

BEGA VALLEY BUSINESS FORUM GOVERNANCE REVIEW REPORT

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Overview

The Chair of Bega Valley Business Forum (BVBF), Nigel Ayling, invited Karoo Consultancy to facilitate a governance workshop that aimed to review and update the Governance Framework and Operational Structure of BVBF.

It is understood BVBF has undergone rapid change in terms of attracting funding and has recognised the need to review its now dated governance framework and operational structure in order to take advantages of the opportunities to position itself for a vibrant future.

Bushfire Community Recovery and Resilience Funding from the joint Commonwealth/State Disaster Recovery Funding Arrangements has enabled BVBF to plan a Summit bringing together chamber members to review the governance and operating structure in the morning and in the afternoon other key stakeholders to identify the key priorities that face the Bega Valley region.

Prior to the Summit, Chambers were given a governance survey to complete with 3/6 were submitted for review.

All six chambers were represented at the Governance Session to review the:

- Vision
- Purpose
- Values
- Legal Structure
- Constitution
- Membership
- Strategic Pillars
- Objectives
- Governance framework and Organisational structure

The following report has been presented as a list of recommendations with supporting information and documents based on the outcomes of the Workshop.

Introduction

The purpose of the Governance Session was to discuss and propose a contemporary, effective and efficient Governance Framework and Operating Structure to position BVBF for the future.

Prior to the Summit, members had been provided with a governance survey to complete, the findings highlighted the need to review the current governance processes and systems.

The following recommendations and report have been informed by the findings for the governance survey, analysis of contemporary governance frameworks for similar business entities, and the outcomes of the Governance session.

The following report has been set out into two sections with the proposed recommendations listed together in the first section below, followed by the proposed vision, mission, values, strategic pillars and other supporting information in the second section.

Section 1

Recommendations

Strategy

Recommendation 1: Develop a simple, clear, concise, understandable and communicable three year Strategic Plan with KPIs describing the future to guide the organisation, communicate to potential funders and sponsors

Legal Structure

Recommendation 2: To remain an Incorporated Association under the NSW Incorporations Act 2009

Constitution

Recommendation 3: Review and adapt the LCC recommended Model Constitution, consider seeking third party/legal opinion and follow the Office of Fair Trading requirements to change the constitution.

Board membership (current)

Recommendation 4: Review current membership processes and procedures to ensure compliance with the current constitution and Associations Act 2009.

Membership

Recommendation 5 (a) : It is recommended to use the term 'class' to align with 'constitutional' language.

Recommendation 5 (b): Broaden the membership and establish a membership structure to include: members, affiliates and honorary members.

Recommendation 5 (c): Develop a prospectus to attract and broaden BVBF membership and the membership of the individual chambers.

Pecuniary gain

Recommendation 6: Develop a Pecuniary Gain policy aligned with the Model Constitution.

Board Structure

Recommendation 7: For the Board to consider

- a) developing a matrix of skills, experience and attributes required to achieve the Association's purpose and objects, and compliance with the required organisational processes and systems. Refer to the AICD skills matrix as a guide

Prepare a process for recruitment against the matrix. <https://www.aicd.com.au/board-of-directors/performance/skills-matrix/guidance-preparing-board-skills-matrix.html>

Organisational Structure

Recommendation 8: Adopt an organisational structure that will provide the essential elements for delivering on the vision, purpose and strategic objectives and contractual requirements.

Section 2

The following statements are proposed based on the survey, analysis of contemporary governance processes and systems in similar entities and outcomes of the Governance session.

Vision

The vision for BVBF is: **Leading business prosperity in the Bega Valley**

Purpose

BVBF's purpose is **to develop and support the economic wellbeing and prosperity of members and the diverse business community of Bega Valley, through sustainable leadership, collaboration, unity and connection.**

Values

BVBF's values are:

- Unity of purpose and commitment to excellence
- Independence in advocacy and respect for each other and our stakeholders
- Integrity in all that we do for our members
- Economically, socially, environmentally and culturally conscious

Strategic Pillars

The three Strategic Pillars are:

1. Economic prosperity

- Business development, innovation, engagement, advocacy and support
- Attract diverse membership
- Independence and recognition, the voice of business

2. Good Governance

- Contemporary governance and operational practices

3. Sustainable/Sustainability

- Diverse funding streams and sustainable business systems and practices

Objectives

Recommendation 1: Develop a simple, clear, concise, understandable and communicable three year Strategic Plan with KPIs describing the future to guide the organisation, communicate to potential funders and sponsors.

1. To foster Economic Development and business prosperity in the Bega Valley.
2. To expand and diversify membership in co-operation with other stakeholders and organisations with similar business interests.
3. To collaborate by sharing innovation, entrepreneurial ideas, knowledge, expertise and resources, and develop productive business relationships.
4. To advocate and provide unified representation for our regional businesses
5. To provide assistance and advancement of business in the Region as the Board may determine from time to time.
6. To adopt contemporary governance and operational policies, practices and systems to position BVBF for the future
7. To attract diverse funding streams that are aligned with the purpose
8. To promote and support ethical and sustainable business practices by taking into consideration social and cultural impact, the environment and a circular economy

Legal Structure

Recommendation 2: To remain an Incorporated Association under the NSW Incorporations Act 2009

Discussion was held around the type of structure that would be best for BVBF, to remain as an Incorporated Association under the NSW Incorporations Act 2009 or apply to be a Company Limited by Guarantee (CLG) under the Commonwealth Corporations Act 2001.

Participants recognised that changing to a Company Limited by Guarantee (CLG) involved greater financial resources and legal and financial reporting requirements. At this stage it was recommended to remain as an incorporated association in the short term, but this should be revised in the next 3 years. Operating as a CLG may be a requirement if the Forum wanted to collaborate with communities in Victoria.

Constitution

Recommendation 3; Review and adapt the LCC recommended Model Constitution, consider seeking third party/legal opinion and follow the Office of Fair Trading requirements to change the constitution. <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/starting-an-association/about-the-constitution>

It is recommended that organisations review their Constitution every 2-3 years or during any change of the organisation. Participants recommended a review of the Constitution in line with the proposed Vision, Purpose, Objectives and Membership.

An association may change its constitution by passing a special resolution. The change must be consistent with the Act and the rest of the constitution.

The association must apply to register the changes within 28 days of the special resolution being passed. The application must:

- be made on [Form A6 Application to register change of objects or constitution](#)
- include details of the proposed change
- include a copy of the special resolution as passed
- include payment of the prescribed fee.

A change to the constitution is effective when it is registered by Fair Trading.

An application may be refused if it:

- does not comply with the Act

- is not in the approved form
- is lodged more than 28 days after passing the special resolution.

While not required by the Act, Fair Trading recommends, where appropriate, an association consider passing a special resolution to adopt a new constitution consolidating the desired changes. An association representative must certify that the constitution complies with the Act. For more information on special resolutions, visit the [Resolutions](#) page¹.

Form A6 is to be completed and submitted together with the Fee following the passing of the Special Resolution.

Special Resolution

A special resolution may be passed:

- at a general meeting of the association (AGM)
- in a postal ballot or an electronic ballot
- in another manner as directed by NSW Fair Trading.

Members must be given at least 21 days' notice of the proposed special resolution, which sets out details of the meeting, postal ballot or electronic ballot in which the special resolution is to be put to members. The notice must also:

1. state the intention to propose the resolution as a special resolution; and
2. set out the proposed resolution in full.

A special resolution will be passed if:

- the conditions imposed by Fair Trading, if any, are met
- a quorum* of members required by the constitution is present, if the special resolution is put to members at a meeting, and
- it is supported by at least three-quarters of the valid votes cast in person or by proxy, if proxy votes are allowed by the constitution.

