

CONSTITUTION

SUPPLY CHAIN AND LOGISTICS ASSOCIATION OF AUSTRALIA Ltd

(DJD 1 July 2005/SM 14 JUN 06)

(Amended: AGM: 29 October 2010)

(Amended: Special General Meeting – 14 December 2018)

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CONSTITUTION OF SUPPLY CHAIN AND LOGISTICS ASSOCIATION OF AUSTRALIA LTD

1. Nature of the Company

(a) This Company is a not for profit public company limited by guarantee

(b) The name of the Company is Supply Chain and Logistics Association of Australia Ltd

2. Definitions and Interpretation

2.1 Definitions

In this Constitution unless the contrary intention appears:

Appointed Director means any person occupying the position of a Director who has been elected in accord with clause 13.1(a),13.1(b),13.2(a),or 13.2(b)

Appointer means a Divisional Committee that is responsible for appointing a Director to the Board

Auditor means the Company's Auditor

Board means the Board of Directors of the Company

By-Laws means the By-Laws of the Company passed under clause 18

Chairperson of the Board means the Chairperson for the time being elected to Chair a Director's Meeting

Chairperson of the General Meeting means the Chairperson for the time being elected to Chair a General Meeting

Constitution means this Constitution as altered or added to from time to time

Company means the Supply Chain and Logistics Association of Australia

Act means the Corporations Act 2001(Commonwealth)

Deputy-Chairperson of the Board means the Deputy-Chairperson for the time being elected to Chair a Director's Meeting in the absence of the Chairperson of the Board

Deputy-Chairperson of the General Meeting means the Deputy-Chairperson for the time being elected to Chair a General Meeting in the absence of the Chairperson of the General Meeting

Director means any person occupying the position of Director of the Company and, where appropriate, includes an alternate Director

Directors means all or some of the Directors acting as a Board

Division means a Division of the Company under clause 6.4

Divisional Committee means the Committee of each Division established under clause 17

Independent Director means any person occupying the position of a Director who has been elected in accord with clause 13.4

Life Member means a person qualified for membership of the Company under clause 6.7

Member means a member of the Company under clause 6.2

Non-Voting Member means a person admitted to membership of the Company under clause 6.8

Office means the Company's registered office

Ordinary Member means a person admitted to membership of the Company under clause 6.6

Register means the Register of Members of the Company

Registered Address means the last known address of a member as noted in the Register

Seal means the Company's Common Seal (if any)

Secretary means any person appointed by the Directors to perform any of the duties of a Secretary of the Company and if there are joint Secretaries, any one or more of the joint Secretaries

Special Resolution means a resolution

- (a) of which notice as required in accord with the Corporations Act has been given; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution

Voting Member means an Ordinary Member or Life Member (subject to clause 6.6 and 6.7)

2.2 Interpretation

- (a) In these clauses unless the contrary intention appears or the context otherwise requires:
 - (1) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
 - (2) the singular includes the plural and vice versa;
 - (3) the word person includes affirm, body corporate, an unincorporated association or an authority;
 - (4) words and expressions defined in the Act have the same meaning in this Constitution;
 - (5) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes, (including but not limited to, persons taking by novation) and assigns;
 - (6) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
 - (7) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
 - (8) money amounts are stated in Australian currency unless otherwise specified; and
 - (9) Headings are for ease of reference only and do not affect the construction of this Constitution.
- (b) Unless the contrary intention appears in this Constitution, an expression in a clause of this Constitution has the same meaning as in a provision of the Act that deals with the same matter as the clause.
- (c) To the extent permitted by law, the replaceable rules in the Act do not apply to the Company.

3. Obligation of Members

- 3.1 To the best of their ability every member undertakes to:
 - (a) Promote and further the objects, interest, influence and standing of the Company; and

- (b) Observe this Constitution and rules and regulations of the Company in force from time to time.

