	DAYBORO	QLD	4521
0852	NC, B, D & R	Nev, Betty, David & Robert	Sippel			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0855	VA & KM	Vern & Kim	Duncan			MI Pleasant	MI Pleasant	DAYBORO	QLD	4521
0857	RA & GF	Bob & Gloria	Dawes			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0863	CG	Clyde	Murray			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0864	LD & L	Leigh & Lynette	Henzell			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0870	JA, CB & JG	James, Carley & James	Kuhn			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0871	RF & KR	Kevin	Rane			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0872	PD & MM	Pat & Mary	Rowley			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0874	GC & LD	Graham & Leone	Bond			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0877	AV & SK	Allan & Sylvia	Williams			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0890	DA	Destie	Bond			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0897	GP & JJ	Greg & Jenny	Eastes			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0891	JG & AH	Ian & Ann	Keenan			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0894	VH & G	Vince & Greg	Nugent			PO Box 38	PO Box 38	DAYBORO	QLD	4521
0896	RF	Ray	Williams			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2001	CR & LE	Ron & Lurline	Stoneham			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2002	IR	Ray	Pemberton	Namboo High School		PO Box 38	PO Box 38	DAYBORO	QLD	4521
2004	KR, BD & AR	Keith, Betty & Alan	Perry			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2005	CP, OJ, P & L	Coin, Olive, Pat & Leone	Dwyer			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2006	NE, R, D & S	Nel, Rhonda, Damon & Sue	Lobley			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2007	RB & LA	Russell & Lindsay	Guppy			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2010	IL & RA	Ian & Roslyn	Pike			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2012	BA & CD	Bruce & Carol	Carlson			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2013	JF & VI	John & Vicki	Warren			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2014	A & CD	Andrew & Cathy	Blissett			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2016	BWC & SG	Bradley & Sandra	Owens			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2017	JE & SL	Jim & Shirley	MacIntyre			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2019	D, J & R	Dennis, Irene, Raimon	DeVere			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2020	MC, BC & N	Merv, Betty & Neil	Lindenmayer			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2021	DH & M	Dennis & Michael	Riggs	Riggs and Sons		PO Box 38	PO Box 38	DAYBORO	QLD	4521
2022	TI	Ian	Graham			PO Box 38	PO Box 38	DAYBORO	QLD	4521
2024	JK, J, N, W, G & C	Glenn & Chris	Maher	Kalsada Pty Ltd		PO Box 38	PO Box 38	DAYBORO	QLD	4521

