

AUSTRALIAN
Quarter Horse
ASSOCIATION

ACN 000 964 643

CONSTITUTION

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CORPORATIONS ACT 2001

A company limited by guarantee

CONSTITUTION

of

The Australian Quarter Horse Association

1. Introduction

1.1 Name

The name of the company is The Australian Quarter Horse Association.

1.2 Definitions

1.2.1 In this constitution, unless the context otherwise requires:

Affiliate Member has the meaning given in clause 4.5.1(d);

Appendix Registry means the register of appendix numbered quarter horses maintained by the Company;

Associate Member has the meaning given in clause 4.5.1(e);

Company means The Australian Quarter Horse Association ACN 000 964 643;

Constituent Member has the meaning given in clause 4.5.1(c);

Deputy President means the person appointed under clause 19.1.1(b);

Disciplinary Officer means the person appointed under clause 9.1;

Full Member has the meaning given in clause 4.5.1(b);

Honorary Member has the meaning given in clause 4.5.1(g);

Investigative Committee means the committee appointed under clause 8.2;

Investigative Officer means the person appointed under clause 8.3;

Life Member has the meaning given in clause 4.5.1(a);

President means the person appointed under clause 19.1.1(a);

Register means the register of members kept in accordance with clause 4.7;

Representative means a person appointed under clause 4.6;

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Secretary means a person appointed under clause 19.3;

Show has the meaning given to that term in the Company's Rule Book;

Stud Book means the register of Q numbered quarter horses, the register of R2 numbered quarter horses and the register of R1 numbered quarter horses;

Treasurer means the person appointed under clause 19.1.1(d);

Vice-President means the person appointed under clause 19.1.1(c);

Year means the period commencing on 1 July of each calendar year and ending on 30 June of the next succeeding calendar year; and

Youth Member has the meaning given in clause 4.5.1(f).

1.2.2 Where a word or phrase is given a defined meaning another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

1.3 Interpretation

1.3.1 Unless the context otherwise requires a word that denotes:

- (a) the singular denotes the plural and vice versa;
- (b) any gender denotes the other genders; and
- (c) a person includes a natural person, a body corporate, partnership, society and association.

1.3.2 Unless the context otherwise requires a reference to:

- (a) any legislation includes any regulation or instrument made under it and where amended, re-enacted or replaced means that amended, re-enacted or replacement legislation;
- (b) any other instrument where amended or replaced means that instrument as amended or replaced; and
- (c) a thing or amount is a reference to the whole and each part of it.

1.3.3 In this constitution:

- (a) clause headings are for convenience only and do not affect interpretation; and
- (b) "includes" is not a word of limitation.

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1.4 Corporations Act 2001

Except where the contrary intention appears in this constitution, an expression has, in a provision of this constitution that deals with a matter dealt with by a relevant provision of the *Corporations Act 2001*, the same meaning as in that provision of the *Corporations Act 2001*.

1.5 Replaceable rules excluded

To the extent permitted by law, the replaceable rules in the *Corporations Act 2001* do not apply to the Company.

1.6 Legal compliance

1.6.1 The rules of the Company specified in the provisions of this constitution apply subject to and in compliance with any mandatory provision of the *Corporations Act 2001*.

1.6.2 Any mandatory provision of the *Corporations Act 2001* is incorporated into, and applies instead of, any provision of this constitution in the event of any conflict.

1.7 Business day

A reference to a business day means a business day as defined in the *Corporations Act 2001*.

1.8 References to and calculations of time

1.8.1 Where a period of time is specified and is to be calculated before or after a given date, act or event, it must be calculated without counting that date or the date of that act or event.

1.8.2 A provision of this constitution, except any time specified for deposit of proxies with the Company, which has the effect of requiring anything to be done on or by a date that is not a business day, must be interpreted as if it required it to be done on or by the next business day.

2. Purpose

2.1 Objects

2.1.1 The objects for which the Company is established are:

- (a) to promote and encourage the ownership and breeding of quarter horses;
- (b) to compile and make available a Stud Book and such other registers as may be specified in the regulations of the Company;
- (c) to publish or otherwise make available information about quarter horses;
- (d) to compile and maintain a list of persons competent to act as judges of quarter horses;

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- (e) to promote and encourage competitions, shows and exhibitions in relation to quarter horses;
- (f) to establish, cooperate and affiliate with, subscribe and donate to, become a member of, and otherwise assist any other organisation having objects similar to the Company;
- (g) to promote and encourage the humane treatment of quarter horses;
- (h) to develop and implement educational programs about quarter horses;
- (i) to provide services to members for the purpose of any of the above objects, and such other services as may be specified in the regulations of the Company;
- (j) to collect funds and solicit and accept financial and other aid, subscriptions, donations and bequests from any person and from government, charitable, philanthropic and public bodies and otherwise borrow or raise funds for the purpose of any of these objects;
- (k) for the purpose of any of these objects, to buy, sell and deal in all kinds of animal apparatus and all kinds of provisions, liquid and solid, required by the members or persons attending the Company premises;
- (l) to purchase, take on lease, or in exchange, hire and otherwise acquire any lands, buildings, easements, or property real and personal and any rights, or privileges which may be necessary for the purposes of, or capable of being conveniently used in connection with any of these objects, provided that, if the Company takes or holds any property which may be subject to any trusts, the Company may only deal with the property in such manner as is allowed by law having regard to such trusts;
- (m) to enter into any arrangements with any government or authority, municipal, local, or otherwise that may seem conducive to any of these objects, to obtain from any such government or authority any rights, privileges and concessions which the Company considers it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions;
- (n) to appoint, employ, remove or suspend such employees, contractors and other persons as may be necessary or convenient for the purposes of the Company;
- (o) to construct, improve, maintain, develop, work, manage, carry out, alter or control any house, buildings, grounds, works or conveniences which the Company considers may advance the Company's interest and to contribute to, subsidise or otherwise assist and take part in the construction, improvement, maintenance, development, working, management, carrying out, alteration, or control of them;
- (p) to invest and deal with the money of the Company not immediately required in such investments, whether authorised by law for the investment of trust funds or not, as the directors may think fit, and to vary and transpose such investments;

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- (q) to make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
- (r) for the purpose of any of these objects, to sell, improve, manage, develop, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company;
- (s) to take or hold mortgages, liens and security interests to secure payment of the purchase price or any unpaid balance of the purchase price of any part of the Company's property sold by the Company or any money due to the Company from purchasers and others;
- (t) to take any gift of real or personal property, gift or money, whether subject to any special trust or not, for any of these objects, provided that if the Company takes or holds any property which may be subject to any trusts, the Company may only deal with the property in such manner as is allowed by law having regard to such trusts;
- (u) to amalgamate with any organisation having objects similar to the Company, to purchase or otherwise acquire and undertake any property, assets, liabilities and engagements of such organisation, and to transfer any property, assets, liabilities and engagements of the Company to such organisation;
- (v) to make donations for patriotic or charitable purposes; and
- (w) to transact any lawful business in aid of the Commonwealth of Australia in the prosecution of any war in which the Commonwealth of Australia is engaged.

2.1.2 Each object in clause 2.1.1 is independent of the other objects.

2.1.3 The Company does not have the power to issue shares.

2.1.4 The Company is a company limited by guarantee.

2.2 Powers

The Company can only exercise the powers in section 124(1) of the *Corporations Act 2001* to:

- (a) carry out the objects in clause 2.1; and
- (b) do all things incidental or convenient in relation to the exercise of the power under paragraph (a).

2.3 Income

The income and property of the Company:

- (a) may only be applied to the carrying out of the objects of the Company referred to in clause 2.1 and the exercise of the powers referred to in clause 2.2; and
- (b) must not be paid directly or indirectly to any member,

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provided that nothing in this constitution prevents the payment in good faith by the Company of:

- (c) reasonable and proper remuneration and expenses to any officer of the Company in accordance with clause 14.10;
- (d) reasonable and proper remuneration and expenses to any employee of the Company or to any member or other person in return for services or goods provided to the Company in the usual course of business;
- (e) interest at market rates on money borrowed from any member; or
- (f) market rent for premises let by any member to the Company.