The results of the vote can be announced by the chairperson of the meeting and entered into the minute book of the association. If a postal ballot or an electronic ballot has been used, members must be notified of the results as soon as practicable. For information on how to conduct a special resolution through a postal ballot or electronic ballot, visit the [Postal or electronic ballot](#) page².

¹ <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/starting-an-association/about-the-constitution> accessed 09.06.2022

² <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/running-an-association/meetings> accessed -9.6.2022

Annual General Meeting (AGM)

BVBF's current Constitution describes the manner for calling an AGM and the manner in which notice of the AGM is given. For the NSW Office of Fair Trading Model Constitution, Members must be given at least 14 days' notice of an AGM or 21 days' notice if a special resolution is to be proposed. Generally an AGM is to:

- confirm the minutes of the last AGM and of any special general meeting held since that meeting
- receive committee reports on activities of the association during the previous financial year
- elect or appoint office bearers and ordinary committee members
- receive and consider the association's financial statements or reports required to be submitted to members under the Act

In addition, the AGM should conduct any other business of which notice has been given to the members. The requirements for the preparation of financial statements or reports to be submitted to the AGM and the documents to be lodged with Fair Trading after the AGM depends on whether the association is classified as Tier 1 (large) or Tier 2 (small). For more information: <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/running-an-association/meetings>

A Draft sample Template has been prepared for consideration and reviewing against the current Constitution - **See Attachment Notice of Annual General Meeting**

Board Membership (Current)

Recommendation 4: Review current membership processes and procedures to ensure compliance with the current constitution and Associations Act 2009.

Ensure all members have:

- Completed an Application for Membership, that the Membership has been approved by the Board and payment has been received and receipted.
- Completed a Consent to Act as Committee Member/Public Officer (Refer to LLC Handbook)

Membership

Recommendation 5 (a) : It is recommended to use the term 'class' to align with 'constitutional' language.

Recommendation 5 (b): Broaden the membership and establish a membership structure to include: members, affiliates and honorary members.

Recommendation 5 (c): Develop a prospectus to attract and broaden BVBF membership.

Participants agreed to broaden the membership noting the value of having different membership levels, revenue sources, marketing activities, events, and finances. It was agreed to adopt the Membership Model presented in the Model Constitution **(Refer to Model Constitution Attached)**

'An association can determine the make-up of its membership by the creation of different classes (or) categories of members. It can also decide whether the various classes categories have different rights. For example, some classes may have voting rights and the ability to participate as a Committee member.

Other classes (or) categories may only provide some, but not all, of these rights. It is a matter for each association to determine as they see fit'.

Participants discussed the term 'classes' recognising that the word may imply hierarchical classes rather than types or categories of membership.

Figure 1 Membership options



Levels of membership

1. **Member:** individuals, businesses, corporations or associations who are financial members
The representative is eligible to be nominated to the Board.
2. **Affiliated Member:** Any other Chamber of Commerce (external to BVBF members) and any organisation with similar objectives to the Association may apply for affiliate membership. Affiliated members shall not be entitled to vote.
3. **Honorary Member:** Any person may for services rendered to the association or any person whether or not otherwise eligible for membership and for special reasons considered in the absolute discretion of the Board to be sufficient be appointed an honorary member of the Association for life or any lesser period. (They are exempt from payment of membership fees) – Reference Hunter Chamber of Commerce³

(being such persons as the Board shall admit to membership in accordance with this Constitution and shall be entered in the register of members accordingly from time to time)

Policies

The following is a list of policies and registers that recommended as currently required by BVBF.

- Confidentiality (Refer to Australian Business and Lawyers LLC Handbook)
- Membership
- Human Resource Management – Review and update to comply with Fair Work Australia and legal HR requirements for staff and contractors
- Work Health and Safety – review for compliance with Work Safe Victoria requirements for staff and contractors
- Other relevant regulatory and legislative policies and procedures and other policies and procedures as required
- Pecuniary Gain

Registers

- Register of Conflicts of Interest
- Register of Members (Regulatory Requirement)
- Register of Assets

³ www.businesshunter.com/content/dam/nswbc/businesshunter/documents/HBC%20Constitution%20-%20FINAL%20140818.pdf

Insurances

- Seek recommendation on types of insurances required including Director Protection and Officer Insurances, Contractor, Assets etc

Pecuniary Gain

Recommendation 6: Develop a Pecuniary Gain policy aligned with the Model Constitution.

Clarity was sought around the term Pecuniary Gain. The following is an extract taken from Clause 43. Association is Not for Profit in the Model Constitution

43. ASSOCIATION IS NON-PROFIT

43.1 Subject to the Act and the Regulation, the Association must apply its funds and assets solely in pursuance of the objects of the Association and must not conduct its affairs so as to provide a pecuniary gain for any of its Members.

An organisation will provide a pecuniary gain for its members if:

- it carries on any activity for the purpose of securing pecuniary gain for its members;
- its members have shares in the organisation;
- it holds property in which the organisation's members have a disposable interest.

An organisation does not provide a pecuniary gain for its members merely because of any of the following:

- the organisation itself makes a pecuniary gain (unless that gain or any part of it is divided among or received by the organisation's members);
- the organisation is established for the protection of a trade, business, industry or calling in which the organisation's members are engaged or interested (but the organisation itself does not engage or take part in, or in any part or branch of, any such trade, business, industry or calling);
- members of the organisation derive pecuniary gain through the enjoyment of facilities or services provided by the organisation for social, recreational, educational or other like purposes;
- members of the organisation derive pecuniary gain from the organisation by way of bona fide payment of remuneration;

- members of the organisation derive pecuniary gain from the organisation of a kind which they could also derive if they were not members of the organisation;
- members of the organisation compete for trophies or prizes in contests directly related to the objects of the organisation.

Board Structure

Recommendation 7: For the Board to consider

- a) developing a matrix of skills, experience and attributes required to achieve the Association's purpose and objects, and compliance with the required organisational processes and systems. Refer to the AICD skills matrix as a guide
- b) Prepare a process for recruitment against the matrix. <https://www.aicd.com.au/board-of-directors/performance/skills-matrix/guidance-preparing-board-skills-matrix.html>
- c) Actively seek suitable persons to take on roles as Board Members, which would allow existing Members (Chambers) to not have to take a role on the committee.

BVBF will need to consider whether to have a solely member based Board or skills based Board.

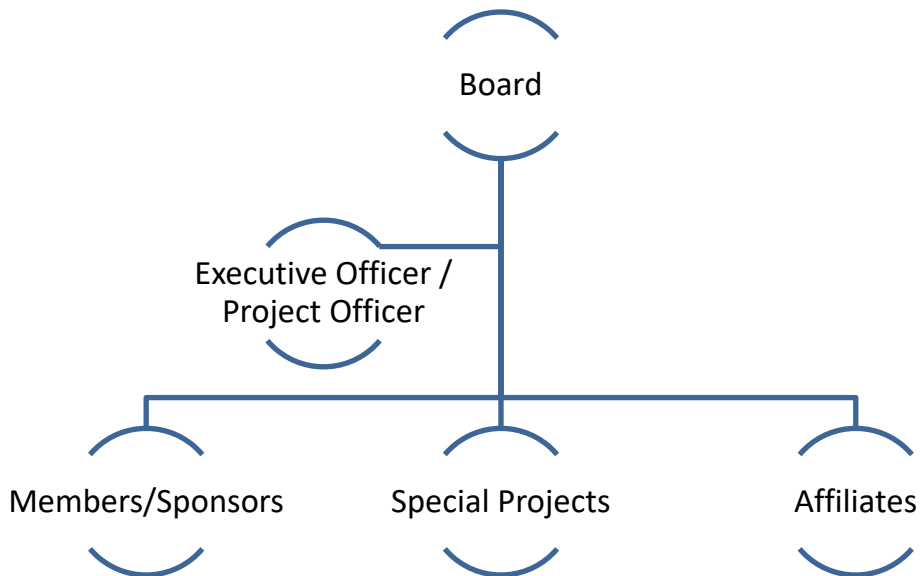
A skills based board is imperative for good governance ensuring the organisation has the capability to achieve the Association's purpose and objects.