Index	Model	First Name	Last Name	Business Name	Property Name	Address	Address	City	State	Zip
2025	RI & JL	Rob & Jennifer	MacIntyre		Amir Ranch	498 Dulong Road		NAMBOUR	QLD	4500
2027	Mrs V	Valmrey & John	Templeton		PO Box 317			ELMUNDI	QLD	4502
2028	RA & CM	Russell & Chardole	Davis		PO Box 43			POMONA	QLD	4508
2034	R & J	Rick & Julie	Templeton		Lameys Lane			ELMUNDI	QLD	4502
2038	GT & HE	Greg & Hazel	Woods		MS 1852		Falls Creek Road	KENILWORTH	QLD	4574
2039	KC & BF	Ken & Brenda	Petersen		Kn Kin Road			COORAN	QLD	4509
2041	ET & EJ	Ted & Edith	Hansen		2271 Old Noosa Road			COORAN	QLD	4509
2043	DJ & HM	Doug & Heather	Christie		Middle Creek			POMONA	QLD	4508
2044	SR & T	Tania & Steven	Maher		293 Middle Creek Road			POMONA	QLD	4508
2046	NR & KR	Neville & Kevin	Richardson		MS 401		551 Coory-Bell Creek Road	COORAN	QLD	4509
2048	RT	Tom	Craig		2790 Mary Valley Rd			KANDANGA	QLD	4570
2049	W, M & B	Bill, Maizie & Bronwyn	Day		Jonas Road		MOY POCKET	KENILWORTH	QLD	4574
2050	LD & GK	Lyle & Gwenda	Pauger		97 Pullen Lane			KENILWORTH	QLD	4574
2052	RJ & BL	Reg & Betty	Bailey		MS 624		Tucheloi	GYMPIE	QLD	4570
2053	DR, AU & R	Darryl, Audrey & Russell	Rose		14 Sankays Road			POMONA	QLD	4508
2054	R & J	Russell & Jodie	Frederickson	Frederickson Family Trust	3 Trevorston Crossing Road			GYMPIE	QLD	4570
2056	RS & KF	Bob & Kay	Morrison		3 Beetham Valley Road			GYMPIE	QLD	4570
2059	RJ & DG	Ray & Deanne	Bunler		1 Gap Road			GYMPIE	QLD	4570
2059	DA, JM & M	Des, Joyce, Mark & Michelle	Thiels		683 Cedar Pocket Road			GYMPIE	QLD	4570
2060	L, MK, RL & ER	Len, Myra, Rodney & Elizabeth	Valton		MS 809		10 Cedar Pocket Road	GYMPIE	QLD	4570
2062	P & EW	Peter & Ely	Boaden		365 Shadbot Road			GYMPIE	QLD	4570
2064	JW & NL	James & Nicole	Boaden		PO Box 79			ELMUNDI	QLD	4502
2066	NB & DM	Marie	Maragh		Obi Obi Road			KENILWORTH	QLD	4574
2068	LK, NJ & GJ	Lester, Noelia & Gregory	Pearson		3 Suttons Lane		Moy Pocket	KENILWORTH	QLD	4574
2071	LK, EM, S & K	Len, Edna, Stephen & Kym	Ferns		79 Gympie Kin Kin Road			KIN KIN	QLD	4571
2072	KR & BM	Kingsey & Marteen	Wood		297 Kandanga Creek Road			KANDANGA	QLD	4570