3. Liability of members

3.1 Limitation

The liability of the members is limited.

3.2 Contribution

Each member must contribute to the assets of the Company, if it is wound up during the time the person is a member or within 1 year afterwards, such amount as may be required (not exceeding \$20) for:

- (a) payment of the debts and liabilities of the Company contracted before the time at which the person ceases to be a member;
- (b) the costs, charges and expenses of winding up the Company; and
- (c) the adjustment of the rights of the contributories among themselves.

4. Membership

4.1 Membership

The members of the Company are the persons whose names are entered on the Register as at the conclusion of the general meeting at which this constitution is adopted and such other persons as the directors admit to membership in accordance with this constitution.

4.2 Form of application

An application for membership must be:

- (a) in writing in the form approved by the directors;
- (b) signed by the applicant; and
- (c) otherwise in accordance with the regulations of the Company.

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4.3 Directors may require further information

Where the directors receive an application for membership, they may require the applicant to provide such further information as the directors consider appropriate.

4.4 Admission as a member

4.4.1 The directors may consider the application and decide whether or not to admit the applicant.

4.4.2 If the directors decide not to admit an applicant to membership, the Secretary must notify the applicant, but the directors do not have to give any reasons for their decision.

4.4.3 When an applicant is to be admitted, the Secretary must within 30 days notify the applicant and request payment of any relevant membership fee.

4.4.4 If the applicant does not pay any relevant membership fee within 30 days after the date on which the applicant is notified that the fee is payable, the directors may cancel the acceptance of the applicant's application for membership.

4.4.5 When the Company receives payment from the applicant of any relevant membership fee or, if there is no relevant membership fee, when the directors decide to admit the applicant as a member the applicant will be registered in the Register and will immediately become a member.

4.5 Classes and rights of members

4.5.1 Subject to this constitution, the classes of members of the Company and the rights attaching to each class are as follows:

(a) **Life Members**

Life Members are persons who have paid the relevant membership fee and are members for 20 years from the date of the initial payment. Every Life Member has one vote at general meetings.

(b) **Full Members**

Full Members are natural persons who have been admitted as such and have paid the relevant annual membership fee. Every Full Member has one vote at general meetings.

(c) **Constituent Members**

Constituent Members are persons (other than natural persons) that have been admitted as such and have paid the relevant annual membership fee. Every Constituent Member has one vote at general meetings.

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(d) **Affiliate Members**

Affiliate Members are persons (other than natural persons), that have been admitted as such and have:

- (i) paid the relevant annual membership fee;
- (ii) objects similar to the Company; and
- (iii) at least 15 members who are also members of the Company (or such other number as may be determined by the directors) and each member has paid the relevant annual membership fee.

Every Affiliate Member has one vote at general meetings.

(e) **Associate Members**

Associate Members are natural persons who (as above) have paid the relevant annual membership fee. Associate Members are not entitled to vote at general meetings.

(f) **Youth Members**

Youth Members are natural persons up to the age of 18 years as at 1 August in the preceding year who (as above) have paid the relevant annual membership fee. Youth Members are not entitled to vote at general meetings.

(g) **Honorary Members**

Honorary Members are natural persons elected as members by the directors without any relevant membership fee payable for such period as specified on election by the directors. Every Honorary Member has one vote at general meetings.

4.5.2 Subject to this constitution, every member has the right to receive notices of general meetings, attend and be heard at general meetings and vote at general meetings.

4.6 Representatives

4.6.1 Each Life Member who is not a natural person, and each Constituent Member and Affiliate Member, must appoint a Representative by memorandum in writing addressed and delivered to the Secretary.

4.6.2 Subject to this constitution, a Representative may exercise on behalf of the relevant Life Member, Constituent Member or Affiliate Member all membership rights until the appointment is cancelled by notice to the Secretary or until the Representative is disqualified by the directors in accordance with clause 7.

4.7 The Register

4.7.1 A register of members of the Company must be kept in accordance with Chapter 2C of the *Corporations Act 2001*.

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4.7.2 The following information must be entered in the Register in respect of each member:

- (a) the full name of the member;
- (b) the address, telephone and facsimile number and email address, if any, of the member;
- (c) the date of admission to and cessation of membership;
- (d) any stud prefixes or brands of each member;
- (e) the date of the latest payment of any relevant membership fee; and
- (f) such other information as the directors may require.

4.8 Notification by members

Each member must notify the Secretary of any change in the name, address, telephone or facsimile number or email address of the member within one month after the change.

5. Membership fee

5.1 Amount

5.1.1 The directors may determine a membership fee for each class of members and the terms of payment.

5.1.2 The membership fee for Associate Members must not exceed one half of the membership fee for Full Members.

5.1.3 No membership fee paid in any one Year may carry over to any succeeding or other Year.

5.2 Payment

5.2.1 If a member must pay a membership fee annually, the fee must be paid by 1 August of each Year.

5.2.2 If:

- (a) the membership fee of any member has not been received by the Company by the date at which the directors determine that there should be a fee increase following 1 August of any Year; and
- (b) the membership fee is increased by the directors,

the member must pay the amount of the increased fee by the following 1 August in lieu of the membership fee previously determined.

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5.3 Failure to pay

5.3.1 If the membership fee of any member has not been paid in accordance with clause 5.2, the member is not:

- (a) entitled to attend or vote at any meetings of the Company;
- (b) entitled to vote in any election of directors by ballot; or
- (c) eligible for election as a director or officer of the Company.

5.3.2 The non-receipt by any member of notice that any membership fee is due is not sufficient reason for non-payment of it.

6. Cessation of membership

6.1 Resignation

A person may resign from membership of the Company by giving notice to the Company.

6.2 Ceasing to be a member

A member's membership of the Company automatically ceases on the date that:

- (a) the member is expelled under clause 7;
- (b) is 14 days after the service of a notice of default sent to the member by the Company where the membership fee of the member remains unpaid more than two months after it is due;
- (c) the member becomes insolvent within the meaning of section 95A (2) of the *Corporations Act 2001*;
- (d) in the case of a member who is a natural person:
 - (i) the member dies;
 - (ii) the member becomes of unsound mind or a person or his or her estate is liable to be dealt with in any way under the law relating to mental health;
 - (iii) the member is, in the opinion of the directors, incapable of managing his or her affairs (excluding the vote of that member); or
 - (iv) the member cannot be found by the directors on reasonable enquiry;
- (e) in the case of a member who is not a natural person:
 - (i) a liquidator is appointed in connection with the winding up of the member;

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- (ii) an order is made by a court for the winding up or deregistration of the member;
- (iii) the member becomes the subject of a winding up petition;
- (iv) the member enters into an arrangement for the benefit of its creditors;
- (v) the member resolves to go into voluntary liquidation;
- (vi) a receiver is appointed to any of its assets;
- (vii) a mortgagee enters into possession of any of its assets; or
- (viii) a writ of execution applies to any of its assets.

6.3 Liability after a person ceases to be a member

6.3.1 A person who ceases to be a member must immediately pay to the Company:

- (a) all membership fees and other amounts owing to the Company which are due and unpaid at the date that the person ceased to be a member; and
- (b) all amounts which the member becomes liable to pay under clause 3.2.

6.3.2 The directors may refuse to re-admit to membership a person who ceases to be a member until the person has complied with clause 6.3.1.

7. Disciplinary action

7.1 Exercise of disciplinary powers

The directors may exercise disciplinary powers in respect of any member or Representative if, in the opinion of the directors:

- (a) the member or Representative is responsible for any conduct which was unbecoming of a member or Representative as the case may be, prejudicial to the interests of the Company or in breach of this constitution or the regulations of the Company; or
- (b) a member of a Life Member, Constituent Member or Affiliate Member is responsible for any conduct which would be, if the person were a member of the Company, conduct unbecoming of a member of the Company, prejudicial to the interests of the Company or in breach of this constitution or the regulations of the Company.