Organisational Structure

Recommendation 8: Adopt an organisational structure that will provide the essential elements for delivering on the vision, purpose and strategic objectives and contractual requirements.

The following organisational structure reflects organisations with a similar purpose. The proposed structure is subject to having the financial resources to implement.

For BVBF to position itself for the future, it is imperative to establish an organisational structure that will give funders and potential sponsors confidence that the organisation is able to deliver on its vision, purpose and strategy.



Executive Officer/Project Officer

Recommendation 9: To consider a combined Executive Officer/Project Officer position with a one year contract with the option of a second and third year contract subject to successfully:

- Delivering the FRRR Project
- Achieving the strategic KPIs,
- Increased membership and sponsorship,
- Attracting new funding streams - recurrent or project funding

Refer to Attachment Executive Officer/Project Officer Position Description

It is understood that there is a Project Officer position advertised to 'build local business chambers capacity to attract and engage volunteers on their management committees'⁴. The outputs include:

- Strategies will be implemented by each business chamber to encourage membership growth and volunteer participation in the short and long term. Roles and responsibilities will be defined to spread the workload evenly among the members of the management committee to make volunteer participation a less daunting task.
- Systems and processes will be developed to make the executive roles more appealing by providing tools for these roles that reduce workload by automating some of the tasks around membership management, accounting, and administration.
- Focusing chambers activities on effective communications and building a fun social element to their activities will attract new members and make volunteering more attractive.

These outputs are aligned with the Vision, Purpose and Strategic Pillars (1. Economic Prosperity, 2. Good Governance and 3. Sustainability) proposed by members at the Summit.

The Executive Officer/Project Officer position, acts as the organisation's public officer to implement strategic direction, communicate with stakeholders including potential funders, promote BVBF, monitor operations and achieve legal and industry compliance and to apply innovative and strategic thinking to the organisational plans and operations, identifying gaps or opportunities for growth or enhancement for service provision, in response to member needs.

Summary

In summary, it is evident that BVBF has two choices either to: a) continue the status quo and rely on project funding moving from the scope or focus of one project to the next without a plan for the future, or b) position itself and the members for growth by investing in a governance framework and organisational structure that will enable the delivery of the proposed vision, purpose, strategic pillars and contractual deliverables.

⁴ BVBF FRRR Application: Growing Volunteer Participation in Local Business Chambers

ATTACHMENT: DRAFT Executive Officer/Project Officer Position Description

Please note, only the core roles and responsibilities have been included. A more detailed position description/contract that is compliant with the relevant Human Resource Management regulations Fair Work Australia is recommended.

POSITION DESCRIPTION Executive Officer/Project Officer (EO/PO)

| | |
|-----------------------------|-----------|
| Employment Status | Contract/ |
| Grade | |
| Reporting To | Board |
| Directly Supervising | |
| Date Prepared | |
| Date for Review | |

Overview of BVBF.....

Position Purpose

The Executive Officer/Project Officer position has been developed to

- Deliver the FRRR Contract
- Implement the strategic KPIs,
- Increase and expand membership
- Attract sponsorship and new funding streams - recurrent or project funding for BVBF

The Executive Officer, acts as the organisation's public officer to implement strategic direction, monitor operations and achieve legal and industry compliance and to apply innovative and strategic thinking to the organisational plans and operations, identifying gaps or opportunities for growth or enhancement for service provision, in response to member needs.

Capabilities

The Executive Officer requires contemporary economic development, governance, and organisational development capabilities in order to deliver on the key strategic framework and contractual deliverables.

Strategic Framework

BVBF has proposed the following three pillars

1. Economic Prosperity

- Business development, innovation, engagement, advocacy and support
- Attract diverse membership
- Independence and recognition- the voice of business

2. Good governance

- Contemporary governance and operational practices
- Collaborate, unity of purpose

3. Sustainability

- Diverse funding streams and sustainable business systems and practices

Strategies and KPIs against each of the Strategic Pillars

The KPIs will be reflected in the EO/PO's performance reviews.

Contractual deliverables

BVBF has received funding from FRRR and is required to build local business chambers capacity to attract and engage volunteers on their management committees. The outputs are aligned with the Strategic Framework with a focus on the development of systems and processes for members.

Core Requirements

There are Key Responsibility Areas for this position, and each one includes the requirements of the role and the performance measures that relates to both the role requirement and hence the key responsibility area.

| KEY RESPONSIBILITY AREAS | ROLE REQUIREMENTS | KEY PERFORMANCE MEASURES |
|--------------------------|---|--|
| Economic Prosperity | Exercises a broad working knowledge of the Vision, Purpose and Values of the BVBF | Work aligns with the vision, purpose and values |
| | Development of a Strategic Plan | KPIs monitored, implemented and evaluated |
| | Deliver on contracts and projects | Progress and final reports to the Board demonstrate projects are delivered on time and on budget |

| | | |
|-----------------------------------|--|--|
| Governance and Board Relationship | Implements the recommended governance improvement requirements | Contemporary governance practices and systems including co-ordination of meetings, presentation of reports, annual report, newsletters or other publications |
| | Maintains strong and effective relationships with the Board. Works with the Board to attract Board members to provide a broad community view, and access to a range of expertise | Evidence of effective communication with the board and attraction of new members |
| Leadership and Communication | Provides leadership for BVBF by developing, implementing and reporting on a robust Communication/Stakeholder Engagement Plan and Prospectus to market and promote the organisation and attracting sustainable funding. | Implementation of evaluation of the Communication/key stakeholder engagement strategy Prospectus attracts new members, funding and sponsorship |
| Organisational development | Leads the development of policies, processes and systems to grow BVBF | Contemporary organisational processes and systems are in place |
| | Monitor compliance and advise the Board on governance and compliance matters. | Advises board on compliance matters |
| Sustainability and Budget | Seek funding, contracts and sponsors that align with the Vision, Purpose and Values to sustain BVBF | BVBF expands and is sustainable |
| | Work with the treasurer to present an annual budget for the Board and Prepare monthly budget reports | Budget control |

ATTACHMENT: SAMPLE NOTICE OF ANNUAL GENERAL MEETING and SPECIAL RESOLUTION

SAMPLE NOTICE OF ANNUAL GENERAL MEETING [INSERT YEAR]

TIME + PLACE OF MEETING

NOTICE is given that the Annual General Meeting of the Association will be held at [INSERT ADDRESS AT WHICH MEETING IS TO BE HELD] on [INSERT DAY AND DATE OF MEETING] at [INSERT TIME OF MEETING].

AGENDA

1. Welcome and apologies - President.
2. To confirm the minutes of the previous annual general meeting held on [INSERT DATE] and of any special general meeting held since that meeting.
3. To receive, consider and adopt a report on the activities of the Association for the preceding financial year.
4. To receive, consider and adopt the financial statements and reports for the preceding financial year.
5. To accept the retirement of all of the Committee Members of the Association effective from the close of the [INSERT YEAR] annual general meeting and elect the Committee Members nominated for election pursuant to the constitution of the Association and who shall be appointed as Committee Members from the [INSERT YEAR] annual general meeting until their retirement at the [INSERT YEAR] annual general meeting.
6. Proposed Special Resolution

The members resolve:

- 6.1 that the current Constitution be repealed and
- 6.2 that the proposed Constitution attached to the notice of the meeting of the members of the corporation be adopted as the rules of the Association

7. To transact any other business of which due notice will have been given, or which, in the opinion of the Chairperson of the meeting, may be considered expedient.