2075	JW & A	John & Ann	Shepperson		C/ Post Office			KIN KIN	QLD	4571
2150	SJ & MJ	John & Margaret	Cochrane		8 Goonung Road			KANDANGA	QLD	4570
2200	GW & SM	Carmel & Shane	Gear		931 Cedar Pocket Road		CEDAR POCKET	VIA GYMPIE	QLD	4570
2206	LT & ME	Laure & Myra	Trace		Suttons Lane			Kenilworth	QLD	4574
2208	TW & C	Thomas & Christine	Hamilton		Riversdale Road			KANDANGA	QLD	4570
2216	RM, B, TJ & A	Ray, Barbara, Trevor & Angela	McPail		99 Blackgate Road			AMAMOOOR	QLD	4570
2225	CT, CC, MI & AL	Ces, Connie, Mai & Mandy	MacIntyre		MS 1852		Obi Obi Road	KENILWORTH	QLD	4574
2230	SJ & MU	John & Margaret	Cochrane		8 Goonung Road			KANDANGA	QLD	4570
2235	KJ & EM	Kenneth & Elizabeth	Gear		52 Cavanagh Road			VIA GYMPIE	QLD	4570
2240	WS, JM & CW	Wayne, Janet & Clinton	Pauger		MS 1852		Brooloo Road	KENILWORTH	QLD	4574
2245	P	Peter	Dare	Ernd Farms Pty Ltd	Obi Obi Road			KENILWORTH	QLD	4574
2260	GK & TM	Glenn & Therese	BunlerCowie		MS 591		484 Cedar Pocket Road	GYMPIE	QLD	4570
2265	CR	Col & Rhonda	Lowenke		PO Box 92			KENILWORTH	QLD	4574
2270	GJ	Gary & Jason	Rozynski				Yabba Creek	VIA GYMPIE	QLD	4570
2275	JL & LJ	John & Lynette	Cutmore		MS 1852			KENILWORTH	QLD	4574
2280	JM & J	Jeff & Janelle	Parker		Moy Pocket Road			KENILWORTH	QLD	4574
2288	S, S, S & S	Sharr, Shirley, Sharrine & Sharryn	Pauger		PO Box 63			KENILWORTH	QLD	4574
2290	L, R, J, D & E	Elizabeth	Kropp	Damnvale Friesians	5 Fitzpatrick Road			GYMPIE	QLD	4570
2295	FW & MC	Fred & Margaret	Goelins		Coolahine Creek Road			KENILWORTH	QLD	4574
2296	R, K, P & K	Ray, Kathleen, Paul & Kim	Dakin	Dakin Family Enterprise	MS 1033		Purcell Road	BELLS BRIDGE	QLD	4570
2300	JH, D & R	Ivan, Denise & Robert	Gear		3 Cedar Pocket			VIA GYMPIE	QLD	4570
2308	HL, KM & DW	Hans, Krysline & David	Genck		7 Mullins Creek Road			GOOMBOORAN	QLD	4570
2310	GD, SK & KJ	Graham, Sharon & Keith	Sommerfeld		Mayne Street			Tiara	QLD	4650
2315	HT, JD & DNC	Herb, Jenny & Dion	Burton		482 River Road			MARYBOROUGH	QLD	4650
2320	CP & PF	Cyrl & Peter	Barbeler	Barbeler Bros Pty Ltd	114 River Road			MARYBOROUGH	QLD	4650