7.2 Disciplinary powers

For the purposes of this clause 7, "disciplinary powers" means the power to do any of the following:

- (a) in the case of a member:
 - (i) expel the member;

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- (ii) suspend the member for any period not exceeding one year;
 - (iii) suspend the member from participating in one or more Shows;
 - (iv) in the case of disciplinary powers exercised by the Disciplinary Officer, fine the member an amount not exceeding \$10,000, or other maximum amount determined by the directors plus an amount determined by the Disciplinary Officer to be the Company's reasonable costs and expenses in preparing for and being represented in the disciplinary proceedings, both amounts payable to the Company;
 - (v) in the case of disciplinary powers exercised by the Investigative Committee, fine the member an amount not exceeding \$8,000, plus an amount determined by the Investigative Committee to be the Company's reasonable costs and expenses in relation to the investigation;
 - (vi) reprimand the member;
 - (vii) warn the member; or
 - (viii) remove any horse of which the member is registered as owner or part owner from any horse registry permanently or for any period; and
- (b) in the case of a Representative:
- (i) expel the relevant Life Member, Constituent Member or Affiliate Member;
 - (ii) suspend the relevant Life Member, Constituent Member or Affiliate Member for any period not exceeding one year;
 - (iii) suspend the relevant Life Member, Constituent Member or Affiliate Member from participating in one or more Shows;
 - (iv) in the case of disciplinary powers exercised by the Disciplinary Officer, fine the relevant Life Member, Constituent Member or Affiliate Member an amount not exceeding \$10,000 or other maximum amount determined by the directors, plus an amount determined by the Disciplinary Officer to be the Company's reasonable costs and expenses in preparing for and being represented in the disciplinary proceedings, both amounts payable to the Company;
 - (v) in the case of disciplinary powers exercised by the Investigative Committee, fine the relevant Life Member, Constituent Member or Affiliate Member an amount not exceeding \$8,000, plus an amount determined by the Investigative Committee to be the Company's reasonable costs and expenses in relation to the investigation;
 - (vi) reprimand the relevant Life Member, Constituent Member or Affiliate Member;

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- (vii) warn the relevant Life Member, Constituent Member or Affiliate Member;
- (viii) disqualify the person from being a Representative permanently or for any period; or
- (ix) remove any horse of which the relevant Life Member, Constituent Member or Affiliate Member is registered as owner or part owner from any horse registry permanently or for any period.

8. Shows

8.1 Exercise of disciplinary powers

For the purpose of exercising the powers contained in clause 7 in relation to conduct at a Show, the disciplinary powers may be exercised by the Investigative Committee.

8.2 Investigative Committee

The directors must appoint an Investigative Committee comprising:

- (a) the general manager of the Company, for such time as he or she is able and willing to act in relation to the relevant conduct; and
- (b) two directors of the Company, one of whom is appointed by the directors as Investigative Officer.

8.3 Investigative Officer

The Investigative Officer must make and keep a record of details of any conduct at a Show that is the subject of a complaint.

8.4 Duties and powers of Investigative Committee

The Investigative Committee must consider all complaints recorded by the Investigative Officer and may do any of the following in respect of the relevant conduct:

- (a) decide to take no further action;
- (b) exercise any of the disciplinary powers referred to in clauses 7.2(a)(iii), (v), (vi) and (vii) and 7(b)(iii), (v), (vi) and (vii); or
- (c) refer the matter to the Disciplinary Officer.

9. Disciplinary Officer

9.1 Appointment of Disciplinary Officer

For the purpose of exercising the powers contained in clause 7, other than powers exercised by the Investigative Committee, but including any matter referred by the Investigative Committee, the disciplinary powers of the directors must be exercised by

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the Disciplinary Officer, who is appointed by the directors, and who is neither a member nor a Representative.

9.2 Exercise of disciplinary powers

9.2.1 The Disciplinary Officer must not exercise disciplinary powers in respect of the conduct of any person unless not less than one week in advance there has been given to that person a notice of the time and place at which the question of disciplinary action in respect of the conduct of that person is to be brought before the Disciplinary Officer, together with details of the conduct the subject of the disciplinary action and of any provisions of this constitution, regulations of the Company or any other rules of the Company which the person is alleged to have breached.

9.2.2 The Disciplinary Officer must not exercise disciplinary powers against a Life Member, Constituent Member or Affiliate Member unless not less than one week in advance there has been given to that Member a notice of the time and place at which the question of disciplinary action against that Member is to be brought before the Disciplinary Officer, together with details of the conduct the subject of the disciplinary action and of any provisions of this constitution, regulations of the Company or any other rules of the Company which the Member is alleged to have breached.

9.2.3 The Disciplinary Officer must not in the exercise of disciplinary powers remove a horse from any horse registry unless not less than one week in advance there has been given to the registered owner of that horse a notice of the time and place at which the question of disciplinary action involving the removal of that horse from any horse registry, is to be brought before the Disciplinary Officer, together with details of the conduct the subject of the disciplinary action and of any provisions of this constitution, regulations of the Company or any other rules of the Company which the registered owner is alleged to have breached.

9.2.4 Any person to whom notice is required to be sent under clause 9.2.1, 9.2.2 or 9.2.3 is entitled to:

- (a) be heard by the Disciplinary Officer before disciplinary powers are exercised in respect of the conduct of or directly affecting that person;
- (b) be present at the hearing; and
- (c) present evidence relevant to the proceedings,

however, the procedure to be followed at the hearing, including whether a person may have legal representation, is at the discretion of the Disciplinary Officer.

9.2.5 Any person to whom notice is required to be sent under clause 9.2.1, 9.2.2 or 9.2.3 may, at any time waive the requirements of notice.

9.2.6 If the Disciplinary Officer considers that the opinion of an expert is necessary or desirable in connection with the exercise of disciplinary powers, the President must, on behalf of the Company, appoint an expert following consultation with the Disciplinary Officer for the purpose of providing such opinion.

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9.2.7 The Disciplinary Officer is not required to issue a written determination, but may do so if the Disciplinary Officer considers it appropriate.

9.2.8 The directors may by notice to the Disciplinary Officer remove the Disciplinary Officer and may appoint a replacement. Any proceedings of a Disciplinary Officer that have not been completed at the date when the Disciplinary Officer ceases to hold office must be re-commenced by the replacement Disciplinary Officer.

9.2.9 The Disciplinary Officer is to decide questions of costs.

9.3 Appeals on questions of law

9.3.1 Where the Disciplinary Officer has exercised disciplinary powers in respect of a member or Representative, the member or Representative may, within one week after being given notice of the decision of the Disciplinary Officer, give notice in writing to the Secretary of their requirement that a question of law arising from the disciplinary action be considered by a nominee of the President for the time being of the Bar Association of New South Wales (**Nominee**).

9.3.2 If the Nominee considers that there has been an error of law in the disciplinary action, the Nominee must reconsider the decision of the Disciplinary Officer. The process for the reconsideration of a decision of the Disciplinary Officer is at the discretion of the Nominee. The Nominee is to decide the question of costs.

9.3.3 If a Nominee is to reconsider a decision of the Disciplinary Officer, the decision of the Disciplinary Officer is suspended pending the outcome of that reconsideration. Following reconsideration of a decision of the Disciplinary Officer, the Nominee must make a decision affirming the decision of the Disciplinary Officer or substituting a new decision. The decision of the Nominee takes effect on the date that the member or Representative receives notice of the Nominee's decision.

9.4 Expulsion or suspension

9.4.1 Any person who has been expelled ceases to be a member on expulsion. Any member who has been suspended is not, during the period of suspension, entitled to exercise any membership rights or to act as a Representative.

9.4.2 The expulsion or suspension of a member automatically terminates any then current appointment of the member's Representative.

9.4.3 The Company is entitled to publish or otherwise make available lists of members or Representatives who have been expelled, reprimanded, fined or suspended:

- (a) in accordance with this constitution; or
- (b) by any organisation with whom the Company has a reciprocal arrangement in respect of such matters.

10. General meetings

10.1 Convening

10.1.1 Except as permitted by law, a general meeting must be held at least once in every Year.

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10.1.2 The directors may convene a general meeting at any time.

