

ARTHRITIS FOUNDATION OF WA INCORPORATED

**CONSTITUTION
Version 7**

AS AMENDED NOVEMBER 2017

PREAMBLE

The Arthritis Foundation of WA Incorporated has operated since 1972 in Western Australia, serving the needs of sufferers of arthritic conditions and osteoporosis in the community. In updating its Constitution and continuing its works, the association wishes to recognise the large number of supporters that it has and acknowledge them as Friends of the Foundation.

PART 1 — PRELIMINARY

1. Terms used

In these rules, unless the contrary intention appears —

act means the *Associations Incorporation Act 2015*;

association means the Arthritis Foundation of WA Incorporated, an incorporated association to which these rules apply;

authority matrix means the record that sets out who can approve a change, subject to cost limits, or areas of responsibility;

board means the management board of the association which has the powers set out under rule 27;

board meeting means a meeting of the board;

board member means a member of the board;

books, of the association, includes the following —

- (a) a register;
- (b) financial records, financial statements or financial reports, however compiled, recorded or stored;
- (c) a document;
- (d) any other record of information;

by laws means by-laws made by the association under rule 66;

committee means a committee appointed by the board under rule 51;

commissioner means the person for the time being designated as the commissioner under section 153 of the act;

executive director means the most senior employed role in the association;

financial records includes —

- (a) invoices, receipts, orders for the payment of money, bills of exchange, cheques, promissory notes and vouchers; and
- (b) documents of prime entry; and
- (c) working papers and other documents needed to explain:
 - (i) the methods by which financial statements are prepared; and

(ii) adjustments to be made in preparing financial statements;

financial report, of a tier 2 association or a tier 3 association, has the meaning given in section 63 of the act;

financial statements means the financial statements in relation to the association required under part 5 division 3 of the act;

financial year, of the association, has the meaning given in rule 2;

full voting rights means the voting rights possessed by those members of the association who have the full voting rights as determined by the board;

general meeting, of the association, means a meeting of the association that all members are entitled to receive notice of and to attend;

governor means a person who is responsible for counselling and advising the board of the association;

member means a person, including a body corporate, who is a member of the association;

non-voting rights means the rights possessed by those members of the association who have the non-voting rights as determined by the board (which does not include members referred to in rule 59);

off boarding checklist means the checklist for exiting employees and board members as determined by the board from time to time;

office means the office of the association which shall be at such a place that the board may determine;

office holder means those persons specified as office holders pursuant to rule 28(2);

ordinary board member means a board member who is not an office holder or other board member of the association under rule 28;

patron means those persons who are appointed to that honorary position from time to time on invitation of the board;

president means the board member holding office as the president of the association;

register of members means the register of members referred to in section 53 of the act;

rules mean these rules of the association, as in force for the time being;

secretary means the board member holding office as the secretary of the association;

signing means physically or electronically signing;

special board meeting means a board meeting of the board members convened pursuant to rule 44(3);

special board resolution means a resolution which has been passed by at least seventy-five percent (75%) of the votes cast by those entitled to vote on the resolution and includes proxy votes where permitted;

special general meeting means a general meeting of the association other than the annual general meeting;

special resolution means a resolution passed by the members at a general meeting in accordance with section 51 of the act;

tier 1 association means an incorporated association to which section 64(1) of the act applies;

tier 2 association means an incorporated association to which section 64(2) of the act applies;

tier 3 association means an incorporated association to which section 64(3) of the act applies;

treasurer means the board member holding office as the treasurer of the association;

vice patron means those persons who are appointed to that honorary position from time to time on invitation of the board;

vice president means the board member holding office as the vice president of the association.

2. Financial year

The association's financial year will be the period of 12 months commencing on 1 January and ending on 31 December of each year.

3. Objective

The objective of the association is to reduce the incidence and disabling effects of arthritis, osteoporosis and related conditions in the people of Western Australia through creation and delivery of programs in care, education and research.

PART 2 — ASSOCIATION TO BE NOT FOR PROFIT BODY

4. Not-for-profit body

- (1) The property and income of the association must be applied solely towards the promotion of the objects or purposes of the association and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to any member, except in good faith in the promotion of those objects or purposes.
- (2) A payment may be made to a member out of the funds of the association only if it is authorised under sub rule (3).
- (3) A payment to a member out of the funds of the association is authorised if it is:
 - (a) the payment in good faith to the member as reasonable remuneration for any services provided to the association, or for goods supplied to the association, in the ordinary course of business; or

- (b) the payment of interest, on money borrowed by the association from the member, at a rate not greater than the cash rate published from time to time by the Reserve Bank of Australia; or
- (c) the payment of reasonable rent to the member for premises leased by the member to the association; or
- (d) the reimbursement of reasonable expenses properly incurred by the member on behalf of the association.

PART 3 — MEMBERS

Division 1 — Membership

5. Eligibility for membership

- (1) Any person who supports the objects or purposes of the association is eligible to apply to become a member, including but not limited to:
 - (a) past and present board members;
 - (b) governors;
 - (c) the patron and vice patron;
 - (d) past and present committee members;
 - (e) any person who the board believes to have made a significant contribution to the association.
- (2) An individual who has not reached the age of 18 years is not eligible to be a member.
- (3) An individual (other than the executive director) who is employed by the association or is listed on the payroll of the association is not eligible to apply for membership that confers voting rights while they are employed by the association or listed on the payroll of the association for that financial year.

6. Applying for membership

- (1) A person who wants to become a member must apply by completing the association's membership application form and submitting it to the association.
- (2) The application must be signed by the applicant.