Parcel No.	Map	Owner	Business Name	Property Name	Address 1	Address 2	City	State	Zip
2325	AJ & AV	Sandy & Alex	Strahdee		PO Box 2		TIARO	QLD	4605
2340	SU	Stewart	Gear		No 2 Cullinanes Road		SEXTON	QLD	4605
2365	BF	Fred	Gear		1 Dreacher Road		GYMPIE	QLD	4570
2370	AJ, KE & S	Alan, Kerry & Shana	Robinson		MS 2137		TIARO	QLD	4605
2620	CN	Clinton	Wood		371 Silverleaf Road		MURRON	QLD	4605
2705	LH & JM	Lloyd & Jocelyn	Jensen	Glennview	MS 1945		PERANGA	QLD	4352
2710	RK & DK	Russell & Doreen	Spies	Sunnyden	Cullinow-Woodleigh Road		MACLAGAN	QLD	4352
3030	A & R	Allan & Renita	Alieneal Enterprises		MS 188		GOOMERI	QLD	4601
3050	LJ, JB & RL	Laurie, Joan & Robert	Barnett		MS 1357	Loop Road	WONDAI	QLD	4606
3070	HK, HD & RP	Harbans, Helen & Ruby	Begada		MS 361		MURCON	QLD	4605
3089	BE, JC & NA	Berry, Janice & Neil	Bischoff		Main Service 331		GOOMERI	QLD	4601
3089	AC & HM	Allan & Helen	Bradford		PO Box 92		NANANGO	QLD	4615
3100	PA & RG	Phillip & Rosemary	Braithwaite		PO Box 145		MURCON	QLD	4605
3110	WJ & EA	Bill & Elizabeth	Caffery		PO Box 74		NANANGO	QLD	4615
3120	IG	Ian	Campbell		PO Box 180		MURCON	QLD	4605
3160	G	Graham	Ewart	Cherbourg Aboriginal Council	Council Chambers		CHERBOURG	QLD	4605
3172	JT	Jim	English		MS 1382		WONDAI	QLD	4606
3180	JW & JE	John & Joan	Evans		MS 1281		WONDAI	QLD	4606
3230	EC, CE, AM & J	Col, Jean & Chris	Heathwood	Heathwood and Sons	MS 331		GOOMERI	QLD	4601
3250	TE & STE	Tom & Scott	Holding		MS 571	Cloyna	MURCON	QLD	4605
3290	HT & LG	Harold & Lorna	Harford		MS 361	Relfs Road	MURCON	QLD	4605
3321	R & D	Robert & Donna	Atkinson	Atkinson Pastoral Co. Pty Ltd	MS 901		MUNDUBERRA	QLD	4626
3335	RL & KG	Ruth & Ken	Schoss		Farers Road	MS 1397	WONDAI	QLD	4606
3350	J, F, R, G & P	Paul	Kruger	Kruger Farming Co	MS 660	Boondonna	PROSTON	QLD	4613
3370	CR & JL	Clarrie & Joyce	Marquadt		PO Box 89		WONDAI	QLD	4606
3390	T, RM & NT	Tom & Rosaleen	McAnnee	Morninghills	MS 571		MURCON	QLD	4605
3440	K & BE	Ken & Betty	Neffe		12 Cobb Street		NANANGO	QLD	4615
3460	VG, EB & LV	Vic, Ellen & Les	Pearson	Adavale	MS 1494		PROSTON	QLD	4613
3470	RA	Rodney	Pickles	Blackburn	MS 1016		PROSTON	QLD	4613
3480	HWJ & PA	Henry & Patricia	Pircock		MS 660		PROSTON	QLD	4613
3495	BL & BM	Bevan & Betty	Quinan		MS 1292		NANANGO	QLD	4615
3500	MK & BA	Marr & Barbara	Quinn		MS 571	1483 Silverleaf Road	MURCON	QLD	4605
3520	BA	Bevan	Ratley		MS 1552		MURCON	QLD	4605
3560	BR & MA	Bevan & Marie	Routledge		MS 571		MURCON	QLD	4605
3563	AJ & DM	Alwyn & Denise	Rowbotham		MS 1016		PROSTON	QLD	4613
3580	HW, A & CH	Harold, Adrielle & Geoffrey	Savage		PO Box 4		PROSTON	QLD	4613
3610	AM & ME	Tony & Michele	Arnell		MS 537		KINGAROO	QLD	4610
3630	SK, LM, GSR & AM	Syd, Lois, Graham & Allison	Silburn	33 Remington Road	MS 1552	Wooroonen	VIA MURCON	QLD	4605
3650	RA & MM	Raymond & Marilyn	Sippel		MS 361		MURCON	QLD	4605
3660	D, G, A & E	Don, Glen, Ann & Edna	Sippel		MS 361		MURCON	QLD	4605
3670	VG, KG, UD & SV	Viv, Kevin, Unis & Shane	Sippel		MS 361		MURCON	QLD	4605
3685	RP & CA	Rod & Carol	Smith		MS 331		GOOMERI	QLD	4601
3730	GD & A	Graham & Ashley	Trapp		MS 331		PROSTON	QLD	4613
3750	DE & AL	Doug & Ann	Tyerman	Trapp & Co	MS 571		MURCON	QLD	4605
3760	CE & EFE	Clive & Beth	Weier		MS 571		MONDURE	QLD	4611
3780	FG, NM & AC	Garth & Nola & Andrew	Zerner	Garway	PO Box 28		MURCON	QLD	4615
3785	K & J	Key & Joan	Zischke		MS 1494		NANANGO	QLD	4615
3790	RC & J	Ray & Joyce	Zischke		MS 399		HIVESVILLE	QLD	4612
3793	JA & MH	Ivan & Margaret	McKenzie	Willow Valley	MS 1494		NANANGO	QLD	4615
3802	EK & BE	Eric & Bruce	Hochmuth		PO Box 12		MUNDUBERRA	QLD	4626
3804	GC & AB	Gordon & Ailsa	Nothdurt	Heathcotean	MS 331	Tansey	GOOMERI	QLD	4601