10.1.3 No general meeting may be called or arranged to be held other than as provided for by this clause 10.1 or sections 249D, 249E, 249F and 249G of the *Corporations Act 2001*.

10.2 Notice of general meeting

10.2.1 Notice of every general meeting must be given in the manner authorised by this constitution to:

- (a) every member;
- (b) every officer of the Company; and
- (c) the auditor of the Company.

10.2.2 No other person is entitled to receive notice of general meetings.

10.2.3 Subject to Part 2G.2, Division 3 of the *Corporations Act 2001*, a notice of a general meeting must:

- (a) be given at least 21 days before the meeting;
- (b) specify the place, the date and the hour of meeting; and
- (c) except as expressly permitted in this constitution, state the general nature of the business to be transacted.

10.2.4 The accidental omission to give notice of any general meeting to, or the non-receipt of a notice by, a person entitled to receive notice does not invalidate a resolution passed at the general meeting.

10.3 Cancellation or postponement

10.3.1 The directors may cancel or postpone the holding of any general meeting whenever they think fit (other than a meeting requisitioned by members under the *Corporations Act 2001*).

10.3.2 Notice of the cancellation or postponement must be given to all persons entitled to receive notice of the meeting at least seven days before the date for which the meeting was convened and must specify:

- (a) the reason for the cancellation or postponement; and
- (b) where the meeting is postponed, a date, time and place for holding the meeting.

10.3.3 There must be at least 21 days between the date on which a notice postponing the meeting is given and the date on which the postponed meeting is to be held.

10.3.4 The only business that may be transacted at a postponed meeting is that specified in the original notice convening the meeting.

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- 10.3.5 The accidental omission to give notice of the cancellation or postponement of any general meeting to, or the non receipt of a notice by, a person entitled to receive notice does not invalidate a resolution passed at the postponed meeting.

10.4 Representation of member

Any member may be represented at any general meeting by its proxy, attorney or Representative, or otherwise in accordance with this constitution or the *Corporations Act 2001*, and if so represented is deemed to be present in person.

11. Proceedings at general meetings

11.1 Quorum at general meetings

- 11.1.1 No business may be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

- 11.1.2 A quorum is present if there are present at the meeting 15 members who are entitled to vote.

- 11.1.3 If a quorum is not present within 30 minutes after the time appointed for the meeting or a longer period allowed by the chairperson:

- (a) and the meeting was convened on the requisition of members, it must be dissolved: or
- (b) in any other case, it must stand adjourned to the same day in the next week at the same time and place or to another date and at another time and place determined by the directors.

11.2 Quorum at adjourned general meetings

- 11.2.1 The members present (being not less than 12) at an adjourned meeting constitute a quorum and may proceed with the business specified in the notice of meeting if:

- (a) notice of the adjourned meeting is given in the same way as for an original meeting; and
- (b) at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting.

- 11.2.2 If notice of the adjourned meeting is not given and a quorum is not present at the adjourned meeting, the meeting must be dissolved.

11.3 Ordinary and special business

The business of an annual general meeting is:

- (a) to receive and consider:
 - (i) the President's report;
 - (ii) the Treasurer's report;

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- (iii) any report from the directors and the auditors;
 - (iv) the profit and loss account;
 - (v) the balance sheet; and
 - (vi) the directors' statement required by the *Corporations Act 2001* to be attached to the accounts of the Company;
- (b) where necessary, to appoint auditors; and
- (c) to transact any other business which under this constitution or the *Corporations Act 2001* ought to be transacted at an annual general meeting.

11.4 Right of others to attend general meeting

- 11.4.1 Any general manager, Secretary or other officer of the Company who is not a member of the Company is entitled to be present and, at the request of the chairperson, to speak at any general meeting.
- 11.4.2 Any other person requested by the directors to attend any general meeting is entitled to be present and, at the request of the chairperson, to speak at that general meeting.

11.5 Appointment of chairperson

- 11.5.1 Subject to clause 11.5.2, the President is entitled to chair every general meeting of the Company.
- 11.5.2 Where a general meeting is held and:
- (a) there is no President;
 - (b) the President is not able to be present at the meeting or is not present within 15 minutes after the time appointed for the meeting; or
 - (c) despite being present is unable or unwilling to chair the meeting,

the Deputy President, if any, is entitled to chair the meeting or, if the circumstances in paragraph (a), (b) or (c) apply to the Deputy President, the Vice-President, if any, is entitled to chair the meeting or, if the circumstances in paragraph (a), (b) or (c) apply to the Vice-President, the members present may elect one of their number to chair the meeting.

11.6 Chairperson's powers

Subject to this constitution and the *Corporations Act 2001*, the chairperson's ruling on all matters relating to the order of business, procedure and conduct of the general meeting is final and no motion of dissent from a ruling of the chairperson may be accepted.

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11.7 Adjournment of meetings

- 11.7.1 The chairperson may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting to another time and place.
- 11.7.2 The only business that may be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.
- 11.7.3 Where a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting. Otherwise, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

12. Voting at general meetings

12.1 Voting rights

- 12.1.1 Subject to this constitution and any rights or restrictions placed on any member, at general meetings:
- (a) each member entitled to attend and vote may attend and vote in person or by its proxy, attorney or Representative; and
 - (b) each member has one vote both on a show of hands and a poll.
- 12.1.2 A member is not entitled to vote at a general meeting unless any membership fee then payable by the member has been paid.
- 12.1.3 Subject to clause 13.6.3, a member is not entitled to vote at a general meeting if the member is of unsound mind or the member's person or estate is liable to be dealt with in any way under the law relating to mental health.

12.2 Decisions

Each matter submitted to a meeting must be decided on a show of hands or a poll demanded in accordance with clause 12.4.

12.3 Chairperson's vote at general meetings

The chairperson is entitled to a second or casting vote, .

12.4 Demand for a poll

- 12.4.1 A poll may be demanded by:
- (a) the chairperson; or
 - (b) at least three members entitled to vote on the resolution.
- 12.4.2 A poll may be demanded:
- (a) before a vote is taken;

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- (b) before the voting results on a show of hands are declared; or
- (c) immediately after the voting results on a show of hands are declared.

12.4.3 The demand for a poll may be withdrawn.

12.4.4 The demand for a poll does not prevent the continuance of a meeting for the despatch of business other than the question on which a poll is demanded.

12.4.5 A poll demanded on a matter other than the election of a chairperson or on a question of adjournment must be taken when and in the manner the chairperson directs. The result of the poll is the resolution of the meeting at which the poll is demanded.

12.4.6 A poll demanded on the election of a chairperson or on a question of adjournment must be taken immediately.

12.5 Evidence of resolutions

Unless a poll is demanded in accordance with clause 12.4, a declaration by the chairperson that a resolution has on a show of hands been:

- (a) carried;
- (b) carried unanimously or by a particular majority; or
- (c) lost,

and an entry to that effect in the book containing the minutes of the proceedings of the Company, signed by the chairperson of that or the next succeeding meeting, is conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.

12.6 Objections

An objection may be raised to the qualification of a voter only at the meeting at which the vote objected to is given. The objection must be referred to the chairperson, whose decision is final. A vote not disallowed following the objection is valid for all purposes.

13. Proxies and attorneys

13.1 Appointment

13.1.1 A member who is entitled to vote at a meeting may appoint a proxy in accordance with Part 2G.2, Division 6 of the *Corporations Act 2001* in a form acceptable to the directors.

13.1.2 A member who is entitled to vote at a meeting may appoint an attorney to act on the member's behalf.

13.1.3 A proxy or attorney need not be a member of the Company.

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13.2 Form of proxy

13.2.1 A document appointing a proxy must be:

- (a) signed by the appointor or the attorney of the appointor duly authorised in writing; or
- (b) if the appointor is a corporation, either under seal or signed by an officer or attorney of the appointor duly authorised in writing.

13.2.2 A document appointing a proxy must be in a form approved by or otherwise acceptable to the directors.

13.2.3 If the notice of the general meeting for which a proxy is appointed states that proxies may be sent to a specified facsimile number or email address for or on behalf of the Company, a document generated from the image of a document appointing a proxy that is transmitted to that facsimile number or email address is:

- (a) deemed to be in writing;
- (b) deemed to be signed if bearing a facsimile of a signature; and
- (c) deemed to be under seal if bearing a facsimile of a seal.