7. Dealing with membership applications

- (1) All applications are to be considered by the nominations committee.
- (2) The nominations committee may delay its consideration of an application if the nominations committee considers that any matter relating to the application needs to be clarified by the applicant or that the applicant needs to provide further information in support of the application.
- (3) The nominations committee must not accept an application unless the applicant:
 - (a) is eligible under rule 5; and (b) has applied under rule 6.
- (4) The nominations committee may reject an application even if the applicant:
 - (a) is eligible under rule 5; and (b) has applied under rule 6.
- (5) The nominations committee must notify the applicant of their decision to accept or reject the application as soon as practicable after making the decision.
- (6) If the nominations committee rejects the application, they are not required to give the applicant its reasons for doing so.

- (7) Applications accepted by the nominations committee must be presented to the board for ratification at a board meeting. The board may accept or reject any application at their discretion.
- (8) The board will carry out the functions of the nominations committee unless the board otherwise determines.

8. Becoming a member

- (1) An applicant for membership of the association becomes a member when:
 - (a) the application is accepted by the nominations committee;
 - (b) the application is ratified by the board; and
 - (c) the applicant pays any membership fees payable to the association under rule 13.

9. Classes of membership

- (1) The association may have any class of membership as determined by the board.
- (2) A person can only belong to one class of membership.
- (3) The rights of a class of membership shall be determined by the board.
- (4) The number of members of any class is not limited unless otherwise determined by the board.

10. When membership ceases

- (1) A person ceases to be a member when any of the following takes place:
 - (a) for a member who is an individual, the individual dies;
 - (b) for a member who is a body corporate, the body corporate is wound up;
 - (c) the person resigns from the association under rule 11;
 - (d) the person is expelled from the association under rule 16;
- (2) The association must keep a record, for at least one year after a person ceases to be a member, of:
 - (a) the date on which the person ceased to be a member; and (b) the reason why the person ceased to be a member.

11. Resignation

- (1) A member may resign from membership of the association by giving written notice of the resignation to the secretary.
- (2) The resignation takes effect:
 - (a) when the secretary receives the notice; or
 - (b) if a later time is stated in the notice, at that later time.
- (3) A person who has resigned from membership of the association remains liable for any fees that are owed to the association (the *owed amount*) at the time of resignation.

- (4) The owed amount may be recovered by the association in a court of competent jurisdiction as a debt due to the association.

12. Rights not transferable

- (1) The rights of a member are not transferable and cease when membership ceases.

Division 2 — Membership fees

13. Membership fees

- (1) The board may determine a membership fee, if any, and in what form, to be paid for membership of the association.
- (2) The fees determined under sub rule (1) may be different for different classes of membership.

Division 3 — Register of members

14. Register of members

- (1) The secretary, or another person authorised by the board, is responsible for the requirements imposed on the association under section 53 of the act:
 - (a) to maintain the register of members; and
 - (b) record in that register any change in the membership of the association, including recording any change to the register within 28 days after the change occurs.
- (2) In addition to the matters referred to in section 53(2) of the act, the register of members must include the class of membership (if applicable) to which each member belongs and the date on which each member becomes a member.
- (3) The register of members must be kept at the office of the association, in either electronic or hard copy format.
- (4) A member who wishes to inspect the register of members must contact the secretary to make the necessary arrangements.
- (5) If:
 - (a) a member inspecting the register of members wishes to make a copy of, or take an extract from, the register under section 54(2) of the act; or
 - (b) a member makes a written request under section 56(1) of the act to be provided with a copy of the register of members,the board may require the member to provide a statutory declaration setting out the purpose for which the copy or extract is required and declaring that the purpose is connected with the affairs of the association.

PART 4 — DISCIPLINARY ACTION, DISPUTES AND MEDIATION

Division 1 — Term used

15. Term used: member

In this Part:

member, includes a member who is expelled from the association and a former member.

Division 2 — Disciplinary action

16. Suspension or expulsion

- (1) The board may decide to suspend a member's membership or to expel a member from the association if, in the opinion of the board:
 - (a) the member contravenes any of these rules; or
 - (b) the member acts detrimentally to the interests of the association; or (c) the member contravenes any policy of the association.
- (2) The secretary must give the member written notice of the proposed suspension or expulsion at least 28 days before the board meeting at which the proposal is to be considered by the board.
- (3) The notice given to the member must state:
 - (a) when and where the board meeting is to be held; and
 - (b) the grounds on which the proposed suspension or expulsion is based; and
 - (c) that the member, or the member's representative, may attend the meeting and will be given a reasonable opportunity to make written and/or oral submissions to the board about the proposed suspension or expulsion;
- (4) At the board meeting, the board must:
 - (a) give the member, or the member's representative, a reasonable opportunity to make written or oral (or both written and oral) submissions to the board about the proposed suspension or expulsion; and
 - (b) give due consideration to any submissions so made; and (c) decide:
 - (i) whether or not to suspend the member's membership and, if the decision is to suspend the membership, the period of suspension; or
 - (ii) whether or not to expel the member from the association.
- (5) A decision of the board to suspend the member's membership or to expel the member from the association takes immediate effect.
- (6) The board must give the member written notice of the board's decision, and the reasons for the decision, within 14 days after the board meeting at which the decision is made.

- (7) A member whose membership is suspended or who is expelled from the association may, within 14 days after receiving notice of the board's decision under sub rule (6), give written notice to the secretary requesting the appointment of a mediator under rule 24.
- (8) If notice is given under sub rule (7), the member who gives the notice and the board are the parties to the mediation.

17. Consequences of suspension

- (1) During the period a member's membership is suspended, the member:
 - (a) loses any rights (including voting rights) arising as a result of membership; and
 - (b) is not entitled to a refund, rebate, relief or credit for membership fees paid, or payable, to the association.
- (2) When a member's membership is suspended, the secretary must record in the register of members:
 - (a) that the member's membership is suspended; and (b) the date on which the suspension takes effect; and (c) the period of the suspension.
- (3) When the period of the suspension ends, the secretary must record in the register of members that the member's membership is no longer suspended.