4. Objects

The objects for which the Company is established are to:

- (a) Create value for, and improve, foster and protect interests of all members regardless of location or professional status.
- (b) Promote and develop the practice and profession of Logistics and Supply Chain Management (SCM)
- (c) Facilitate and support exchange of knowledge and experience
- (d) Encourage, sponsor and promote appropriate training and education
- (e) Encourage, sponsor, promote and disseminate relevant research, benchmarking and innovation
- (f) Lead and contribute to ongoing development and promulgation of current and emerging best practice in all elements of Logistics and SCM.
- (g) Encourage, recognize and reward achievements and excellence in Logistics and SCM community
- (h) Lobby and or liaise with Governments, regulators, and other influential persons or bodies
- (i) Publish newsletters or other publications and such, in any form
- (k) Collaborate with other Associations, organizations or institutions, which in any way assist in pursuit of the Objects.
- (l) Amalgamate or otherwise join with, or take over, any other organization in pursuit of the Objects.
- (m) Arrange with any person or business, including Government entities, for provision of goods, services, benefits or such.
- (n) Engage or employ professional assistance of any kind, and remunerate
- (o) persons for services rendered in or about the formation or promotion of the Company, or in the conduct of its affairs.

- (p) Apply for, purchase, otherwise acquire, sell or deal with intellectual property including patents, patent rights, copyright, trademarks or such.
- (q) Initiate and continuously pursue alternative (to member's subscriptions) income streams to underpin pursuit of the Objects and financial viability. These streams include but are not limited to:
 - National tiered Friends
 - Tiered Corporate Sponsoring and/or Support
 - Commercialising Intellectual Property
 - Benchmarking or Research
 - Publications
 - Conferences and/or Speaker Panels
 - Endorsements and /o Use of LAA Logo
 - Marketing and Sale of Merchandise
- (r) Invest and deal with moneys of the Company in such manner as may be determined from time to time
- (s) Do any and all such things as are necessary and conducive to, or reasonably incidental to carrying out the Objects.

5. Assets and Income of the Company

- (a) All assets of the Company from whatever source derived will be applied solely towards the promotion of the Objects of the Company as set out in Clause 4 and no portion thereof will be paid or transferred directly or indirectly by way of dividend, bonus or otherwise to the Members of the Company or be paid as fees to the Board PROVIDED THAT nothing herein will prevent payment in good faith of remuneration to any officers or employees of the Company or to any Member thereof or any other person in return for any service actually rendered to the Company nor prevent payment of interest at a rate not exceeding interest for the time being charged by banks in Sydney for overdrawn accounts on money lent or reasonable and proper rent, remuneration or return for the premises demised, let or licenced by any Members of the Company.
- (a) All other payments by the Company to any member of the Board will be approved by the Board.

6. Membership

6.1 The number of members is unlimited, but may be altered by the Board from time to time.

6.2 Admission

The members of the Company will be:

- (a) The persons who consented to become members in the Company's application for Registration
- (b) Any other person whom the Board admits to membership in accord with this Constitution from time to time.
- (c) All existing members of **SCLAA** State based organizations at the date of incorporation of the Company will have the unfettered right to transfer to the new Company, and will be admitted immediately as members of the Company without limitation or restriction. Such admissions will not be subject to the Application and Admission provisions for new members set out in this Constitution.

6.3 Classes of Membership

The membership of the Company shall consist of the following classes of Member:

- (a) Ordinary Members
- (b) Life Members
- (c) Student Members
- (d) Non Voting Members
- (e) Such other Classes as may be determined by the Board from time to time.

6.4 Divisions of Membership

- (1) All Members become members of the Company but are divided for operational purposes into Divisions.
- (2) Divisions are currently geographically determined based on the State or Territory in which the Member has their principal place of business and/or residence. For the time being the Divisions are:
 - (a) NSW
 - (b) Victoria and Tasmania
 - (c) Queensland
 - (d) West Australia
 - (e) South Australia and Northern Territory
 - (f) **ACT / SNSW**

- (3) A Member can only be in one Division at any given time. Members are permitted to transfer between Divisions as necessary with approval of the Board.
- (4) The Board may create or omit Divisions, or vary geographic boundaries of Divisions as it sees fit from time to time in accordance with Clause 6.14.2.

6.5 Application

- (a) Every application for Membership will be lodged with the Company Secretary and shall include name, address, occupation and such other information as the Board may determine from time to time.
- (b) Applications must be in the form and nature (e.g. written, electronic) determined by the Board. In any event the Applicant must provide a written signature for Company Records.
- (c) Applications must be accompanied by the specified entrance fee and subscription as determined by the Board from time to time. Refer clause 6.10.
- (d) **The applicant, being a fit and proper person, will be admitted to membership by the executive office / secretariat, but subject to clause (c).**
- (e) **At the first Board Meeting after receipt of the Application and following the advice of the executive office / secretariat, the Board will in its absolute discretion:**
 1. Ratify admission or determine rejection
 2. Decide to defer a decision pending a call on the Applicant to provide any additional evidence or information the Board considers to be reasonably necessary.
- (f) An Applicant will be admitted to membership of the Company if 75% of Directors present and entitled to vote at the Directors Meeting, vote by resolution to admit the Applicant.
- (g) A right privilege or obligation of a member by reason of membership:
 - (I) is not capable of being transferred or transmitted to another Member, and
 - (II) terminates upon the cessation of membership for any reason

6.6 Ordinary Member

An Ordinary Member shall be entitled to attend and vote at any general meeting of the Company.