13.3 Effect of proxy or attorney

13.3.1 An instrument appointing a proxy or attorney confers authority to demand or join in demanding a poll.

13.3.2 Except as expressly provided by the document appointing a proxy, the appointment of a proxy confers authority to agree to a meeting being convened by shorter notice than is required by the *Corporations Act 2001* or by this constitution and to a resolution being proposed and passed as a special resolution at a meeting of which less than 21 days' notice has been given.

13.3.3 A proxy or power of attorney may be revoked at any time by notice to the Company.

13.4 Verification of proxies

13.4.1 Before the time for holding the meeting or adjourned meeting at which a proxy proposes to vote:

- (a) the document appointing the proxy; and
- (b) the power of attorney or other authority (if any) under which the document is signed or a notarially certified copy of that power or authority,

must be deposited with the Company.

13.4.2 The documents referred to in clause 13.4.1, must be deposited at the registered office of the Company, or at such other place specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting.

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13.5 Validity of proxies

A proxy document is invalid if it is not deposited prior to a meeting or a vote being taken as required by this constitution.

13.6 Voting by proxy or attorney

13.6.1 An instrument appointing a proxy or attorney may specify the manner in which the proxy or attorney is to vote in respect of a particular resolution and, where it does so, the proxy or attorney is not entitled to vote on the resolution except as specified in the instrument.

13.6.2 A proxy may vote on a show of hands but a person holding a proxy for more than one member has only one vote.

13.6.3 A vote given in accordance with the terms of an instrument of proxy or a power of attorney is valid despite:

- (a) the previous death or unsoundness of mind of the principal; or
- (b) the revocation of the instrument (or of the authority under which the instrument was executed) or of the power,

if the Company has not received notice of the death, unsoundness of mind or revocation before the commencement of the meeting at which the instrument is used or the power is exercised.

13.7 Where proxy is incomplete

13.7.1 No instrument appointing a proxy is treated as invalid merely because it does not contain:

- (a) the address of the appointor or of a proxy;
- (b) the proxy's name or the name of the office held by the proxy; or
- (c) in relation to any resolutions, an indication of the manner in which the proxy is to vote.

13.7.2 Where the instrument does not specify the name of a proxy, the instrument is taken to be given in favour of the chairperson.

13.7.3 A proxy may vote as the proxy thinks fit on any motion or resolution in respect of which no manner of voting is indicated.

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14. Directors

14.1 Number of directors

Subject to the *Corporations Act 2001*, until otherwise determined by the members in general meeting, the number of directors must be 12.

14.2 Composition

14.2.1 The directors comprise those persons in office as at the conclusion of the general meeting at which this constitution is adopted and such other persons appointed or elected in accordance with this clause 14.

14.2.2 Not more than six directors may be elected from any one State in Australia unless there are insufficient nominations from other States to fill the vacancies on the board of directors or the appointment is made by the directors to fill a casual vacancy.

14.3 Eligibility for election as a director

14.3.1 Subject to this constitution and any rights or restrictions –on any member, the only members eligible to be elected as directors are natural persons who:

- (a) are Life Members or Full Members;
- (b) have been members of the Company for the past three consecutive years;
- (c) are resident in Australia; and
- (d) are not employees of the Company.

14.3.2 A member is not entitled to be elected as a director of the Company unless any membership fee then payable by the member has been paid.

14.4 Election of directors by ballot

14.4.1 Subject to this constitution, the election of directors must be by ballot.

14.4.2 Retiring directors are eligible for re-election.

14.4.3 Every member eligible to vote has the right to nominate any other member eligible to be elected as a director for any vacancy to be filled by ballot.

14.4.4 The Secretary must keep a record of full particulars of all nominations received.

14.4.5 Nominations must:

- (a) be lodged with the Secretary not less than 40 days prior to the date appointed for the holding of the general meeting;
- (b) be made in the form determined by the directors and addressed to the Secretary at the registered office of the Company;
- (c) be signed by the nominating member; and

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- (d) contain such information as may be determined by the directors.
- 14.4.6 Each nomination must be seconded by another member eligible to vote and consented to in writing by the member nominated.
- 14.4.7 The Secretary must prepare a list of the names of the members nominated in accordance with this clause 14.4 and indicate by an asterisk and footnote those retiring directors who are eligible for and have consented to re-election. This list constitutes a voting paper. The Secretary must, at least 28 days prior to the date appointed for the holding of the annual general meeting, send the list to each member.
- 14.4.8 If not more than the specified number of persons is nominated for election to any of the vacancies on the board of directors, the persons nominated for such vacancies must be declared elected by the Secretary at the annual general meeting next following their nomination and, if any office remains unfilled, the vacancy must be filled by the directors in accordance with this constitution.
- 14.4.9 If there are more than the specified number of persons nominated for election to any of the vacancies on the board of directors, the vacancies must be filled by ballot as follows:
- (a) each member wishing to participate in the ballot must strike out all except the names of the candidates for whom he or she wishes to vote and insert the voting paper in and endorse his or her name on the envelope sent to him or her by the Secretary for that purpose and return the envelope, properly sealed, subject to the provisions of this clause 14.4.9, to arrive at the registered office of the Company no later than 9.00 am on the fifth day before the date appointed for the holding of the general meeting at which the result of the ballot is to be declared as set out in this constitution, provided that:
 - (i) in the event of disruption to normal community services beyond the control of the Company, the time period within which the votes must be returned may, by resolution of the directors, be extended for a fixed period of time, at the expiration of which the ballot will close;
 - (ii) if any such extended time period for the return of votes expires after the date appointed for the convening of the general meeting, the current directors continue to hold office until the ballot is closed; and
 - (iii) if any ballot paper indicates that a member has purported to vote for a greater or lesser number of candidates than the number of vacancies that have to be filled, that ballot paper is to be declared informal and the votes of that member will not be counted; and
 - (b) after the ballot closes, the Secretary must count or cause to be counted the votes as recorded on the voting papers received in accordance with this clause 14.4. The votes must be counted in the presence of the President (or, in his or her absence, the Deputy President or, in his or her absence, the Vice-President) and three other directors and in the presence of any candidate for election who wishes to be present at the counting.

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- 14.4.10 The Secretary must declare the result of the ballot at the general meeting held not more than five days after the date on which the ballot closes, provided that if the time period for the return of votes has been extended by the directors in accordance with clause 14.4.9:
- (a) the Secretary must declare the result of the ballot at a duly constituted meeting of the directors, which must be held within five days of the expiration of the extended time period for the return of votes; and
 - (b) the members must be notified of the result of the ballot.
- 14.4.11 In the event of an equality of votes in favour of any two or more candidates, the directors must, at their first meeting immediately after the general meeting at which the Secretary declares the result of the ballot, elect one of those candidates to fill the vacancy for which he or she was nominated.
- 14.4.12 If any questions arise as to the validity or invalidity of any voting paper, or whether any particular member has or has not been elected as a director, a statement by the Secretary that the voting paper is or is not valid or that a member has or has not been elected as a director is conclusive.
- 14.4.13 Any vacancy occurring in the board of directors after the closing of nominations and before the close of the general meeting, or the meeting of directors, as the case may be, at which the election of directors is to take place, is deemed to be a casual vacancy and to have occurred immediately after the close of the general meeting, or meeting of directors, as the case may be, and must be filled in accordance with clause 14.5.
- 14.4.14 If:
- (a) there has not been any nomination lodged with the Secretary;
 - (b) the number of nominations lodged was less than the number of vacancies to be filled; or
 - (c) after any member nominated has withdrawn his or her nomination before the relevant vacancy has been filled and as a result the number of nominations is less than the number of vacancies to be filled,

the directors must fill the number of vacancies at a meeting convened for that purpose.