Dated:

BY ORDER OF THE COMMITTEE

[INSERT NAME OF CHAIR] CHAIR

ATTACHMENT: MODEL CONSTITUTION

PLEASE NOTE THIS IS COPY IS A CUT AND PASTE WITH THE ADDITION OF BVBF'S OBJECTS. PLEASE REFER TO Pg 49 Model Constitution Australian Business Lawyers and Advisors Local Business Chamber Board Handbook May 2020

Under the Associations Incorporation Act 2009

About the Model Constitution

This is a pro forma constitution for consideration by those Chamber Alliance Partners that are incorporated associations operating, or intending to operate, as a Local Business Chamber.

This document is based on the model constitution set out in the Associations Incorporations Act 2009 (NSW), but has been varied to provide an operational and governance platform similar to those in contemporary corporate constitutions.

The document is only a guide. In all cases, the needs and context of each incorporated association must be reflected in the document (by way of tailored changes) being considered for adoption.

We also recommend that interested parties obtain independent professional advice in shaping and adopting a constitution.

This is a working document and subject to change. This document must only be used or distributed with written permission from NSWBC.

Last updated 30 April 2020

Disclaimer

This publication must not be relied on as legal advice. For more information please refer to the appropriate legislation or seek independent legal advice.

PART 1 PRELIMINARY

1. DEFINITIONS

1.1 In this Constitution, unless the context suggest otherwise, the following definitions apply:

1.1.1 Act means the Associations Incorporation Act 2009 (NSW).

1.1.2 Association means [insert name of the association].

1.1.3 Committee means the group of Committee Members elected to govern the Association in accordance with the Constitution.

1.1.4 Committee Member means a member of the Committee and includes the Office-Bearers and the Ordinary Committee Members.

- 1.1.5 Constitution means the document that governs the operation of the Association, as amended from time to time.
- 1.1.6 Entrance Fee means any fees payable by a potential Member or Member when applying (or re-applying) for Membership.
- 1.1.7 Member/Membership means a member of this Association.
- 1.1.8 Membership Fee means any membership fees payable by a Member during the course of their Membership as the Committee prescribes from time to time.
- 1.1.9 Office-Bearers means the office-bearers of the Association as set out in clause 16.3.
- 1.1.10 Ordinary Committee Member means a Committee Member who is not an Office-Bearer of the Association.
- 1.1.11 Region means [insert description of the region in which the Association operates (this may be in accordance with a map which can be annexed to the Constitution).]
- 1.1.12 Regulation means the Associations Incorporation Regulation 2016 (NSW).
- 1.1.13 Secretary means:
- (a) the person holding office under this Constitution as secretary of the Association;
 - or (b) if no person holds that office - the public officer of the Association.
- 1.1.14 Special General Meeting means a general meeting of the association other than an annual general meeting.
- 1.2 In this Constitution:
- 1.2.1 a reference to a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
 - 1.2.2 a reference to a function includes a reference to a power, authority and duty; and
 - 1.2.3 a reference to the exercise of a function includes, if the function is a duty, a reference to the performance of the duty.
- 1.3 The provisions of the Interpretation Act 1987 (NSW) apply to and in respect of this Constitution in the same manner as those provisions would so apply if this Constitution were an instrument made under the Act.

2. OBJECTS

An objects clause states the purpose and range of activities for which the association is carried on. Set out below is an example of such a clause which should be tailored for each individual Local Business Chamber's circumstances.

Whilst not essential, such clauses are useful in focusing attention of all stakeholders and expressing the reasons they and the stakeholders continue in the arrangement.

- 2.1 The objects of the Association are: (NOTE BVBF Objects have been inserted)
- 2.2 To foster Economic Development and business prosperity in the Bega Valley.
- 2.3 To expand and diversify membership in co-operation with other stakeholders and organisations representing similar business interests.
- 2.4 To collaborate by sharing innovation, entrepreneurial ideas, knowledge, expertise and resources, and develop productive business relationships.
- 2.5 To advocate and provide unified representation for our regional businesses
- 2.6 To provide assistance and advancement of business in the Region as the Board may determine from time to time.

- 2.7 To adopt contemporary governance and operational policies, practices and systems to position BVBF for the future
- 2.8 To attract diverse funding streams that are aligned with the purpose
- 2.9 To promote and support ethical and sustainable business practices by taking into consideration social and cultural impact, the environment and a circular economy

Part 2 Membership

An association can determine the make-up of its membership by the creation of different classes of members. It can also decide whether the various classes have different rights. For example, some classes may have voting rights and the ability to participate as a Committee member. Other classes may only provide some, but not all, of these rights. It is a matter for each association to determine as they see fit.

This document offers a single class of membership. If it is intended that there be more than one class of membership, additional provisions reflecting this position should be included in this Constitution.

3. MEMBERSHIP GENERALLY

- 3.1 A person is eligible to be a Member if the person has applied and been approved for Membership in accordance with clause 4.
- 3.2 A person is taken to be a Member if the person was:
 - 3.2.1 in the case of an unincorporated body that is registered as the Association - a member of that unincorporated body immediately before the registration of the Association; or
 - 3.2.2 in the case of an association that is amalgamated to form the relevant association - a member of that other association immediately before the amalgamation; or
 - 3.2.3 in the case of a registrable corporation that is registered as an association - a member of the registrable corporation immediately before that entity was registered as an association.
- 3.3 A person is taken to be a Member if the person was one of the individuals on whose behalf an application for registration of the Association under section 6(1)(a) of the Act was made.
- 3.4 Every person who has applied and been approved as a Member:
 - 3.4.1 will be bound by this Constitution and the by-laws of the Association in force from time to time; and
 - 3.4.2 have all the rights granted to them under this Constitution and the Act.

4. APPLICATION FOR MEMBERSHIP

- 4.1 An application by a person for Membership of the Association:
 - 4.1.1 must be made in writing (including by email or other electronic means, if the Committee so determines) in the form determined by the Committee from time to time; and
 - 4.1.2 must be lodged (including by electronic means, if the Committee so determines) with the Secretary.

4.2 As soon as practicable after receiving an application for Membership, the Secretary must refer the application to the Committee, which is to determine whether to approve or to reject the application.

4.3 The Committee may reject any application to be a Member without providing any reasons for that rejection.

4.4 As soon as practicable after the Committee makes that determination, the Secretary must:

4.4.1 notify the applicant in writing (including by email or other electronic means, if the Committee so determines) that the Committee approved or rejected the application (whichever is applicable); and

4.4.2 if the Committee approved the application, request the applicant to pay (within the period of 28 days after receipt by the applicant of the notification) the sum payable under this Constitution by a member as Entrance Fee and annual Membership Fee.

4.5 The Secretary must, on payment by the applicant of the amounts referred to in clause 4.4.2 within the period referred to in that provision, enter or cause to be entered the applicant's name in the register of Members and, on the name being so entered, the applicant becomes a Member.

5. REPRESENTATIVES OF MEMBERS

5.1 If a Member is not a natural person, they must appoint a natural person (being a partner, director or officer of the Member or such other person approved by the Member) to represent the Member and otherwise enable the Member to carry out its powers under this Constitution, including voting at general meetings.