Unit No.	Unit Name	Res Name	Res Name	Business Name	Property Address	Address	City	State	Zip
3807	KA & KJ	Ken & Karen	Stanley		MS 331		GOOMERI	QLD	4601
3810	BL & SL	Brian & Sharon	Kratzmann		MS 1552		MURCON	QLD	4605
3835	ML & D	Mark & Dianne	Hess				MacLagan	QLD	4352
3840	RC, TJ & LF	Dick, Trevor & Leanne	Ambrrose		MS 863		MACLAGAN	QLD	4352
3860	WH & CA	Walter & Carol	Dunn		Holland Road		TOOGLOOLAWAH	QLD	4313
3865	DK & JM	Don & Janette	Rice		MS 336		TOOGLOOLAWAH	QLD	4313
3870	MG G & JB	Mike & Gloria	Mullins		Prospect Park		BOWENVILLE	QLD	4404
3880	CH, JM, IS & J	Colin, Jennifer, Ian & Jayne	Hopper	Mandurah Enterprises	Porter's Gap	MS 360	BELL	QLD	4408
4101	JV	James	Hansen		228 Boonpra Road		BIGGENDEN	QLD	4621
4103	DJ	Darrell	Findlay		82 Findlay Road	MS 411	MARYBOROUGH	QLD	4650
4195	D & A and G & J	Judith	Young & Niebling		MS 801		MUNDUBERRA	QLD	4626
4200	KG & MB	Ken & Peg	Loakes	Lookylen Pastoral Company	PO Box 34		MUNDUBERRA	QLD	4626
4201	ER, EL, WJ & NL	Esmond, Elsie, Warren & Nigel	Kimber		PO Box 198		MUNDUBERRA	QLD	4626
4203	WJ & K	Bill & Kerry	Robinson		MS 802		MUNDUBERRA	QLD	4626
4204	G, BA, HR & MM	Marlene	Linsket		MS 805		MUNDUBERRA	QLD	4626
4206	DT & PM	Denis & Pamela	Bresford		MS 805		MUNDUBERRA	QLD	4626
4208	LL	Lloyd	Kirk		MS 498		GAYNDAH	QLD	4625
4208	SP & B	Slair & Beth	Savage		MS 498	"Homlea"	GAYNDAH	QLD	4625
4211	TJ, JM & MJ	Tom, Joy & Marion	Denholm		MS 805	Melyn	MUNDUBERRA	QLD	4626
4212	RR	Robin	Greiner	Greiner Holdings Pty Ltd	MS 498		GAYNDAH	QLD	4625
4215	J, M, B & M	Jeff, Margaret, Bill & Margaret	Peterson	Peterson Bros	MS 345	Boye Crossing	MUNDUBERRA	QLD	4626
4216	RR, MJ, T & L	Bob & Joy, Trevor & Lindsay	Wernecke		PO Box 93 Shalcross Rd		MUNDUBERRA	QLD	4626
4217	DL & JL	Doug & Jenny	Gaston	Twin Rivers Pastoral Co	Private Mail Bag 35		MUNDUBERRA	QLD	4626
4300	DJ & D	David & Deesree	Clawford		MS 90		KINGAROY	QLD	4610
4301	IV & VJ	Ian & Valerie	Richardson		MS 346		KINGAROY	QLD	4610
4302	LG	Layne	Seng		7 Cowie Drive		NANANGO	QLD	4315
4303	TF & BM	Trevor & Brenda	Rook		MS 189		KINGAROY	QLD	4610
4304	HL	Harold & Lila	Adlem		PO Box 45		KINGAROY	QLD	4610
4309	RN, BJ, WE & LD	Robert, Berni, Wayne & Lloyd	Jensen	R & B Jensen & Sons	MS 780		KINGAROY	QLD	4610
4310	RI & JH	Ray & Jan	Lucas		MS 189		KINGAROY	QLD	4610
4313	G & M	Geoffrey & Mairee	Tracey & Tracey		PO Box 248		KINGAROY	QLD	4610
4314	GP & BA	Brian & Gary	Tessmann		MS 189		KINGAROY	QLD	4610
4402	CR, WA, RC & CA	Col, Wendy & Robert	Roderick		MS 361 Coenick Road		MURCON	QLD	4605
4403	RW & JA	Roy & Janette	Dennien		MS 631		GOOMERI	QLD	4601
4408	VJ & TE	Vic & Thursa	Brookhurst		MS 188		GOOMERI	QLD	4601
4409	W & G	Will & Gai	Lehmann		Tansey		GOOMERI	QLD	4601
4410	ML, RG & J	Mal, Glen & Judy	McKewen		MS 331		MACLAGAN	QLD	4352
4412	RC, TJ & LF	Dick, Trevor & Leanne	Ambrrose		MS 212		MACLAGAN	QLD	4352
4413	GW & VJ	Garry & Val	Mankin		MS 192		MACLAGAN	QLD	4352
4416	EM, CEM & SM	Eric, Cecily & Shane	Ciesloka		MS 863		MACLAGAN	QLD	4352
4417	GMH, LM & AJ	Greg, Lyn & Anthony	Johnston		MS 883		MACLAGAN	QLD	4352
4680	WA & JL	Wayne & Jenny	Rietmiller		MS 883		MACLAGAN	QLD	4352
4705	BJ & DJ	Barry & Dell	Rietmiller		MS 883		MACLAGAN	QLD	4352
4830	EB, PJ & NK	Errol, Pam & Natalie	Clark		MS 883		MACLAGAN	QLD	4352
8001	SA, LW & WJ	Sylvia, Laurie & William	Bird		MS 883		MACLAGAN	QLD	4352
8002	WK	Kevin	Currey	Lok Eryn Pastoral Company	MS 883		MACLAGAN	QLD	4352
8005	C, MJ, G & NP	Geoff & Narelle	Kleischmidt		MS 883		MACLAGAN	QLD	4352
8008	AT	Trevor	Welch		MS 883		MACLAGAN	QLD	4352
8011	M	May	Finch		MS 883		MACLAGAN	QLD	4352
8015	P & U	Peter & Unice	Jervis	Cambridge Family Trust	MS 883		MACLAGAN	QLD	4352
8017	LGJ & KN	Lindsay & Nina	Marshall		MS 883		MACLAGAN	QLD	4352