Division 3 — Resolving disputes

18. Terms used

In this Division —

grievance procedure means the procedures set out in this Division;

party to a dispute includes a person:

- (a) who is a party to the dispute; and
- (b) who ceases to be a member within 6 months before the dispute has come to the attention of each party to the dispute.

19. Application of Division

- (1) The procedure set out in this Division (the grievance procedure) applies to disputes:
 - (a) between members; or
 - (b) between one or more members and the association.

20. Parties to attempt to resolve dispute

- (1) The parties to a dispute must use their best endeavours, in good faith to resolve the dispute or difference between themselves by negotiation. A party claiming that a dispute has arisen must notify the other relevant parties giving details of the dispute in writing, and provide a copy to the secretary, within 14 days after the dispute has come to the attention of each party.

21. How grievance procedure is started

- (1) If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 20, any party to the dispute may start the grievance procedure by giving written notice to the secretary and the other relevant parties (the “**Dispute Notice**”) of:
 - (a) the parties to the dispute; and
 - (b) the matters that are the subject of the dispute.
- (2) After the Dispute Notice is given under sub rule (1), each party to the dispute, has a further 14 day period, and must use their best endeavours to resolve the dispute.
- (3) If the parties to the dispute are unable to resolve the dispute within the dispute period, each party to the dispute must in writing and/or orally to the board, detail any further information or matters for consideration, in relation to the dispute.
- (4) A board meeting must be convened to consider and determine the dispute.
- (5) The secretary must give each party to the dispute written notice of the board meeting at which the dispute is to be considered and determined at least 7 days before the meeting is held.
- (6) If:
 - (a) the dispute is between one or more members and the association; and
 - (b) any party to the dispute gives written notice to the secretary stating that the party:
 - (i) does not agree to the dispute being determined by the board; and
 - (ii) requests the appointment of a mediator under rule 24, the board must not determine the dispute.

22. Determination of dispute by board

- (1) The board, at the board meeting at which the dispute is to be considered and determined by the board, must:
 - (a) give each party to the dispute, or the party’s representative, a reasonable opportunity to make written or oral submissions to the committee about the dispute; and (b) give due consideration to any submissions so made; (c) determine the dispute.
- (2) The board must give each party to the dispute, or the party’s representative written notice of the board’s determination, and the reasons for the determination.
- (3) A party to the dispute may, within 14 days after receiving notice of the boards determination give written notice to the secretary requesting the appointment of a mediator under rule 24.
- (4) If a notice is given under sub rule (3), each party to the dispute is a party to the mediation.

Division 4 — Mediation

23. Application of Division

- (1) This Division applies if written notice has been given to the secretary requesting the appointment of a mediator:
 - (a) by a party to a dispute under rule 21(6)(b)(ii) or 22(3); or (b) by a party to a dispute under rule 16(7);
- (2) If this Division applies, a mediator must be chosen or appointed under rule 24.

24. Appointment of mediator

- (1) The mediator must be a person chosen by agreement between the parties to the dispute.
- (2) If there is no agreement for the purposes of sub rule (1) then the board must appoint the mediator.
- (3) The person appointed as mediator by the board may be a member or former member of the association but must not:
 - (a) have a personal interest in the matter that is the subject of the mediation; or
 - (b) be biased in favour of or against any party to the mediation.
- (4) If one party to the dispute does not agree with the mediator they can call for another one, if the party can establish to the reasonable satisfaction of the board that the mediator:
 - (a) has a personal interest in the matter that is the subject of the mediation; or (b) is biased in favour of or against any party to the mediation.

25. Mediation process

- (1) The parties to the mediation must attempt in good faith to settle the matter that is the subject of the mediation.
- (2) Each party to the mediation must give the mediator a written statement of the issues that need to be considered at the mediation at least 21 days before the mediation takes place.
- (3) In conducting the mediation, the mediator must:
 - (a) give each party to the mediation every opportunity to be heard; and
 - (b) allow each party to the mediation to give due consideration to any written statement given by another party; and
 - (c) ensure that natural justice is given to the parties to the mediation throughout the mediation process.
- (4) The mediation must be confidential, and any information given at the mediation cannot be used in any other proceedings that take place in relation to the matter that is the subject of the mediation.
- (5) The costs of the mediation are to be paid by the party or parties to the mediation that requested the appointment of the mediator.

(6) Provided that the party to the dispute has:

- (a) complied with Division 3 and Division 4 of this constitution; (b) used their best endeavours to resolve this matter,

then, if the dispute has not been resolved by the procedures provided for, an application may be made to the State Administrative Tribunal, under section 182(1) of the act, to have a dispute determined by that Tribunal.

26. If mediation results in decision to suspend or expel being revoked

(1) If:

- (a) mediation takes place because a member whose membership is suspended or who is expelled from the association gives notice under rule 16(7); and
- (b) as the result of the mediation, the decision to suspend the member's membership or expel the member is revoked,

that revocation does not affect the validity of any decision made at a committee meeting or general meeting during the period of suspension or expulsion.

PART 5 — Board

Division 1 — Powers of the Board

27. Board

- (1) The board members are the persons who, as the management board of the association, have the power to manage the affairs of the association.
- (2) Subject to the act, these rules, the by-laws (if any) and any resolution passed at a general meeting, the board has power to do all things necessary or convenient to be done for the proper management of the affairs of the association.
- (3) The board must take all reasonable steps to ensure that the association complies with the act, these rules and the by-laws (if any).