5.2 The Member:

5.2.1 must give written notice to the Secretary of the appointment of a representative under this clause 5; and

5.2.2 may revoke the appointment of a representative by giving written notice to the Secretary.

5.3 A Member shall be bound by its representative appointed under clause 5.1 and the Committee's opinion of the scope of the representative's authority to bind the Member is final and conclusive.

6. CESSATION OF MEMBERSHIP

- 6.1 A person ceases to be a Member if:
- 6.1.1 the Member is a natural person and the Member dies; or
 - 6.1.2 the Member is an incorporated Member and the Member is wound up or otherwise dissolved or deregistered;
 - 6.1.3 the Member resigns Membership in accordance with clause 8; or
 - 6.1.4 the Member is expelled from the Association in accordance with clause 13; or
 - 6.1.5 the Committee is of the opinion that the Association has lost contact with the Member and no current valid address is available for that Member; or
 - 6.1.6 the Member fails to pay the annual Membership Fee under clause 10.3 within 3 months after the fee is due.

- 6.2 Any Member who has resigned, or has had their Membership terminated pursuant to this clause 6, will not be entitled to a refund of any Membership Fees unless the Committee considers that there are circumstances warranting the payment of the unexpired portion of the Member's Membership Fees from the date of resignation.
-

7. MEMBERSHIP ENTITLEMENTS NOT TRANSFERABLE

- 7.1 A right, privilege or obligation which a person has by reason of being a Member:
- 7.1.1 is not capable of being transferred or transmitted to another person; and
 - 7.1.2 terminates on cessation of the person's Membership.
-

8. RESIGNATION OF MEMBERSHIP

- 8.1 A Member may resign from Membership of the Association by first giving to the Secretary written notice of at least one month (or any other period that the Committee may determine) of the Member's intention to resign and, on the expiration of the period of notice, the Member ceases to be a Member.
- 8.2 If a Member ceases to be a Member under clause 7.1, and in every other case where a Member ceases to hold Membership, the Secretary must make an appropriate entry in the register of Members recording the date on which the Member ceased to be a Member.
-

9. REGISTER OF MEMBERS

- 9.1 The Secretary must establish and maintain a register of Members of the Association (whether in written or electronic form) specifying the name and postal, residential or email address of each person who is a Member together with the date on which the person became a Member.
- 9.2 The register of Members must be kept in New South Wales:
- 9.2.1 at the main premises of the Association; or
 - 9.2.2 if the Association has no premises, at the Association's official address.

9.3 The register of Members must be open for inspection, free of charge, by any Member at any reasonable hour.

9.4 A Member may obtain a copy of any part of the register on payment of a fee of not more than \$1 for each page copied.

9.5 If a Member requests that any information contained on the register about the Member (other than the Member's name) not be available for inspection, that information must not be made available for inspection.

9.6 A Member must not use information about a person obtained from the register to contact or send material to the person, other than for:

9.6.1 the purposes of sending the person a newsletter, a notice in respect of a meeting or other event relating to the Association or other material relating to the Association; or

9.6.2 any other purpose necessary to comply with a requirement of the Act or the Regulation.

9.7 If the register of Members is kept in electronic form:

9.7.1 it must be convertible into hard copy; and

9.7.2 the requirements in clauses 9.2 and 9.3 apply as if a reference to the register of Members is a reference to a current hard copy of the register of Members.

10. FEES AND SUBSCRIPTIONS

10.1 Any Entrance Fees, Membership Fees and other payments payable by Members shall be as determined by the Committee from time to time.

10.2 A Member must, on admission to Membership, pay to the Association an Entrance Fee.

10.3 In addition to any amount payable by the Member under clause 10.2, a Member must pay to the Association an annual Membership Fee on each anniversary of the commencement of Membership, or at such other time as the Committee may determine.

11. MEMBERS' LIABILITIES

11.1 The liability of a Member to contribute towards the payment of the debts and liabilities of the Association or the costs, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the Member in respect of Membership of the Association as required by clause 10.

12. RESOLUTION OF DISPUTES

12.1 A dispute between a Member and another Member (in their capacity as Members) of the Association, or a dispute between a Member or Members and the Association, are to be referred to a Community Justice Centre for mediation under the Community Justice Centres Act 1983 (NSW).

12.2 If a dispute is not resolved by mediation within 3 months of the referral to a Community Justice Centre, the dispute is to be referred to arbitration.

12.3 The Commercial Arbitration Act 2010 (NSW) applies to a dispute referred to arbitration.

13. DISCIPLINING OF MEMBERS

- 13.1 A complaint may be made to the Committee by any person that a Member:
- 13.1.1 has refused or neglected to comply with a provision or provisions of this Constitution; or
 - 13.1.2 has wilfully acted in a manner prejudicial to the interests of the Association; or
 - 13.1.3 is guilty of conduct which is unbecoming of a Member.
- 13.2 The Committee may refuse to deal with a complaint if it considers the complaint to be trivial or vexatious in nature.
- 13.3 If the Committee decides to deal with the complaint, the Committee must:
- 13.3.1 cause notice of the complaint to be served on the Member concerned (including details of the substance and circumstances of the complaint); and
 - 13.3.2 give the Member at least 14 days from the time the notice is served within which to make submissions to the Committee in connection with the complaint; and
 - 13.3.3 take into consideration any submissions made by the Member in connection with the complaint.
- 13.4 The Committee may, by resolution, expel the Member from the Association or suspend the Member from Membership of the Association if, after considering the complaint and any submissions made in connection with the complaint, it is satisfied that the facts alleged in the complaint have been proved and the expulsion or suspension is warranted in the circumstances.
- 13.5 If the Committee expels or suspends a Member, the Secretary must, within 7 days after the action is taken, cause written notice to be given to the Member of the action taken, of the reasons given by the Committee for having taken that action and of the Member's right of appeal under clause 14.
- 13.6 The expulsion or suspension does not take effect:
- 13.6.1 until the expiration of the period within which the Member is entitled to appeal against the resolution concerned; or
 - 13.6.2 if within that period the Member exercises the right of appeal, unless and until the Association confirms the resolution under clause 14; whichever is the later.

14. RIGHT OF APPEAL OF DISCIPLINED MEMBER

- 14.1 A Member may appeal to the Association in general meeting against a resolution of the Committee under clause 12, within 7 days after notice of the resolution is served on the Member, by lodging with the Secretary a notice to that effect.
- 14.2 The notice may, but need not, be accompanied by a statement of the grounds on which the Member intends to rely for the purposes of the appeal.
- 14.3 On receipt of a notice from a Member under clause 14.1, the Secretary must notify the Committee, which is to convene a general meeting of the Association to be held within 28 days after the date on which the Secretary received the notice.
- 14.4 At a general meeting of the Association convened under clause 14.3:
- 14.4.1 no business other than the question of the appeal is to be transacted, and
 - 14.4.2 the Committee and the Member must be given the opportunity to state their respective cases orally or in writing, or both; and
 - 14.4.3 the Members present are to vote by secret ballot on the question of whether the resolution should be confirmed or revoked.

14.5 The appeal is to be determined by a simple majority of votes cast by Members of the Association.

Part 3 The Committee

15. POWERS OF THE COMMITTEE

15.1 Subject to the Act, the Regulation, this Constitution and any resolution passed by the Association in general meeting, the Committee:

15.1.1 is to control and manage the affairs of the Association; and

15.1.2 may exercise all the functions that may be exercised by the Association, other than those functions that are required by this Constitution to be exercised by a general meeting of Members of the Association; and

15.1.3 has power to perform all the acts and do all things that appear to the Committee to be necessary or desirable for the proper management of the affairs of the Association.