14.5 Insufficient directors

The directors may appoint any person as a director either to fill a casual vacancy, or as an addition to the existing directors, provided that the total number of directors does not at any time exceed 12. Subject to clauses 14.6 and 14.7, any director so appointed holds office only until the next following annual general meeting.

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14.6 Removal

14.6.1 At a general meeting, by ordinary resolution:

- (a) a person may be removed as a director;
- (b) if a person is so removed, a person may be elected as a replacement director.

14.6.2 The replacement director holds office only until the next annual general meeting.

14.7 Resignation

A director may retire from office by notice to the Company, effective from the date of receipt of the notice or any later date stated in the notice.

14.8 Retirement

14.8.1 Subject to clauses 14.6 and 14.7, a director holds office for a term of three years. At each annual general meeting, those directors who have held office for the last three consecutive years must retire from office, together with any director who has been appointed under clause 14.5 or elected under 14.6.

14.8.2 If at any annual general meeting there are more than four directors who are required to retire from office in accordance with this clause 14.8, only four directors are required to retire from office being:

- (a) first, those directors who have been appointed under clause 14.5 or elected under 14.6 and, if there are more than four, those to retire must be determined by lot (unless they otherwise agree among themselves); and
- (b) second, those of the remaining directors who have been longest in office since their election and, as between persons who became directors on the same date, those to retire must be those directors who, on election under clause 14.4, received the least numbers of votes (unless they otherwise agree among themselves).

14.9 Vacation of office

In addition to the circumstances in which the office of a director becomes vacant by virtue of the *Corporations Act 2001* or another provision of this constitution, the office of director becomes vacant if the director:

- (a) becomes insolvent within the meaning of section 95A(2) of the *Corporations Act 2001*;
- (b) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (c) is absent without the consent of the directors from the meetings of the directors held during a continuous period of six months and the directors resolve that the office of that director be vacated;

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- (d) becomes prohibited from being a director by reason of an order made under the *Corporations Act 2001*;
- (e) ceases to be a director by virtue of the *Corporations Act 2001*;
- (f) ceases to be a member; or
- (g) subject to clause 14.10, is directly or indirectly interested in any contract or proposed contract with the Company unless:
 - (i) the contract or proposed contract is with a company of which a director is a member and in which the director does not hold more than 1% of the capital; and
 - (ii) he or she has declared the nature of his or her interest in a manner provided by the *Corporations Act 2001*.

14.10 Directors' fees and expenses

- 14.10.1 Subject to clause 14.10.2, no director of the Company may be paid any directors' fees and no remuneration or other benefit in money or money's worth may be given by the Company to any of its directors except:
- (a) for the payment of out-of-pocket expenses incurred in carrying out the duties of a director where the payments do not exceed an amount previously approved by the directors;
 - (b) for any service rendered to the Company in a professional or technical capacity where the provision of that service has the prior approval of the directors and the amount payable is approved by a resolution of the directors and is on reasonable commercial terms;
 - (c) as an employee of the Company where the terms of employment have been approved by a resolution of the directors;
 - (d) for the payment of interest at a rate not exceeding the rate for the time being fixed for the purpose of this paragraph by the directors on money borrowed from any director of the Company; or
 - (e) for the payment of reasonable and proper rent for premises let by any director to the Company.
- 14.10.2 The prohibition in clause 14.10.1 does not apply to any payment to any company of which a director may be a member and in which such director does not hold more than 1% part of the capital, and such director is not bound to account for any share of profits he or she may receive in respect of such payment.

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15. Powers and duties of directors

15.1 General management

15.1.1 The business of the Company is to be managed by the directors who may exercise all those powers of the Company as are not, by the *Corporations Act 2001* or by this constitution, required to be exercised by the Company in general meeting.

15.1.2 Without limiting the generality of the foregoing, the directors may:

- (a) borrow money;
- (b) mortgage or charge any property or business of the Company;
- (c) issue debentures; and
- (d) give any other security for any debt, liability or obligation of the Company.

15.1.3 No resolution passed by the Company in general meeting invalidates any prior act of the directors that would have been valid if that resolution had not been passed.

15.2 Negotiable instruments

15.2.1 All cheques, promissory notes, bankers drafts, bills of exchange and other negotiable instruments, and all receipts for money paid to the Company may be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by any two directors or in such other manner as the directors determine.

15.2.2 Every sum paid on behalf of the Company amounting to \$20.00 or more must be paid:

- (a) by cheque upon the Company's bankers and must be crossed "not negotiable", excepting those cheques drawn expressly for encashment in payment of salaries or wages due or recoupment of the directors' office petty cash; or
- (b) by any other means as approved by the directors.

15.2.3 If a sum is paid in accordance with clause 15.2.2(a), the cheque must be signed in the name of the Company by two persons authorised by the directors.

15.3 Appointment of attorney

The directors may appoint any person to be an attorney of the Company:

- (a) for the purposes;
- (b) with powers, authorities and discretions vested in or exercisable by the directors;
- (c) for the period; and

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- (d) subject to the terms,
as they think fit.

15.4 Indemnity

If director or officer of the Company becomes or is about to become personally liable for the payment of any sum due from the Company, the directors may execute or cause to be executed an indemnity and a mortgage, charge or security over or affecting the whole or part of the assets of the Company to secure the indemnity in favour of the director or officer against loss in respect of that liability.

15.5 Power to make regulations

- 15.5.1 Subject to this clause 15.5, the directors may make regulations binding on members.
- 15.5.2 The regulations that took effect on 1 August 2016 remain in force for the time being notwithstanding the adoption of this constitution.
- 15.5.3 Without limiting the generality of clause 15.5.1, the directors may make regulations with respect to:
 - (a) brands;
 - (b) grading up programs;
 - (c) compiling and making available online of the Stud Book;
 - (d) registration of horses eligible for a 'Q' number being imported or born in Australia and the conditions of registration and the qualifications of them;
 - (e) recording and acceptance of appendix horses and the conditions of recording and acceptance and the qualifications of them;
 - (f) classification of horses;
 - (g) identification of horses;
 - (h) progeny registration;
 - (i) transfer or lease of horses in the Company's records;
 - (j) registration, recording and transfer fees;
 - (k) deregistration of horses;
 - (l) show and performance recording;
 - (m) certificates of service, stallion breeding reports and brood mare returns; and
 - (n) such other horse registries as may be specified in the regulations of the Company.

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15.5.4 The decision to make regulations must be made by a resolution of the directors carried by at least three-fifths of the votes cast at a meeting of the directors pursuant to a notice of intention to move the resolution, or one substantially similar, lodged with the Secretary at least 14 days before the date on which the meeting was convened. Any such notice must be included by the Secretary in the notice convening the meeting.

15.5.5 To the extent of any inconsistency between the regulations made under this clause 15.5 and this constitution, the provisions of this constitution prevail.

16. Proceedings of directors

16.1 Meetings of directors

The directors must meet together at least once a Year for the despatch of business and adjourn and otherwise regulate their meetings as they think fit.

16.2 Member's resolutions

16.2.1 Any Life Member, Full Member or Constituent Member may propose a directors' resolution by lodging a copy of the proposed resolution at the registered office of the Company.

16.2.2 If a proposed resolution is lodged under clause 16.2.1, the directors must consider the resolution at the first directors' meeting held at least 60 days after the date of lodgement.

16.3 Convening of meeting

16.3.1 The President may at any time convene a meeting of directors with 14 days' notice.

16.3.2 On the requisition of three directors, the Secretary must convene a meeting of directors within 14 days of receipt of such requisition.

16.4 Notice of meeting

16.4.1 Notice of a directors' meeting must be given to each director at least 24 hours before the meeting or at another time determined by resolution of the directors. The notice must include full particulars of the business to be discussed by the directors. Any business which may come to hand subsequently to the notice but prior to the meeting must, so far as possible, be notified to each director provided that:

(a) all directors may waive in writing the required period of notice for a particular meeting; and

(b) it is not necessary to give a notice of a meeting of directors to a director who is out of Australia or on leave of absence approved by the directors.

16.4.2 If in the chairperson's opinion there is any urgent business, any director may, with the consent of three-quarters of the total number of directors present at the meeting, submit that business to the meeting.