Division 2 — Composition of the Board and duties of members

28. Board members

- (1) The board members consist of:
 - (a) up to and including four office holders of the association;
 - (b) up to and including five ordinary board members;
 - (c) at least one consumer representative;
 - (d) at least one rheumatologist;
 - (e) at least one other specialist doctor with a special interest in osteoporosis.
- (2) The following are the office holders of the association:
 - (a) the president;
 - (b) the vice president; (c) the secretary; (d) the treasurer.
- (3) A person may become a board member in accordance with rule 33 if the person is:
 - (a) an individual who has reached 18 years of age; and (b) a member of the association.

29. President

- (1) The president shall:
 - (a) have the right to attend, and to possess voting rights, on any committee or committees established by the association;
 - (b) perform his or her duties as laid out in the official role description determined by the board.

30. Secretary

- (1) The secretary shall:
 - (a) perform his or her duties as laid out in the official role description determined by the board.

31. Treasurer

(1) The treasurer shall:

- (a) perform his or her duties as laid out in the official role description determined by the board.

32. Vice President

(1) The vice president shall:

- (a) in the absence of the president, assume the duties designated to the president;
- (b) perform his or her duties as laid out in the official role description determined by the board, including of the president (if relevant).

Division 3 — Election of board members and tenure of office

33. How members become board members

(1) A member becomes a board member if the member:

- (a) is elected to the board at a general meeting; or
- (b) is appointed to the board by the board to fill a casual vacancy under rule 41.

34. Nomination of board members

(1) At least 42 days before an annual general meeting the secretary must send written notice to all the members:

- (a) calling for nominations for election to the board; and
- (b) stating the date by which nominations must be received by the secretary to comply with sub rule (2).

(2) A member who wishes to be considered for election to the board at the annual general meeting must nominate for election by sending written notice of the nomination to the secretary at least 21 days before the annual general meeting.

(3) The written notice must include a statement by another member in support of the nomination.

(4) A member may nominate for one specified position of office holder of the association or to be an ordinary board member.

(5) The secretary will provide the nominations to the board and the board may consider whether members who have nominated for an office holder position have the appropriate skill set and meet the requirements of the official role description for the nominated position.

(6) The board, in its absolute discretion may determine that a member does not hold the appropriate skill set or meet the requirements of the official role description for the nominated office holder position and that member may only be eligible for appointment as an ordinary board member.

35. Election of office holders

- (1) At the annual general meeting, a separate election must be held for each position of office holder of the association being elected.
- (2) The office holders shall be a president, vice president, secretary and treasurer.
- (3) If there is no nomination for a position, the president of the meeting may call for nominations from the members at the meeting.
- (4) If only one member has nominated for a position, the president of the meeting must declare the member elected to the position.
- (5) Only those members with voting rights may vote.
- (6) If more than one member has nominated for a position, the members at the meeting must vote in accordance with procedures that have been determined by the board to decide who is to be elected to the position.
- (7) Each member present at the meeting may vote for one member who has nominated for the position.
- (8) A member who has nominated for the position may vote for himself or herself, if they have voting rights.
- (9) In the case of equality of votes the president shall have a casting vote in addition to his deliberative vote.

36. Election of ordinary board members

- (1) The board shall consist of up to, and including, five additional ordinary board members.
- (2) If the number of members nominating for the position of ordinary board member is not greater than the number to be elected, the president of the meeting:
 - (a) must declare each of those members to be elected to the position; and
 - (b) may call for further nominations from the members at the meeting to fill any positions remaining unfilled after the elections under sub rule (a).
- (3) If:
 - (a) the number of members nominating for the position of ordinary board member is greater than the number to be elected; or
 - (b) the number of members nominating under sub rule (2)(b) is greater than the number of positions remaining unfilled,

the members at the meeting must vote in accordance with procedures that have been determined by the board to decide the members who are to be elected to the position of ordinary board member.
- (4) A member who has nominated for the position of ordinary board member may vote for himself or herself, if they have voting rights.

- (5) In the case of equality of votes the president shall have a casting vote in addition to his deliberative vote.

37. Term of office

- (1) The term of office of an office holder begins when the member is elected or appointed and shall be for a period of two years.
- (2) The terms of office of the president and secretary shall expire on the year whose number ends with an odd number. The appointment of the president and secretary shall be made at the annual general meeting held in year in which the vacancy occurs.
- (3) The terms of office of the vice president and treasurer shall expire on the year whose number ends with an even number. The appointment of the vice president and treasurer shall be made at the annual general meeting held in the year in which the vacancy occurs.
- (4) The term of office of an ordinary board member or any other board member mentioned in rule 28(1)(b), (c), (d) and (e) begins when the member is elected or appointed and shall expire on the year whose number ends in an even number. The appointment or election of an ordinary board member or any other board member mentioned in rule 28(1)(b), (c), (d) and (e) shall be made at the annual general meeting held in the year in which the vacancy occurs.
- (5) All board members may be re-elected.

38. Resignation and removal from office

- (1) A board member may resign from the board by written notice given to the president, or if the resigning board member is the president, to the secretary.
- (2) The resignation takes effect:
 - (a) when the notice is received by the president or the secretary; or (b) if a later time is stated in the notice, at the later time.
- (3) At a special board meeting, by special board resolution, the board may:
 - (a) remove a board member from office; and
 - (b) by majority vote, elect a member who is eligible under rule 28(3) to fill the vacant position.

39. When membership of board ceases

- (1) A person ceases to be a board member if the person:
 - (a) dies or otherwise ceases to be a member; or
 - (b) resigns from the board or is removed from office under rule 38; or
 - (c) becomes ineligible to accept an appointment or act as a board member under section 40 of the act; or
 - (d) becomes permanently unable to act as a board member because of a mental or physical disability.