16. COMPOSITION AND MEMBERSHIP OF COMMITTEE

There is flexibility in regard to the composition, size and term of the committee and its members. The Act requires an association to establish a committee to manage its affairs and **requires at least three members** aged over the age of 18 years to sit on the committee (at least three of whom must ordinarily reside in Australia).

The model constitution provides for a conventional contemporary governance structure whereby:

- there are to be seven committee members (consisting of four office-bearers and three ordinary committee members);
- the Members elect the committee members and the office-bearers of the association; there is no maximum number of consecutive terms that a committee member may hold office.

These are variables, each of which can be altered as context requires.

16.1 The Committee is to consist of:

16.1.1 the Office-Bearers of the Association; and 16.1.2 at least 3 Ordinary Committee Members; each of whom is to be elected at the annual general meeting of the Association under clause 17.

16.2 The total number of Committee Members is to be 7.

16.3 The Office-Bearers of the Association are as follows:

16.3.1 the president;

16.3.2 the vice-president;

16.3.3 the treasurer;

16.3.4 the Secretary.

16.4 A Committee Member may hold up to 2 offices (other than both the offices of president and vice president).

16.5 There is no maximum number of consecutive terms for which a Committee Member may hold office.

16.6 Each Committee Member is, subject to this Constitution, to hold office until immediately before the election of Committee Members at the annual general meeting next following the date of the Committee Member's election and is eligible for re-election.

17. ELECTION OF COMMITTEE MEMBERS

17.1 Nominations of candidates for election as Office-Bearers of the Association or as Ordinary Committee Members:

17.1.1 must be made in writing, signed by 2 Members of the Association and accompanied by the written consent of the candidate (which may be endorsed on the form of the nomination); and

17.1.2 must be delivered to the Secretary at least 7 days before the date fixed for the holding of the annual general meeting at which the election is to take place.

17.2 If insufficient nominations are received to fill all vacancies on the Committee, the candidates nominated are taken to be elected and further nominations are to be received at the annual general meeting.

17.3 If insufficient further nominations are received, any vacant positions remaining on the Committee are taken to be casual vacancies.

17.4 If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated are taken to be elected.

17.5 If the number of nominations received exceeds the number of vacancies to be filled, a ballot is to be held.

17.6 The ballot for the election of Office-Bearers and Ordinary Committee Members is to be conducted at the annual general meeting in any usual and proper manner that the Committee directs.

17.7 A person nominated as a candidate for election as an Office-Bearer or as an Ordinary Committee Member must be a Member.

18. SECRETARY

18.1 The Secretary of the Association must, as soon as practicable after being appointed as Secretary, lodge notice with the Association of his or her address.

18.2 It is the duty of the Secretary to keep minutes (whether in written or electronic form) of:

18.2.1 all appointments of Office-Bearers and Committee Members; and

18.2.2 the names of Committee Members present at a Committee meeting or a general meeting; and

18.2.3 all proceedings at Committee meetings and general meetings.

18.3 Minutes of proceedings at a meeting must be signed by the chairperson of the meeting or by the chairperson of the next succeeding meeting.

18.4 The signature of the chairperson may be transmitted by electronic means for the purposes of clause 18.2.3.

19. TREASURER

- 19.1 It is the duty of the treasurer of the Association to ensure:
- 19.1.1 that all money due to the Association is collected and received and that all payments authorised by the Association are made; and
 - 19.1.2 that correct books and accounts are kept showing the financial affairs of the Association, including full details of all receipts and expenditure connected with the activities of the Association.

20. CASUAL VACANCIES

- 20.1 In the event of a casual vacancy occurring in the membership of the Committee, the Committee may appoint a Member to fill the vacancy and the Member so appointed is to hold office, subject to this Constitution, until the annual general meeting next following the date of the appointment.
- 20.2 A casual vacancy in the office of a Committee Member occurs if the Committee Member:

- 20.2.1 Dies; or
- 20.2.2 ceases to be a Member or an employee, director or office-bearer of a Member; or
- 20.2.3 in the case of a Committee Member that is a Member as a natural person, is suspended from being a Member; or
- 20.2.4 is an employee, director or office-bearer of a Member and that Member ceases to be a Member or is suspended from being a Member; or
- 20.2.5 is or becomes an insolvent under administration within the meaning of the Corporations Act 2001 of the Commonwealth; or
- 20.2.6 resigns office by notice in writing given to the Secretary; or
- 20.2.7 is removed from office under clause 16.3.12; or
- 20.2.8 becomes a mentally incapacitated person; or
- 20.2.9 is absent without the consent of the Committee from 3 consecutive meetings of the Committee and the Committee resolves that the office be vacated; or
- 20.2.10 is convicted of an offence involving fraud or dishonesty for which the maximum penalty on conviction is imprisonment for not less than 3 months; or
- 20.2.11 is prohibited from being a director of a company under Part 2D.6 (Disqualification from managing corporations) of the Corporations Act 2001 of the Commonwealth; or
- 20.2.12 engages in conduct that is prejudicial to the interests of the Association and a resolution of Members has been passed removing that Committee Member in accordance with clause 16.3.12.

21. REMOVAL OF COMMITTEE MEMBERS

- 21.1 The Association in general meeting may by resolution remove any Committee Member from that office before the expiration of the Committee Member's term of office and may by resolution appoint another person to hold office until the expiration of the term of office of the Committee Member so removed.
- 21.2 If a Committee Member to whom a proposed resolution referred to in clause 17.1 relates makes representations in writing to the Secretary or president (not exceeding a reasonable length) and requests that the representations be notified to the Members of the Association, the Secretary or the president may send a copy of the representations to each Member or, if the

representations are not so sent, the Member is entitled to require that the representations be read out at the meeting at which the resolution is considered.

22. COMMITTEE MEETINGS AND QUORUM

22.1 The Committee may organise, adjourn and otherwise regulate its meetings as it sees fit for the transaction of business of the Association.

22.2 The Committee must meet at least 3 times in each period of 12 months at the place and time that the Committee may determine.

22.3 Additional meetings of the Committee may be convened by any Committee Member.

22.4 Oral or written notice of a meeting of the Committee must be given by the Secretary to each member of the Committee at least 48 hours (or any other period that may be unanimously agreed on by the members of the Committee) before the time appointed for the holding of the meeting.

22.5 Notice of a meeting given under clause 22.4 must specify the general nature of the business to be transacted at the meeting and no business other than that business is to be transacted at the meeting, except business which the Committee Members present at the meeting unanimously agree to treat as urgent business.

22.6 Any 3 members of the Committee constitute a quorum for the transaction of the business of a meeting of the Committee.

22.7 No business is to be transacted by the Committee unless a quorum is present and if, within half an hour of the time appointed for the meeting, a quorum is not present, the meeting is to stand adjourned to the same place and at the same hour of the same day in the following week. If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the meeting is to be dissolved.

22.8 At a meeting of the Committee:

22.8.1 the president or, in the president's absence, the vice-president is to preside; or

22.8.2 if the president and the vice-president are absent or unwilling to act, one of the remaining members of the Committee chosen by the Committee Members present at the meeting is to preside.

23. APPOINTMENT OF ASSOCIATION MEMBERS AS COMMITTEE MEMBERS TO CONSTITUTE QUORUM

23.1 If at any time the number of Committee Members is less than the number required to constitute a quorum for a Committee meeting, the existing Committee Members may appoint a sufficient number of Members of the Association as Committee Members to enable the quorum to be constituted.

23.2 A Committee Member so appointed is to hold office, subject to this Constitution, until the annual general meeting next following the date of the appointment.