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16.5 Quorum

16.5.1 No business may be undertaken at any directors' meeting unless a quorum of directors is present at the time when the meeting proceeds to business.

16.5.2 At a meeting of directors, a quorum is present if there are present at the meeting at least a majority of the total number of directors, or such greater number as may be determined by the directors.

16.6 Absence of quorum

If a quorum is not present within 30 minutes after the time appointed for the meeting:

- (a) the meeting stands adjourned to the date, and at the time and place, which the directors determine or, if no determination is made by the directors, to the same day in the next week at the same time and place; and
- (b) if at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting is dissolved.

16.7 Appointment of chairperson of directors

16.7.1 Subject to clause 16.7.2, the President is entitled to chair every directors' meeting.

16.7.2 If a directors' meeting is held and:

- (a) there is no President;
- (b) the President is not able to be present at the meeting or is not present within 15 minutes after the time appointed for the meeting; or
- (c) despite being present is unable or unwilling to chair the meeting,

the Deputy President, if any, is entitled to chair the meeting or, if the circumstances in paragraph (a), (b) or (c) apply to the Deputy President, the Vice-President, if any, is entitled to chair the meeting or, if the circumstances in paragraph (a), (b) or (c) apply to the Vice-President, the directors present may elect one of their number to chair the meeting.

16.7.3 At all directors' meetings the chair's ruling is final in all matters of order, procedure and practice.

16.8 Chairperson's vote at directors meetings

A chairperson is entitled to a second or casting vote.

16.9 Voting rights

Subject to this constitution, at a directors' meeting each director present has one vote.

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16.10 Decisions

Decisions of the directors will be effective if passed by a vote of a majority of the directors present and entitled to vote at the meeting.

16.11 Teleconference

16.11.1 For the purposes of this constitution, the contemporaneous linking together in oral communication by telephone, audiovisual or other instantaneous means (**Teleconference**) of a number of the directors (being not less than a quorum) constitutes a meeting of the directors.

16.11.2 The provisions of this constitution relating to a meeting of the directors apply to a Teleconference insofar as they are not inconsistent with the provisions of this clause 16.11.

16.11.3 The following provisions apply to a Teleconference:

- (a) each of the directors taking part in the meeting must be able to hear and be heard by each of the other directors taking part at the commencement of the meeting and each director so taking part is deemed for the purposes of this constitution to be present at the meeting; and
- (b) at the commencement of the meeting each director must announce his presence to all other directors taking part in the meeting.

16.11.4 If the Secretary is not present at a Teleconference, one of the directors present must take minutes of the meeting.

16.11.5 A minute of the proceedings of a Teleconference is sufficient evidence of the proceedings and of the observance of all necessary formalities if the minute is certified to be a correct minute by the chairperson of the meeting.

16.12 Circulating resolutions

16.12.1 If:

- (a) all of the directors, other than:
 - (i) any director who is out of Australia or on leave of absence approved by the directors;
 - (ii) any director who disqualifies himself or herself from considering the act, matter, thing or resolution in question on the grounds that he or she is not entitled at law to do so or has a conflict of interest; and
 - (iii) any director who the directors reasonably believe is not entitled at law to do the act, matter or thing or to vote on the resolution in question,

assent to a document containing a statement to the effect that an act, matter or thing has been done or resolution has been passed; and

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- (b) the directors who assent to the document would have constituted a quorum at a meeting of directors held to consider the act, matter, thing or resolution,

the act, matter, thing or resolution is to be taken as having been done at or passed by a meeting of the directors.

16.12.2 For the purposes of clause 16.12.1:

- (a) the meeting is to be taken as having been held if:
 - (i) the directors assented to the document on the same date, on the date on which the document was assented to and at the time at which the document was last assented to by a director; or
 - (ii) the directors assented to the document on different dates, on the date on which, and at the time at which, the document was last assented to by a director;
- (b) two or more separate documents in identical terms each of which is assented to by one or more directors are to be taken as constituting one document; and
- (c) a director may signify assent to a document by signing the document or by notifying the company of the director's assent in person, electronically or by post, facsimile transmission, telephone or other method of written, audio or audiovisual communication.

16.12.3 Where a director signifies assent to a document other than by signing the document, the director must by way of confirmation sign the document at the next meeting of the directors attended by that director, but failure to do so does not invalidate the act, matter, thing or resolution to which the document relates.

16.12.4 Where a document is assented to in accordance with clause 16.12.1, the document is to be taken as a minute of a meeting of directors.

16.13 Delegation of powers to committees

16.13.1 The directors may:

- (a) delegate any of their powers to committees consisting of such directors or other persons as they think fit and may revoke the delegation; and
- (b) appoint advisory committees.

16.13.2 Any committee formed under clause 16.13.1 must comply with any rules that may be imposed on it by the directors.

16.13.3 The directors may revoke any delegation of power or disband any committee established under this clause 16.13.

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16.14 Proceedings of committees

16.14.1 Subject to this clause 16.14, unless otherwise determined by the directors the meetings and proceedings of a committee are governed by the provisions in this constitution regulating the meetings and proceedings of directors.

16.14.2 A committee may elect a chairperson of its meetings. If:

- (a) no such chairperson is elected;
- (b) the chairperson is not able to be present at the meeting or is not present within 15 minutes after the time appointed for the meeting; or
- (c) despite being so present is unable or unwilling to chair the meeting,

the committee members may elect one of their number to chair the meeting.

16.14.3 A committee may meet and adjourn as it thinks fit. Questions arising at any meeting must be determined by a majority of votes of the committee members present and, in the case of an equality of votes, the chairperson has a second or casting vote.

16.14.4 At all committee meetings the chairperson's ruling is final in all matters of order, procedure and practice.

16.15 Validation of acts

All acts done:

- (a) at any meeting of directors or committee meeting; or
- (b) by any person acting as a director or committee member,

are, although it is afterwards discovered that there was some defect in the appointment or continuance in office of any of the persons concerned or that any of them were disqualified or were not entitled to vote, as valid as if each of them had been duly appointed and had duly continued in office and was entitled to vote.

17. Directors' interests

17.1 Prohibition

17.1.1 Except to the extent permitted by the *Corporations Act 2001*, a director who has a material personal interest in a matter that is being considered at a meeting of directors must not:

- (a) be present while the matter is being considered at the meeting; or
- (b) vote on the matter.

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17.1.2 A director is not to be regarded as having a material personal interest in a contract or proposed contract merely because:

- (a) where the contract or proposed contract relates to a loan to the Company, he or she has guaranteed or joined in guaranteeing the repayment of the loan or a part of the loan; or
- (b) where the contract or proposed contract has been or will be made with or for the benefit of or on behalf of a body corporate which by virtue of the *Corporations Act 2001* is deemed to be related to the Company, he or she is a director of that body corporate.

17.2 Conflict of interest

17.2.1 Subject to clause 17.2.2, a director who has a material personal interest in a matter that relates to the affairs of the Company must give the other directors notice of his or her interest in accordance with Part 2D.1, Division 2 of the *Corporations Act 2001*.

17.2.2 A director with a material personal interest in a matter that relates to the affairs of the Company is not required to give notice in the following circumstances:

- (a) if all of the following conditions are met:
 - (i) the director has already given notice of the nature and extent of the interest and its relation to the affairs of the Company;
 - (ii) if a person who was not a director at the time the notice was given is appointed as a director, the notice is given to that person; and
 - (iii) the nature or extent of the interest has not materially increased above that disclosed in the notice;
- (b) if the director has given a standing notice of the nature and extent of the interest in accordance with the *Corporations Act 2001* and that standing notice is still effective in relation to the interest; or
- (c) as otherwise permitted under the *Corporations Act 2001*.

18. Minutes

The directors must carry out the obligations imposed on the Company by Part 2G.1 of the *Corporations Act 2001* to cause minutes of meetings to be kept.

19. Officers of the Company

19.1 Directors

19.1.1 Immediately after each annual general meeting, the directors must appoint from their number:

- (a) a President;
- (b) a Deputy President;

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(c) a Vice-President; and

(d) a Treasurer.