- (2) When a person ceases to be a member of the association's board they must, as soon as practicable after their membership ceases, deliver to a member of the board all of the relevant documents and records they hold pertaining to the management of the association's affairs, with the exception of minutes of meetings of the board whilst they held office.
- (3) Once a member has ceased to be a member of the board pursuant to sub rule (1) the secretary, or other authorised board member, must complete the off-boarding checklist within 28 days for the said member.

40. Suspension of a board member

- (1) At a special board meeting, by special board resolution, the board may decide to suspend a board member if the person:
 - (a) fails to attend 3 consecutive committee meetings, of which the person has been given notice, without having notified the committee that the person will be unable to attend; or
 - (b) fails to perform their duties as an office holder; or
 - (c) brings the association into disrepute, in the opinion of the board.
- (2) The board may determine the period of suspension to apply to a board member suspended pursuant to rule 40(1), not exceeding three months.
- (3) A suspended board member may be reinstated by special board resolution at a special board meeting.

41. Filling casual vacancies

- (1) The board may, at a board meeting by majority vote, appoint a member who is eligible under rule 28(3) to fill a position on the board that:
 - (a) has become vacant under rule 38; or
 - (b) was not filled by election at the most recent annual general meeting or under rule 38(3)(b).
- (2) The person so appointed shall only be appointed for the unexpired period of the term of office of the person replaced as a member of the board.
- (3) Subject to the requirement for a quorum under rule 48, the board may continue to act despite any vacancy in its membership.
- (4) If there are fewer board members than required for a quorum under rule 48, the board may act only for the purpose of:
 - (a) appointing board members under this rule; or (b) convening a general meeting.

42. Validity of acts

- (1) The acts of a board or committee, or of a board member or member of a committee, are valid despite any defect that may afterwards be discovered in the election, appointment or qualification of a board member or member of a committee.

43. Payments to board members

- (1) In this rule —

board member includes a member of a committee;

- (2) A board member is entitled to be paid out of the funds of the association for out-of-pocket expenses incurred in accordance with schedule 1, division 2, clause 1 of the act.
- (3) Board members (eg the executive director who is an employee of the association or suppliers to the association) are entitled to be paid normal and reasonable salary or fee for services rendered.
- (4) Board members are not entitled to be paid out of the funds of the association for carrying out their duties which arise from performing their duties set out in the act and performing their duties described in the position description for board members and committee members of the association, as determined by the board.

Division 4 — Board meetings

44. Board meetings

- (1) The board shall meet on the dates and at the times and places determined by the board, provided that the interval between its meetings shall not exceed three calendar months.
- (2) The date, time and place of the first board meeting must be determined by the board members as soon as practicable after the annual general meeting at which the board members are elected.
- (3) Special board meetings may be convened by the president at any time or by the executive director on requisition signed by not less than half the members of the board.

45. Notice of board meetings

- (1) Notice of each board meeting and all relevant materials for consideration must be given to each board member at least 48 hours before the time of the meeting.
- (2) The notice must state the date, time and place of the meeting and must describe the general nature of the business to be conducted at the meeting.
- (3) Unless sub rule (4) applies, the only business that may be conducted at the meeting is the business described in the notice.
- (4) Urgent business that has not been described in the notice may be conducted at the meeting if the board members at the meeting unanimously agree to treat that business as urgent.

46. Procedure and order of business

- (1) The president or, in the president's absence, the vice president must preside as president of each board meeting.

- (2) If the president and vice president are absent or are unwilling to act as president of a meeting, the board members at the meeting must choose one of them to act as president of the meeting.
- (3) The procedure to be followed at a board meeting must be determined from time to time by the board.
- (4) The order of business at a board meeting may be determined by the board members at the meeting.
- (5) A member or other person who is not a board member may attend a board meeting if invited to do so by the board.
- (6) A person invited under sub rule (5) to attend a board meeting:
 - (a) has no right to any agenda, minutes or other document circulated at the meeting; and
 - (b) must not comment about any matter discussed at the meeting unless invited by the board to do so; and
 - (c) cannot vote on any matter that is to be decided at the meeting.

47. Use of technology to be present at board meetings

- (1) The presence of a board member at a board meeting need not be by attendance in person but may be by that board member and each other board member at the meeting being simultaneously in contact by telephone or other means of instantaneous communication.
- (2) A member who participates in a board meeting as allowed under sub rule (1) is taken to be present at the meeting and, if the member votes at the meeting, the member is taken to have voted in person.

48. Quorum for board meetings

- (1) Fifty per cent (50%) of the board shall constitute a quorum for the transaction of business.
- (2) Subject to rule 41(4), no business is to be conducted at a board meeting unless a quorum is present.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a board meeting:
 - (a) in the case of a special board meeting, the meeting lapses; or
 - (b) otherwise, the meeting is adjourned to the same time, day and place in the following week.

49. Voting at board meetings

- (1) Each board member present at a board meeting has one vote on any question arising at the meeting.
- (2) A motion is carried if a majority of the board members present at the board meeting vote in favour of the motion.

- (3) If the votes are divided equally on a question, the president of the meeting has a second or casting vote.
- (4) A vote may take place by the board members present indicating their agreement or disagreement or by a show of hands, unless the board decides that a secret ballot is needed to determine a particular question.
- (5) If a secret ballot is needed, the president of the meeting must decide how the ballot is to be conducted.
- (6) There shall be no proxy or postal voting at meetings of the board.
- (7) Board members must disclose any personal interest, the nature and extent of the interest and the relation of the interest to the activities of the association, to the board, and that board member, cannot:
 - (a) be present while the matter is being considered at the meeting; or
 - (b) vote on matter or matters in which they have a personal interest, in accordance with section 43 of the act.
- (8) Any disclosure referred to in rule 49(7) may be done as a standing written disclosure to the board, in which case it does not have to be repeated at each meeting.