23.3 This clause does not apply to the filling of a casual vacancy to which clause 20 applies.

24. USE OF TECHNOLOGY AT COMMITTEE MEETINGS

- 24.1 A Committee meeting may be held at 2 or more venues using any technology approved by the Committee that gives each of the Committee's members a reasonable opportunity to participate.
- 24.2 A Committee member who participates in a Committee meeting using that technology is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

25. DELEGATION BY COMMITTEE TO SUB-COMMITTEE

Sub-committees are a useful and flexible governance tool. The model constitution permits the committee to create, vary and populate such sub-committees as necessary from time to time. Note that it permits members of the association who do not sit on the committee to be co-opted onto such sub-committees as useful or necessary. This permits a lightening of the committee's administrative load, and also the use of expertise for those sub-committees facing sensitive or technical issues.

25.1 The Committee may, by instrument in writing, delegate to one or more sub-committees (consisting of the Member or Members that the Committee thinks fit) the exercise of any of the functions of the Committee that are specified in the instrument, other than:

25.1.1 this power of delegation; and

25.1.2 a function which is a duty imposed on the Committee by the Act or by any other law.

25.2 A function the exercise of which has been delegated to a sub-committee under this clause may, while the delegation remains unrevoked, be exercised from time to time by the sub-committee in accordance with the terms of the delegation.

25.3 A delegation under this clause may be made subject to any conditions or limitations as to the exercise of any function, or as to time or circumstances, that may be specified in the instrument of delegation.

25.4 Despite any delegation under this clause, the Committee may continue to exercise any function delegated.

25.5 Any act or thing done or suffered by a sub-committee acting in the exercise of a delegation under this clause has the same force and effect as it would have if it had been done or suffered by the Committee.

25.6 The Committee may, by instrument in writing, revoke wholly or in part any delegation under this clause.

25.7 A sub-committee may meet and adjourn as it thinks proper.

26. VOTING AND DECISIONS

26.1 Questions arising at a meeting of the Committee or of any sub-committee appointed by the Committee are to be determined by a majority of the votes of members of the Committee or subcommittee present at the meeting.

26.2 Each member present at a meeting of the Committee or of any sub-committee appointed by the Committee (including the person presiding at the meeting) is entitled to one vote but, in the event of an equality of votes on any question, the person presiding may exercise a second or casting vote.

26.3 Subject to clause 22.6, the Committee may act despite any vacancy on the Committee.

26.4 Any act or thing done or suffered, or purporting to have been done or suffered, by the Committee or by a sub-committee appointed by the Committee, is valid and effectual despite any defect that may afterwards be discovered in the appointment or qualification of any member of the Committee or subcommittee.

26.5 A resolution in writing signed by all of the members of the Committee or sub-committee shall be as valid and effectual as if it had been passed at a Committee or sub-committee meeting duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more members of the Committee or sub-committee and the resolution shall be passed when the last Committee Member or sub-committee member signs the document containing the resolution.

Part 4 General Meetings

27. ANNUAL GENERAL MEETINGS - HOLDING OF

27.1 The Association must hold its first annual general meeting within 18 months after its registration under the Act.

27.2 The Association must hold its annual general meetings:

27.2.1 within 6 months after the close of the Association's financial year; or

27.2.2 within any later time that may be allowed or prescribed under section 37 (2) (b) of the Act.

28. ANNUAL GENERAL MEETINGS - CALLING OF AND BUSINESS AT

28.1 The annual general meeting of the Association is, subject to the Act and to clause 27, to be convened on the date and at the place and time that the Committee thinks fit.

28.2 In addition to any other business which may be transacted at an annual general meeting, the business of an annual general meeting is to include the following:

28.2.1 to confirm the minutes of the last preceding annual general meeting and of any Special General Meeting held since that meeting;

28.2.2 to receive from the Committee reports on the activities of the Association during the last preceding financial year;

28.2.3 to elect Office-Bearers of the Association and Ordinary Committee Members;

28.2.4 to receive and consider any financial statement or report required to be submitted to members under the Act.

28.3 An annual general meeting must be specified as that type of meeting in the notice convening it.

29. SPECIAL GENERAL MEETINGS - CALLING OF

29.1 The Committee may, whenever it thinks fit, convene a Special General Meeting of the Association.

29.2 The Committee must, on the requisition of at least 5% of the total number of Members, convene a Special General Meeting of the Association.

- 29.3 A requisition of Members for a Special General Meeting:
29.3.1 must be in writing; and
29.3.2 must state the purpose or purposes of the meeting; and
29.3.3 must be signed by the Members making the requisition; and
29.3.4 must be lodged with the Secretary; and
29.3.5 may consist of several documents in a similar form, each signed by one or more of the Members making the requisition.
- 29.4 If the Committee fails to convene a Special General Meeting to be held within 1 month after the date on which a requisition of Members for the meeting is lodged with the Secretary, any one or more of the Members who made the requisition may convene a Special General Meeting to be held not later than 3 months after that date.
- 29.5 A Special General Meeting convened by a Member or Members as referred to in clause 29.4 must be convened as nearly as is practicable in the same manner as general meetings are convened by the Committee.
- 29.6 For the purposes of clause 29.3:
29.6.1 a requisition may be in electronic form; and
29.6.2 a signature may be transmitted, and a requisition may be lodged, by electronic means.

30. NOTICE

- 30.1 Except if the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the Secretary must, at least 14 days before the date fixed for the holding of the general meeting, give a notice to each Member specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.
- 30.2 If the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the Secretary must, at least 21 days before the date fixed for the holding of the general meeting, cause notice to be given to each Member specifying, in addition to the matter required under clause 30.1, the intention to propose the resolution as a special resolution.
- 30.3 No business other than that specified in the notice convening a general meeting is to be transacted at the meeting except, in the case of an annual general meeting, business which may be transacted under clause 28.2.
- 30.4 A Member desiring to bring any business before a general meeting may give notice in writing of that business to the Secretary who must include that business in the next notice calling a general meeting given after receipt of the notice from the Member.

31. QUORUM FOR GENERAL MEETINGS

31.1 No item of business is to be transacted at a general meeting unless a quorum of Members entitled under this Constitution to vote is present during the time the meeting is considering that item.

31.2 Five Members present (being Members entitled under this Constitution to vote at a general meeting) constitute a quorum for the transaction of the business of a general meeting.

31.3 If within half an hour after the appointed time for the commencement of a general meeting a quorum is not present, the meeting:

31.3.1 if convened on the requisition of Members—is to be dissolved; and

31.3.2 in any other case—is to stand adjourned to the same day in the following week at the same time and (unless another place is specified at the time of the adjournment by the person presiding at the meeting or communicated by written notice to members given before the day to which the meeting is adjourned) at the same place.

31.4 If at the adjourned meeting a quorum is not present within half an hour after the time appointed for the commencement of the meeting, the Members present (being at least 3) are to constitute a quorum.

32. PRESIDING MEMBER

32.1 The president or, in the president's absence, the vice-president, is to preside as chairperson at each general meeting of the Association.

32.2 If the president and the vice-president are absent or unwilling to act, the Members present must elect one of their number to preside as chairperson at the meeting.

33. ADJOURNMENT

33.1 The chairperson of a general meeting at which a quorum is present may, with the consent of the majority of Members present at the meeting, adjourn the meeting from time to time and place to place, but no business is to be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

33.2 If a general meeting is adjourned for 14 days or more, the Secretary must give written or oral notice of the adjourned meeting to each Member stating the place, date and time of the meeting and the nature of the business to be transacted at the meeting.

33.3 Except as provided in clauses 33.1 and 32.3, notice of an adjournment of a general meeting or of the business to be transacted at an adjourned meeting is not required to be given.