19.1.2 Each director holds appointed office until the next succeeding annual general meeting or the director ceases to hold elected office, whichever occurs first.

19.1.3 An appointment under clause 19.1.1 may be terminated by a majority vote of the total number of directors.

19.1.4 No director may hold office as President at any one time for more than three consecutive years.

19.1.5 Subject to this constitution, each director holds his or her appointed office on the terms and with the powers, duties and authorities, as the directors determine.

19.1.6 A director may hold any other office or place of profit under the Company (except that of auditor) in connection with the office of director for the period and on such terms as to remuneration and otherwise as the directors determine.

19.2 General Manager

19.2.1 The directors may appoint a person to be the general manager of the Company for such period and on such terms as they think fit.

19.2.2 The directors may delegate, on the terms and with any restrictions as they determine, to the general manager any of the powers exercisable by them under this constitution or the *Corporations Act 2001* and may at any time withdraw, suspend or vary any of those powers. Giving powers to the general manager does not prevent the exercise of those powers by the directors.

19.2.3 The directors may at any time terminate the appointment of a general manager.

19.3 Secretary

19.3.1 There must be at least one Secretary who is to be appointed by the directors.

19.3.2 A Secretary of the Company holds office on the terms, and with the powers, duties and authorities, as the directors determine.

19.3.3 The directors may at any time terminate the appointment of a Secretary.

19.4 Other officers

19.4.1 The directors may:

(a) create any other position or positions in the Company with the powers and responsibilities as the directors determine; and

(b) appoint any person, whether or not a director, to any position created under paragraph (a).

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19.4.2 The directors may at any time terminate the appointment of a person holding a position created under clause 19.4.1(a) and may abolish the position.

19.5 No alternate directors

A director may not appoint an alternate.

20. Seal

20.1 Effect

This clause 20 has effect only if the Company has a company seal.

20.2 Safe custody

The directors must provide for the safe custody of the company seal.

20.3 Affixing

20.3.1 Every instrument to which the company seal is affixed must be signed by at least one director and countersigned by another director, a Secretary or another person appointed by the directors to countersign that document or a class of documents in which that document is included.

20.3.2 A director may sign or countersign as director any instrument to which the company seal is affixed even though the instrument relates to a contract, arrangement, dealing or other transaction in which he or she is interested, and his or her signature is effective with respect to compliance with the requirements of this constitution as to the affixing of the company seal despite his or her interest.

21. Accounts, audit and records

21.1 Accounts

21.1.1 The directors must cause proper accounting and other records to be kept in accordance with Chapter 2M of the *Corporations Act 2001*.

21.1.2 The directors must distribute copies of every profit and loss account and balance sheet (including every document required by law to be attached to them) as required by Chapter 2M of the *Corporations Act 2001*.

21.2 Audit

21.2.1 A registered company auditor must be appointed.

21.2.2 The remuneration of the auditor must be fixed and the auditor's duties regulated in accordance with the *Corporations Act 2001*.

21.3 Inspection

21.3.1 Subject to any reasonable restrictions imposed by the directors, the accounting records and any other documents of the Company must be open to the inspection of directors.

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21.3.2 A member other than a director does not have any right to inspect the accounting records or other documents of the Company except as conferred by the *Corporations Act 2001* or other statute by clause 21.3.1, or authorised by the directors or by the Company in general meeting.

22. Notices

22.1 Writing

A notice under this constitution must be in writing.

22.2 Means of giving notices

22.2.1 A notice may be given to the addressee by:

- (a) delivering it to the street address of the addressee;
- (b) sending it by prepaid ordinary post to the street address of the addressee;
- (c) sending it by facsimile to the facsimile number of the addressee; or
- (d) sending it by email to the email address of the addressee,

as specified in the Register.

22.2.2 In addition to the means of giving notices in clause 22.2.1, a notice may be given to the addressee by such other method of communication, including electronic means, determined by the directors and nominated or approved by the addressee.

22.3 Time notices are given

A notice is to be regarded as given:

- (a) if delivered, at the time of delivery;
- (b) if sent by post, on the third day after posting;
- (c) if sent by facsimile, at the time transmission is completed;
- (d) if sent by email, immediately after dispatch; or
- (e) if sent by another method of communication determined by the directors, in the manner determined by the directors for such notices.

22.4 Proof of giving notices

22.4.1 Proof of the sending of a notice by facsimile and the time of completion of transmission may be established by production of a transmission report by the machine from which the facsimile was sent that indicates that the facsimile was sent in its entirety to the facsimile number of the addressee.

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22.4.2 Proof of the sending of a notice by email and the time of dispatch may be established by production of a delivery confirmation report by the machine from which the email was sent that indicates that the email was sent to the addressee.

22.4.3 Proof of the sending of a notice by another method of communication determined by the directors may be established in the manner determined by the directors for such notices.

23. Indemnity

23.1 Right to indemnity

Subject to this clause 23, to the extent permitted by law, the Company indemnifies each officer (as defined for the purposes of section 199A of the *Corporations Act 2001*) out of the assets of the Company against any liability to another person incurred by the officer as an officer of the Company.

23.2 Restrictions

The indemnity referred to in clause 23.1 does not indemnify an officer against a liability:

- (a) owed to the Company or a related body corporate as defined in section 50 of the *Corporations Act 2001* (**Related Body Corporate**);
- (b) for a pecuniary penalty order under section 1317G of the *Corporations Act 2001* or a compensation order under section 1317H, 1317HA or 1317HB of the *Corporations Act 2001*; or
- (c) that is owed to someone other than the Company or a Related Body Corporate and did not arise out of conduct in good faith,

provided that this clause 23.2 does not apply to a liability for legal costs.

23.3 Legal costs

23.3.1 The indemnity referred to in clauses 23.1 and 23.2 does not indemnify an officer against legal costs incurred in defending an action for a liability incurred as an officer of the Company if the costs are incurred:

- (a) in defending or resisting proceedings in which the officer is found to have a liability for which the officer could not be indemnified under clause 23.2;
- (b) in defending or resisting criminal proceedings in which the officer is found guilty;
- (c) in defending or resisting proceedings brought by the Australian Securities and Investments Commission or a liquidator for a court order if the grounds for making the order are found by the court to have been established; or

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- (d) in connection with proceedings for relief to the officer under the *Corporations Act 2001* in which the court denies the relief,

provided that paragraph (c) does not apply to costs incurred in responding to actions taken by the Australian Securities and Investments Commission or a liquidator as part of an investigation before commencing proceedings for the court order.

- 23.3.2 For the purposes of this clause 23.3, the outcome of proceedings is the outcome of the proceedings and any appeal in relation to the proceedings.

23.4 Insurance premiums

The Company may, in accordance with section 199B of the *Corporations Act 2001*, pay the premiums on contracts insuring a person who is or has been an officer of the Company.

24. Winding up

If on the winding up of the Company there remains after satisfaction of all its debts and liabilities any property, that property may only be paid or distributed to one or more organisations having similar objects to the Company and rules prohibiting the distribution of their assets to members. The organisation or organisations are to be determined by the Company in general meeting prior to the winding up of the Company, or, if no such determination is made, by court order.

25. Amalgamation

If it furthers the objects of the Company to amalgamate with any one or more other organisations having similar objects, the other organisation or organisations must have rules prohibiting the distribution of its or their assets and income to members and must be exempt from income tax.

26. Adoption and amendments of Constitution

- 26.1.1 The members may amend or repeal this Constitution, or a provision of this Constitution, by special resolution passed at a general meeting.

- 26.1.2 A special resolution adopting, amending or repealing this Constitution takes effect:

- (a) if no later date is specified in the resolution, on the date on which the resolution is passed; or
- (b) on any later date specified in, or determined in accordance with, the resolution.

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27. Licence

27.1 Amendment

The Company must notify the Australian Securities and Investments Commission as soon as practicable of any amendment to this Constitution.

27.2 Pre-existing licence

Clauses 14.10 and 27.1 contain conditions on which a licence is granted to the Company pursuant to section 151 of the *Corporations Act 2001*.