50. Minutes of board meetings

- (1) The secretary must ensure that minutes are taken and kept of each board meeting.
- (2) The minutes must record the following:
 - (a) the names of the board members present at the meeting;
 - (b) the name of any person attending the meeting;
 - (c) the business considered at the meeting;
 - (d) any motion on which a vote is taken at the meeting and the result of the vote.
- (3) The minutes of a board meeting must be entered in the association's minute book within 14 days after the meeting is held.
- (4) The president of the meeting must ensure that the minutes of a board meeting are reviewed and signed as correct at the subsequent board meeting.
- (5) The secretary must record every disclosure by a board member of a material personal interest in the minutes of the board meeting at which the disclosure is made.

Division 5 — Committees

51. Committees

- (1) To help in the conduct of the association's business, the board may from time to time, in writing, appoint one or more committees.
- (2) A committee may consist of the number of people, whether or not members, that the board considers appropriate.

- (3) A committee shall be in effect until the board terminates that committee.
- (4) Subject to any directions given by the board a committee may meet and conduct business as it considers appropriate.
- (5) A committee shall report to the board as required by the board from time to time.

52. Delegation to committees

- (1) In this rule:

non-delegable duty means a duty imposed on the board by the act or another written law.

- (2) The board may, in writing, delegate to a committee the exercise of any power or the performance of any duty of the board other than:
 - (a) the power to delegate; and (b)
a non-delegable duty.
- (3) A power or duty, the exercise or performance of which has been delegated to a committee under this rule, may be exercised or performed by the committee in accordance with the terms of the delegation.
- (4) The delegation may be made subject to any conditions, qualifications, limitations or exceptions that the board specifies in the document by which the delegation is made.
- (5) The delegation does not prevent the board from exercising or performing at any time the power or duty delegated.
- (6) Any act or thing done by a committee under the delegation has the same force and effect as if it had been done by the board.
- (7) The board may, in writing, amend or revoke the delegation.

PART 6 — GENERAL MEETINGS OF ASSOCIATION

53. Annual general meeting

- (1) The board must determine the date, time and place of the annual general meeting, to be held within 6 months after the end of the association's financial year.
- (2) If it is proposed to hold the annual general meeting more than 6 months after the end of the association's financial year, the secretary must apply to the commissioner for permission under section 50(3)(b) of the act within 4 months after the end of the financial year.
- (3) The ordinary business of the annual general meeting is as follows:
 - (a) to confirm the minutes of the previous annual general meeting and of any special general meeting held since then if the minutes of that meeting have not yet been confirmed;

- (b) to receive and consider:
 - (i) the board's annual report on the association's activities during the preceding financial year;
 - (ii) relevant financial statements of the association for the preceding financial year; and
 - (iii) if required to be presented for consideration under part 5 of the act, a copy of the report of the review or auditor's report on the financial statements or financial report;
 - (c) to elect the office holders of the association and other board members;
 - (d) if applicable, to appoint or remove a reviewer or auditor of the association in accordance with the act;
 - (e) to confirm or vary the entrance fees, subscriptions and other amounts (if any) to be paid by members.
- (4) Any other business of which notice has been given in accordance with these rules may be conducted at the annual general meeting.

54. Special general meetings

- (1) The board may convene a special general meeting.
- (2) The board must convene a special general meeting if at least twenty per cent (20%) of the members require a special general meeting to be convened.
- (3) The members requiring a special general meeting to be convened must:
 - (a) make the requirement by written notice given to the secretary; and (b) state in the notice the business to be considered at the meeting; and (c) each sign the notice.
- (4) The special general meeting must be convened within 28 days after notice is given under sub rule (3)(a).
- (5) If the board does not convene a special general meeting within that 28 day period, the members making the requirement may convene the special general meeting.
- (6) A special general meeting convened by members under sub rule (5):
 - (a) must be held within 3 months after the date the original requirement was made; and
 - (b) may only consider the business stated in the notice by which the requirement was made.
- (7) The association must reimburse any reasonable expenses incurred by the members convening a special general meeting under sub rule (5).

55. Notice of general meetings

- (1) The secretary or, in the case of a special general meeting convened under rule 54(5), the members convening the meeting, must give to each member:
 - (a) at least 21 days' notice of a general meeting if a special resolution is to be proposed at the meeting; or
 - (b) at least 14 days' notice of a general meeting in any other case.

- (2) The notice must:
 - (a) specify the date, time and place of the meeting; and
 - (b) indicate the general nature of each item of business to be considered at the meeting; and
 - (c) if the meeting is the annual general meeting, include the names of the members who have nominated for election to the board under rule 34(2); and (d) if a special resolution is proposed:
 - (i) set out the wording of the proposed resolution as required by section 51(4) of the act; and
 - (ii) state that the resolution is intended to be proposed as a special resolution; and
 - (iii) comply with rule 54(7).
- (3) A non-member may only be invited to a general meeting by a special board resolution at a special board meeting.
- (4) A person invited under sub rule (3) to attend a general meeting, is an observer only and:
 - (a) has no right to any agenda, minutes or other document circulated at the meeting; and
 - (b) must not comment about any matter discussed at the meeting unless invited by the board to do so; and
 - (c) cannot vote on any matter that is to be decided at the meeting.