DRAFT
DATED 26.7.00

CORPORATIONS LAW

**A COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL**

**CONSTITUTION
of
PREMIUM MILK SUPPLY LIMITED**

CORRS CHAMBERS WESTGARTH

Lawyers
1 Eagle Street
BRISBANE QLD 4000
Tel: (07) 3228 9333
Fax: (07) 3228 9444
Int: 617 228 9333
DX 135 Brisbane
Ref: ES/JD

B/341283/1

CONTENTS

PART A

1	NAME	1
2	AGREEMENT TO TERMS OF CONSTITUTION.....	1
3	LEGAL CAPACITY	1
3.1	Legal capacity of a natural person	1
3.2	Legal capacity not restricted	1
4	OBJECTS AND POWERS	1
4.1	Objects.....	1
4.2	Powers	1
5	LIMITATION OF LIABILITY.....	2
6	CONTRIBUTION ON WINDING UP.....	2
7	APPLICANTS	2

PART B

1	INTERPRETATION	4
1.1	Definitions	4
1.2	Construction	4
1.3	Headings.....	5
1.4	Replaceable rules excluded	6
2	MEMBERS	6
2.1	Initial Members	6
2.2	Eligibility for membership	6
2.3	Application for membership.....	6
2.4	Classes of members	6
2.5	Application fees.....	6
2.6	Admission and rejection of Members	6
2.7	Annual subscriptions	7
2.8	Cessation of membership	7
2.9	Register of Members	8
2.10	Membership of Zones.....	8
3	GENERAL MEETINGS	8
3.1	Annual general meeting.....	8
3.2	Holding of general meetings	8
3.3	Convening of general meetings	8
3.4	Notice of meetings.....	8
3.5	Omission to give notice.....	9
3.6	Business of annual general meeting	9
4	PROCEEDINGS AT MEETINGS	9
4.1	Quorum.....	9
4.2	Lack of quorum	9
4.3	Chairman	9
4.4	Adjournment.....	10
4.5	Notice of adjourned meeting	10
4.6	Decision of resolutions.....	10
4.7	Minutes as evidence of result	10
4.8	Taking of poll	10

5	VOTES OF MEMBERS.....	11
5.1	Entitlement to vote	11
5.2	Casting vote.....	11
5.3	Proxies, attorneys and representatives.....	11
6	DIRECTORS.....	12
6.1	Number of Directors.....	12
6.2	Zones	13
6.3	First Directors.....	13
6.4	Replacement of Directors at first and second annual general meetings	13
6.5	Election and appointment of Directors.....	14
6.6	Casual vacancy in office of Director	14
6.7	Remuneration of Directors	15
6.8	Disqualification of Directors	15
6.9	Directors may act notwithstanding vacancy	16
6.10	Powers of Directors	16
7	DIRECTORS INTERESTS.....	16
7.1	Directors' interests in contracts.....	16
7.2	Material personal interests.....	17
8	PROCEEDINGS OF DIRECTORS	17
8.1	Procedure generally.....	17
8.2	Calling of meetings	17
8.3	Notice of meetings.....	18
8.4	Chairman of meetings	18
8.5	Quorum for Directors' meetings	18
8.6	Decision of questions	18
8.7	Delegation to Committees	18
8.8	Procedure of Committees	18
8.9	Validation of irregular acts.....	19
8.10	Signed document passing resolution of Directors	19
8.11	Meetings by electronic means	19
8.12	Minutes.....	19
8.13	Appointment of attorney	19
8.14	Alternate Directors	20
9	SECRETARY.....	21
9.1	Appointment.....	21
9.2	Terms of office	21
10	SEAL.....	21
10.1	Types of seals	21
10.2	Use of seal	21
11	DISTRIBUTION OF INCOME AND PROPERTY	22
11.1	Income and property to be applied for objects	22
11.2	No profit to Members	22
11.3	Remuneration, reimbursement and refund	22
11.4	Refund of the amounts not required for objects	22
12	ACCOUNTS AND AUDIT.....	22
12.1	Accounting and Other Records	22
12.2	Inspection of records	23
12.3	Auditor	23
13	NOTICES	23

13.1	Modes of service	23
13.2	Deemed receipt of notices	24
13.3	Proof of service	24
13.4	Persons entitled to notice of general meeting.....	24
13.5	Signature to notice.....	24
14	WINDING UP	25
14.1	Surplus property on winding up	25
14.2	Selection of recipient of property on winding up.....	25
15	INDEMNITY OF OFFICERS AND AUDITORS	25
15.1	Definition of “officer” and “auditor”	25
15.2	Indemnity to officers and employees.....	25
15.3	Indemnity for proceedings.....	25
15.4	Liability as between officers.....	25
15.5	Reimbursement of expenses.....	25
	REGULATIONS FOR THE SUPPLY OF MILK BY MEMBERS	27
1	QUANTITY OF MILK TO BE SUPPLIED	27
1.1	Agreement as to the supply of milk.....	27
1.2	Change of milk supply	27
1.3	Prescribed details.....	27
2	POWERS OF DIRECTORS IN RELATION TO SUPPLY OF MILK	27
2.1	Standards prescribed by Directors.....	27
2.2	Notification to Members	27
3	MEMBER’S OBLIGATIONS TO SUPPLY MILK	28
3.1	Milk to be supplied in accordance with agreed terms	28
3.2	Failure to supply.....	28
	REGULATIONS FOR ELECTION OF DIRECTORS	29
1	BASIS OF ELECTION PROCEDURE.....	29
1.1	Election for each Zone	29
1.2	Which Director is to retire.....	29
1.3	Returning officer	29
2	NOMINATION PROCEDURES	29
2.1	Calling for nominations.....	29
2.2	Eligibility for nomination	29
2.3	Closing date for nominations	30
3	ELECTION PROCEDURE	30
3.1	Notice of candidates	30
3.2	Voting by Members.....	30
4	COUNTING OF VOTES	30
4.1	Counting of votes by returning officer	30
4.2	Results of election	30
4.3	Determination of result.....	31
	SCHEDULE - ZONE MAP	32
	APPENDIX - CO-OPERATIVES	33