34. MAKING OF DECISIONS

- 34.1 A question arising at a general meeting of the Association is to be determined by:
- 34.1.1 a show of hands or, if the meeting is one to which clause 39 applies, any appropriate corresponding method that the Committee may determine; or
 - 34.1.2 if on the motion of the chairperson or if 5 or more Members present at the meeting decide that the question should be determined by a written ballot—a written ballot.
- 34.2 If the question is to be determined by a show of hands, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or carried by a particular majority or lost, or an entry to that effect in the minute book of the Association, is evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 34.3 Clause 34.2 applies to a method determined by the Committee under clause 34.1.1 in the same way as it applies to a show of hands.
- 34.4 If the question is to be determined by a written ballot, the ballot is to be conducted in accordance with the directions of the chairperson.

35. SPECIAL RESOLUTIONS

A special resolution must be passed in accordance with section 39 of the Act. A resolution is passed by an association as a special resolution if at least 21 days' notice of meeting has been given (or a postal or electronic ballot is conducted by the association) and the resolution is supported by at least 75% of the votes cast by members of the association entitled to vote on the proposed resolution.

A special resolution may only be passed by the Association in accordance with section 39 of the Act.

36. VOTING

- 36.1 On any question arising at a general meeting of the Association a Member has one vote only.
- 36.2 In the case of an equality of votes on a question at a general meeting, the chairperson of the meeting is entitled to exercise a second or casting vote.
- 36.3 A Member is not entitled to vote at any general meeting of the Association unless all money due and payable by the Member to the Association has been paid.
- 36.4 A Member is not entitled to vote at any general meeting of the Association if the Member is under 18 years of age.

37. PROXY VOTES NOT PERMITTED

Under the governing legislation it is possible for associations to include a mechanism to allow for voting by proxy.

Because of the confusion and significant coordination that proxy votes cause, we have opted to exclude proxy voting from this document.

However, if an association is confident in its organisational skills (and believes it is in the interest of its members to implement such a voting mechanism) then the proxy provisions can be inserted, and the clause updated accordingly.

Proxy voting must not be undertaken at or in respect of a general meeting.

38. POSTAL OR ELECTRONIC BALLOTS

38.1 The Association may hold a postal or electronic ballot (as the Committee determines) to determine any issue or proposal (other than an appeal under clause 14).

38.2 A postal or electronic ballot is to be conducted in accordance with Schedule 3 to the Regulation.

39. USE OF TECHNOLOGY AT GENERAL MEETINGS

39.1 A general meeting may be held at 2 or more venues using any technology approved by the Committee that gives each of the Members a reasonable opportunity to participate.

39.2 A Member who participates in a general meeting using that technology is taken to be present at the meeting and, if the Member votes at the meeting, is taken to have voted in person.

PART 5 Miscellaneous

40. INSURANCE

The Association may effect and maintain insurance.

41. FUNDS - SOURCE

41.1 The funds of the Association are to be derived from Entrance Fees and Membership Fees, donations and, subject to any resolution passed by the Association in general meeting, any other sources that the Committee determines.

41.2 All money received by the Association must be deposited as soon as practicable and without deduction to the credit of the Association's bank or other authorised deposit-taking institution account.

41.3 The Association must, as soon as practicable after receiving any money, issue an appropriate receipt.

42. FUNDS - MANAGEMENT

42.1 Subject to any resolution passed by the Association in general meeting, the funds of the Association are to be used solely in pursuance of the objects of the Association in the manner that the Committee determines.

42.2 All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments must be signed by 2 authorised signatories.

43. ASSOCIATION IS NON-PROFIT

43.1 Subject to the Act and the Regulation, the Association must apply its funds and assets solely in pursuance of the objects of the Association and must not conduct its affairs so as to provide a pecuniary gain for any of its Members.

An organisation will provide a pecuniary gain for its members if:

- it carries on any activity for the purpose of securing pecuniary gain for its members;
- its members have shares in the organisation;
- it holds property in which the organisation's members have a disposable interest.

An organisation does not provide a pecuniary gain for its members merely because of any of the following:

- the organisation itself makes a pecuniary gain (unless that gain or any part of it is divided among or received by the organisation's members);
- the organisation is established for the protection of a trade, business, industry or calling in which the organisation's members are engaged or interested (but the organisation itself does not engage or take part in, or in any part or branch of, any such trade, business, industry or calling);
- members of the organisation derive pecuniary gain through the enjoyment of facilities or services provided by the organisation for social, recreational, educational or other like purposes;
- members of the organisation derive pecuniary gain from the organisation by way of bona fide payment of remuneration;
- members of the organisation derive pecuniary gain from the organisation of a kind which they could also derive if they were not members of the organisation;
- members of the organisation compete for trophies or prizes in contests directly related to the objects of the organisation.

44. DISTRIBUTION OF PROPERTY ON WINDING UP OF ASSOCIATION

44.1 Subject to the Act and the Regulations, in a winding up of the Association, any surplus property of the Association is to be transferred to another organisation with similar objects and which is not carried on for the profit or gain of its individual members.

44.2 In this clause, a reference to the surplus property of an association is a reference to that property of the association remaining after satisfaction of the debts and liabilities of the association and the costs, charges and expenses of the winding up of the association.

45. CHANGE OF NAME, OBJECTS AND CONSTITUTION

An application for registration of a change in the Association's name, objects or Constitution in accordance with section 10 of the Act is to be made by the public officer or a Committee Member.

46. CUSTODY OF BOOKS ETC

- 46.1 Except as otherwise provided by this Constitution, all records, books and other documents relating to the Association must be kept in New South Wales:
- 46.1.1 at the main premises of the Association, in the custody of the public officer or a Member (as the Committee determines); or
 - 46.1.2 if the Association has no premises, at the Association's official address, in the custody of the public officer.
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47. INSPECTION OF BOOKS ETC

- 47.1 The following documents must be open to inspection, free of charge, by a Member at any reasonable hour:
- 47.1.1 records, books and other financial documents of the Association;
 - 47.1.2 this Constitution; and
 - 47.1.3 minutes of all Committee meetings and general meetings of the Association.
- 47.2 A Member may obtain a copy of any of the documents referred to in clause 47.1 on payment of a fee of not more than \$1 for each page copied.
- 47.3 Despite clauses 47.1 and 47.2, the Committee may refuse to permit a Member to inspect or obtain a copy of records of the Association that relate to confidential, personal, employment, commercial or legal matters or where to do so may be prejudicial to the interests of the Association.
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48. SERVICE OF NOTICES

- 48.1 For the purpose of this Constitution, a notice may be served on or given to a person:
- 48.1.1 by delivering it to the person personally; or
 - 48.1.2 by sending it by pre-paid post to the address of the person; or
 - 48.1.3 by sending it by facsimile transmission or some other form of electronic transmission to an address specified by the person for giving or serving the notice.
- 48.2 For the purpose of this Constitution, a notice is taken, unless the contrary is proved, to have been given or served:
- 48.2.1 in the case of a notice given or served personally, on the date on which it is received by the addressee; and
 - 48.2.2 in the case of a notice sent by pre-paid post, on the date when it would have been delivered in the ordinary course of post; and
 - 48.2.3 in the case of a notice sent by facsimile transmission or some other form of electronic transmission, on the date it was sent or, if the machine from which the transmission was sent produces a report indicating that the notice was sent on a later date, on that date.
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49. FINANCIAL YEAR

- 49.1 The financial year of the Association is:
- 49.1.1 the period of time commencing on the date of incorporation of the Association and ending on the following 30 June; and
 - 49.1.2 each period of 12 months after the expiration of the previous financial year of the Association, commencing on 1 July and ending on the following 30 June.
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