56. Proxies

- (1) In this rule —

member means a member with full voting rights.
- (2) Subject to sub rule (3), a member may appoint an individual who is a member as his or her proxy to vote and speak on his or her behalf at a general meeting.
- (3) A member may be appointed the proxy for not more than 2 other members.
- (4) The appointment of a proxy must be in writing and signed by the member making the appointment.
- (5) The member appointing the proxy may give specific directions as to how the proxy is to vote on his or her behalf.
- (6) If no instructions are given to the proxy, the proxy may vote on behalf of the member in any matter as the proxy sees fit.
- (7) If the board has approved a form for the appointment of a proxy, the member must use that form.
- (8) A form appointing a proxy must be given to the secretary before the commencement of the general meeting for which the proxy is appointed.
- (9) A form appointing a proxy sent by post or electronically is of no effect unless it is received by the secretary not later than 24 hours before the commencement of the meeting.

57. Presiding member and quorum for general meetings

- (1) The president or, in the president's absence, the vice president must preside as president of each general meeting.
- (2) If the president and vice president are absent or are unwilling to act as president of a general meeting, the board members at the meeting must choose one of them to act as president of the meeting.
- (3) 5 members with voting rights or twenty per cent (20%) of members with voting rights, whichever is greatest, shall constitute a quorum for the transaction of business.
- (4) No business is to be conducted at a general meeting unless a quorum is present.
- (5) If a quorum is not present within 30 minutes after the notified commencement time of a general meeting:
 - (a) in the case of a special general meeting, the meeting lapses; or
 - (b) in the case of the annual general meeting, the meeting is adjourned to:
 - (i) the same time and day in the following week; and
 - (ii) the same place, unless the president specifies another place at the time of the adjournment or written notice of another place is given to the members before the day to which the meeting is adjourned.

58. Adjournment of general meeting

- (1) The president of a general meeting at which a quorum is present may, with the consent of a majority of the members with voting rights present at the meeting, adjourn the meeting to another time at the same place or at another place.
- (2) Without limiting sub rule (1), a meeting may be adjourned:
 - (a) if there is insufficient time to deal with the business at hand; or (b) to give the members more time to consider an item of business.
- (3) No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- (4) Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 55.

59. Voting at general meeting

- (1) In this rule —

member means a member with full voting rights.
- (2) On any question arising at a general meeting:
 - (a) subject to sub rule (7), each member has one vote; and (b) members may vote personally or by proxy.

- (3) A member that is a body corporate may, in writing, appoint an individual, whether or not the individual is a member, to vote on behalf of the body corporate on any question at a particular general meeting or at any general meeting, as specified in the document by which the appointment is made.
- (4) A copy of the document by which the appointment is made must be given to the secretary before any general meeting to which the appointment applies.
- (5) The appointment has effect until:
 - (a) the end of any general meeting to which the appointment applies; or
 - (b) the appointment is revoked by the body corporate and written notice of the revocation is given to the secretary.
- (6) Except in the case of a special resolution, a motion is carried if a majority of the members present at a general meeting vote in favour of the motion.
- (7) If votes are divided equally on a question, the president of the meeting has a second or casting vote.
- (8) If the question is whether or not to confirm the minutes of a previous general meeting, only members who were present at that meeting may vote.

60. When special resolutions are required

- (1) A special resolution is required if it is proposed at a general meeting:
 - (a) to affiliate or amalgamate the association with another body; or
 - (b) to request the commissioner to apply to the State Administrative Tribunal under section 109 of the act for the appointment of a statutory manager; or (c) amend the constitution.
- (2) Sub rule (1) does not limit the matters in relation to which a special resolution may be proposed.

61. Determining whether resolution carried

- (1) In this rule —

poll means the process of voting in relation to a matter that is conducted in writing; and

member means a member with full voting rights.

- (2) Subject to sub rule (4), the president of a general meeting may, on the basis of general agreement or disagreement or by a show of hands, declare that a resolution has been:
 - (a) carried; or
 - (b) carried unanimously; or
 - (c) carried by a particular majority; or (d) lost.
- (3) If the resolution is a special resolution, the declaration under sub rule (2) must identify the resolution as a special resolution.
- (4) If a poll is demanded on any question by the president of the meeting or by a majority of members present —

- (a) the poll must be taken at the meeting in the manner determined by the president; (b) the president must declare the determination of the resolution on the basis of the poll.
- (5) A declaration under sub rule (2) or (4) must be entered in the minutes of the meeting, and the entry is, without proof of the voting in relation to the resolution, evidence of how the resolution was determined.

62. Minutes of general meeting

- (1) The secretary, or a person authorised by the board, must take and keep minutes of each general meeting.
- (2) No person at general meeting may electronically record the general meeting or any other meeting unless specifically authorised by the board in writing.
- (3) The minutes must record the business considered at the meeting, any resolution on which a vote is taken and the result of the vote.
- (4) In addition, the minutes of each general meeting must record:
 - (a) the names of the members attending the meeting;
 - (b) any proxy forms given to the president of the meeting under rule 56(8);
 - (c) the financial statements or financial report presented at the meeting; and
 - (d) any report of the review or auditors report on the financial statements or financial report presented at the meeting as referred to in rule 53(3).
- (5) The president of the meeting must ensure that the minutes of a general meeting are reviewed and signed as correct by the president.
- (6) When the minutes of a general meeting have been signed as correct they are, in the absence of evidence to the contrary, taken to be proof that:
 - (a) the meeting to which the minutes relate was duly convened and held; and
 - (b) the matters recorded as having taken place at the meeting took place as recorded; and
 - (c) any election or appointment purportedly made at the meeting was validly made.

PART 7 — FINANCIAL MATTERS

63. Source of funds

The funds of the association may be derived from entrance fees, annual subscriptions, donations, fund-raising activities, grants, interest, investment income and any other sources approved by the board.