CORPORATIONS LAW
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
CONSTITUTION
OF
PREMIUM MILK SUPPLY LIMITED
PART A

1 NAME

The name of the company is PREMIUM MILK SUPPLY LIMITED (“**Company**”).

2 AGREEMENT TO TERMS OF CONSTITUTION

The persons named as applicants in **clause 8**:

- (a) consent to become members of the Company;
- (b) agree to the terms of this constitution as the constitution of the Company.

3 LEGAL CAPACITY

3.1 Legal capacity of a natural person

The Company has the legal capacity of a natural person.

3.2 Legal capacity not restricted

It is the intention that this constitution will not restrict or prohibit the exercise by the Company of any of the powers referred to in **clause 3.1**.

4 OBJECTS AND POWERS

4.1 Objects

The objects for which the Company is established are:

- (a) to represent producers of milk in Queensland, and to promote and advance their interests;
- (b) without limiting the objects in **clause 4.1(a)**, to enter into arrangements with milk processors for the supply of milk;
- (c) to undertake any activity which may assist in furthering the purposes specified in the preceding paragraphs of this **clause 4.1**.

4.2 Powers

For the purpose of carrying out the objects referred to in **clause 4.1**, the Company may do all things incidental or conducive to the attainment of those objects or which may advance directly or indirectly the interests of the Company.

5 **LIMITATION OF LIABILITY**

The liability of the members of the Company is limited.

6 **CONTRIBUTION ON WINDING UP**

Every member of the Company undertakes to contribute an amount not exceeding twenty dollars (\$20) to the assets of the Company in the event of its being wound up while the member is a member or within one year afterwards for:

- (a) payment of the debts and liabilities of the Company contracted before the time when the member ceased to be a member;
- (b) the costs charges and expenses of winding up; and
- (c) for an adjustment of the rights of contributories among themselves.

7 **APPLICANTS**

The following persons apply for registration of the Company:

Name:

Address:

Zone: North East Queensland

Signature:

Date of signing:

Name:

Address:

Zone: North West Queensland

Signature:

Date of signing:

Name:

Address:

Zone: South East Queensland

Signature:

Date of signing:

Name:

Address:

Zone: South West Queensland

Signature:

Date of signing:

CORPORATIONS LAW
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
CONSTITUTION
PREMIUM MILK SUPPLY LIMITED
PART B

1 INTERPRETATION

1.1 Definitions

In this constitution unless the context otherwise requires:

“**business day**” means a day that is not a Saturday, Sunday or public holiday in the city or town in which the Company’s registered office is for the time being located.

“**Committee**” means a committee of Directors formed pursuant to **clause 8.7**.

“**Company**” means PREMIUM MILK SUPPLY LIMITED.

“**Co-operative**” means a co-operative of Milk Producers listed in the **appendix**.

“**Director**” includes any person occupying the position of a director of the Company by whatever name called.

“**Members**” means persons admitted as members of the Company pursuant to **clause 2** who have not ceased to be members.

“**Milk Producer**” means a person who conducts a business in Queensland of producing milk for sale.

“**Register**” means the register of Members to be kept pursuant to the Corporations Law.

“**Zone**” means an area of the state of Queensland delineated in the Zone Map applicable from time to time.

“**Zone Map**” means:

- (a) on registration of the Company, the Zone Map in the **schedule**; or
- (b) the Zone Map adopted from time to time on any change to the Zones.

1.2 Construction

Unless expressed to the contrary:

- (a) words importing:
 - (i) the singular include the plural and vice versa; and

- (ii) any gender includes the other genders;
- (b) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (c) a reference to:
 - (i) a person includes a firm, unincorporated association, corporation and a government or statutory body or authority;
 - (ii) a person includes its legal personal representatives, successors and assigns;
 - (iii) a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (iv) a section, regulation or other specific provision of a statute, ordinance, code, law or statutory instrument includes the equivalent section, regulation or provision in any consolidation, amendment, re-enactment or replacement of that statute, ordinance, code or statutory instrument;
 - (v) a right includes a benefit, remedy, discretion, authority or power;
 - (vi) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
 - (vii) provisions or terms of this document or another document, agreement, understanding or arrangement include a reference to both express and implied provisions and terms;
 - (viii) time is to local time in Brisbane;
 - (ix) "\$" or "dollars" is a reference to the lawful currency of Australia;
 - (x) this or any other document includes the document as varied or replaced and notwithstanding any change in the identity of the parties;
 - (xi) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes facsimile transmission; and
 - (xii) this constitution includes any regulations or by-laws made under it, as amended from time to time;
- (d) an expression defined in the Corporations Law has the same meaning in this constitution.

1.3 Headings

Headings do not affect the construction of this constitution.

1.4 Replaceable rules excluded

The replaceable rules contained in the Corporations Law are excluded and do not apply to the Company.

2 MEMBERS

2.1 Initial Members

The first Members shall be the applicants for the Company's registration.

2.2 Eligibility for membership

A Milk Producer is eligible to be a Member.

2.3 Application for membership

- (a) A Milk Producer who wishes to apply to become a Member must make application in writing, in the form prescribed by the Directors from time to time, accompanied by the application fee (if any).
- (b) An application for membership shall be accompanied by such evidence of the applicant's eligibility as the Directors require, and it is not necessary that an applicant who is eligible be proposed by another Member.
- (c) The Directors may from time to time adopt by-laws or regulations prescribing details to be supplied by an applicant for membership.

2.4 Classes of members

- (a) The Directors may from time to time adopt by-laws or regulations:
 - (i) designating classes of membership; and
 - (ii) specifying eligibility criteria for each class of membership.
- (b) Where the Company has more than one class of membership, a Milk Producer is only eligible to join a class of membership for which the Milk Producer satisfies the eligibility criteria.

2.5 Application fees

- (a) The Directors may determine that an application fee is payable on application for membership or an application for membership of any class.
- (b) The amount of an application fee is as determined by the Directors from time to time, and the Directors may determine different application fees for different classes of membership.

2.6 Admission and rejection of Members

- (a) The Directors must consider an application for membership at the next meeting of the Directors after receipt of the application (and any applicable application fee) and must determine the admission or rejection of the applicant.

- (b) Any applicant who receives a majority of the votes of the Directors present at that meeting shall be accepted as a Member.
- (c) The secretary must notify an applicant in writing of acceptance or rejection of the application.
- (d) The Directors are not obliged or required to inform an applicant or any person whatsoever of the ground upon which an application has been accepted or rejected or of any particulars of the application.
- (e) A person whose application is rejected by the Directors has no right of appeal, but is entitled to a refund of the application fee.

2.7 Annual subscriptions

- (a) The Directors may determine that an annual subscription, of an amount determined by the Directors from time to time, is payable by Members.
- (b) The Directors may determine a different amount of annual subscription for different classes of membership.
- (c) The Directors may determine by by-law or regulation the manner in which Members are required or permitted to pay their annual subscriptions (which may include, without limitation, provision for payment by instalments), and may determine the date on which the annual subscription, or an instalment of the annual subscription, is due and payable.
- (d) The Directors may in special circumstances agree to an extension of time for payment of an annual subscription or an instalment.

2.8 Cessation of membership

- (a) A Member may resign from membership at any time by giving notice in writing to the secretary, such resignation to take effect not less than 6 months after receipt of the resignation by the secretary.
- (b) A Member's membership ceases where:
 - (i) the Member fails to pay any annual subscription or instalment by the due date (or, where an extension is granted by the Directors, by the end of the extended period); or
 - (ii) the Member is in the reasonable opinion of the Directors in breach of the Member's obligations under this constitution and has failed to remedy the breach on being given reasonable notice to do so,

and the Directors resolve to terminate the Member's membership on a date determined by them.
- (c) Where the Directors propose termination of a Member's membership, the Member must be given 28 days notice of the meeting of Directors at which the proposed termination is to be considered, and must be given an opportunity to make submissions to the Directors before the Directors vote on the termination.