64. Control of funds

- (1) The association must open and maintain an account in the name of the association with a financial institution from which all expenditure of the association is made and into which all funds received by the association are deposited.
- (2) Subject to any restrictions imposed at a general meeting, the board may approve expenditure on behalf of the association in accordance with the authority matrix.
- (3) Subject to the authority matrix, the board may authorise an office holder to expend funds on behalf of the association up to a specified limit without requiring approval from the board for each item on which the funds are expended.
- (4) All cheques, drafts, bills of exchange, promissory notes, electronic funds transfers (EFT) and other negotiable instruments of the association must be approved by:
 - (a) two people authorised by the board in accordance with the authority matrix.

65. Financial statements and financial reports

- (1) For each financial year, the board must ensure that the requirements imposed on the association under part 5 of the act relating to the financial statements or financial report of the association are met.
- (2) Without limiting sub rule (1), those requirements include:
 - (a) if the association is a tier 1 association, the preparation of the financial statements; and
 - (b) if the association is a tier 2 association or tier 3 association, the preparation of the financial report; and
 - (c) if required, the review or auditing of the financial statements or financial report, as applicable; and
 - (d) the presentation to the annual general meeting of the financial statements or financial report, as applicable; and
 - (e) if required, the presentation to the annual general meeting of the copy of the report of the review or auditor's report, as applicable, on the financial statements or financial report.
- (3) Under section 67 of the act, an incorporated association must retain its financial records for at least 7 years after the transactions covered by the records are completed.

PART 8 — GENERAL MATTERS

66. By-laws

- (1) The association may, by resolution at a general meeting, make, amend or revoke by-laws.

- (2) By-laws may:
 - (a) provide for the rights and obligations that apply to any classes of membership approved under rule 9(1); and
 - (b) impose restrictions on the board's powers, including the power to dispose of the association's assets; and
 - (c) impose requirements relating to the financial reporting and financial accountability of the association and the auditing of the association's accounts; and
 - (d) provide for any other matter the association considers necessary or convenient to be dealt with in the by-laws.
- (3) A by-law is of no effect to the extent that it is inconsistent with the act, the regulations or these rules.
- (4) Without limiting sub rule (3), a by-law made for the purposes of sub rule (2)(c) may only impose requirements on the association that are additional to, and do not restrict, a requirement imposed on the association under part 5 of the act.
- (5) At the request of a member, the association must make a copy of the by-laws available for inspection by the member.

67. Executing documents

- (1) The association may execute a document if the document is signed by:
 - (a) two board members; or
 - (b) one board member and a person authorised by the board in accordance with the authority matrix.

68. Giving notices to members

- (1) In this rule —

recorded means recorded in the register of members.
- (2) A notice or other document that is to be given to a member under these rules is taken not to have been given to the member unless it is in writing and:
 - (a) delivered by hand to the recorded address of the member; or
 - (b) sent by prepaid post to the recorded postal address of the member; or
 - (c) sent by facsimile or electronic transmission to an appropriate recorded number or recorded electronic address of the member.

69. Custody of books and securities

- (1) Subject to sub rule (2), the books and any securities of the association must be kept on the association's premise or in the association's control.

- (2) The financial records and, as applicable, the financial statements or financial reports of the association must be kept on the association's premise or in the association's control.
- (3) Sub rules (1) and (2) have effect except as otherwise decided by the board.
- (4) The books of the association must be retained for at least 7 years.

70. Record of office holders

- (1) The association must maintain a record of:
 - (a) the names and addresses of the persons who are members of its management board; or hold other offices of the association provided for by its rules;
 - (b) the name and address of any person who is authorised to use the common seal of the association (if it has a common seal); and
 - (c) the name and address of any person who is appointed or acts as trustee on behalf of the association.
- (2) The record of board members and other persons authorised to act on behalf of the association such that is required to be maintained under section 58(2) of the act and the record must be kept in the association's custody or under the association's control.

71. Inspection of records and documents

- (1) Sub rule (2) applies to a member who wants to inspect —
 - (a) the register of members under section 54(1) of the act; or
 - (b) the record of the names and addresses of board members, and other persons authorised to act on behalf of the association, under section 58(3) of the act; or (c) any other record or document of the association.
- (2) The member must contact the secretary to make the necessary arrangements for the inspection.
- (3) The inspection must be free of charge.
- (4) If the member wants to inspect a document that records the minutes of a board meeting, the right to inspect that document is subject to any decision the board has made about minutes of board meetings generally, or the minutes of a specific board meeting, being available for inspection by members.
- (5) The member may make a copy of or take an extract from a record or document referred to in sub rule (1)(c) but does not have a right to remove the record or document for that purpose.
- (6) The member must not use or disclose information in a record or document referred to in sub rule (1)(c) except for a purpose:
 - (a) that is directly connected with the affairs of the association; or (b) that is related to complying with a requirement of the act.

72. Distribution of surplus property on cancellation of incorporation or winding up

- (1) In this rule —

surplus property, in relation to the association, means property remaining after satisfaction of:

- (a) the debts and liabilities of the association; and
- (b) the costs, charges and expenses of winding up or cancelling the incorporation of the association,

but does not include books relating to the management of the association.

- (2) On the cancellation of the incorporation or the winding up of the association, its surplus property must be distributed as determined by special resolution by reference to the persons mentioned in section 24(1) of the act.

73. Alteration of constitution

- (1) If the association wants to alter or rescind any of these rules, or to make additional rules, the association may do so only by special resolution by the members and by otherwise complying with Part 3 Division 2 of the act.
- (2) Amendments to the rules do not take effect until required documents are lodged with the commissioner, even if the amendments do not require the approval of the commissioner under section 31 or section 33 of the act. The required documents must be lodged within one month after the special resolution is passed.