6.7 Life Member

A Life Member:

- (a) Must be appointed by the Board on such criteria as the Board may determine from time to time.
- (b) May be exempted from paying Annual Subscriptions at the discretion of the Board.
- (c) Shall be entitled to attend any General Meeting but will be entitled to vote only if they are financial members.
- (d) Pre-existing Life Members shall continue with that designation after incorporation of the Company, subject to above clauses 6.7.(b) and 6.7.(c)

6.8. Non Voting Members

Non Voting Members:

- (a) will be such persons or class of persons as the Board may determine from time to time: and
- (b) shall be entitled to attend General Meetings but will not be entitled to vote or speak on any resolution.

6.9 Pre Existing Membership Classes

The Board in its discretion may determine to maintain or terminate pre existing classes of membership (e.g. Fellows), or to move members from those classes into the Classes now set out in this Constitution, during a period of transition determined by the Board.

6.10 Entrance Fee and Annual Subscription

- (a) The Entrance Fee and Annual Subscription payable by Members will be determined by the Board from time to time

- (b) All subscriptions will be due and payable on the Annual Membership renewal date
- (c) The Board may from time to time, give notice to Members, or a Member, of:
 - Revoking of fees
 - Postponing of fees
 - Allowing payments by installments.
- (d) The Board may from time to time determine to impose other levies or charges on Members and/or offer discounts for prompt payment.

6.11 Register of Members

- (a) The Secretary will maintain a proper Register of all Members (data base) including name, address, and other pertinent information.
- (b) Application Forms and/or records, including member signatures, will be maintained on file to verify details of members eligible to vote general Meetings and Elections.
- (c) The National Register (data base) will be maintained identifying Members within their relevant Division. Divisions will have unfettered and easy ongoing access to the Register for Company purposes.
- (c) The Register will be available for inspection by a Member or Members on request, and with sufficient notice, in accord with relevant statutes and regulations. Privacy provisions will always be adhered to in considering or granting access to the Register.

6.12 Disciplinary Procedures

- (a) If a Member willfully refuses or neglects to comply with this Constitution, or is deemed by the Board to be guilty of conduct unbecoming or prejudicial to the interests of the Company then the Board will have the power by resolution to censure, suspend, or terminate the Member from the Company.
- (b) Any action taken by the Board in accord with clause 6.12.(a) will be effective only after the Member has been given seven days notice of the resolution and has had the opportunity to be heard at the meeting at which the resolution is proposed.

6.13 Cessation of Membership

- (a) A Member will cease to be a Member :
- (1) By resignation or death of the Member
 - (2) If 75% of Directors present and eligible to vote at a Directors Meeting resolve to terminate for reason of:
 - undesirable or prejudicial conduct
 - monies due and remaining unpaid for sixty days after falling due and a further thirty days after a notice requiring payment has been issued
 - Mental incapacity
 - Bankruptcy
 - Conviction on an indictable offence considered by the Board to impact on the Members standing in the Company.
- (b) Any Member ceasing to be a Member :
- will not be entitled to full or part refunds of subscriptions unless the Board deems there are special circumstances.
 - will remain liable for unpaid monies incurred prior to date of cessation until discharged by payment, or decision of the Board.

6.14. Variation of Membership

- (1) The Board may subject to 6.14.2:
 - create a new class of Member
 - Vary or cancel the rights of members in a class or Division
 - Transfer a Member from one class to another.
- (2) Decisions in connection with clauses 6.4.4. and 6.14.1 require approval by resolution of 75% of Directors present and entitled to vote at the Directors Meeting and are subject to determination that the decision does not comprise oppressive conduct and will not unfairly prejudice that class or division of Members.

7. Contribution of Members

- (a) The liability of Members of the Company is limited.
- (b) Every Member undertakes to contribute to the assets of the Company, in the event of the same being wound up while they are a Member or within one year after they cease to be a Member, for the payment of debts and liabilities of the Company incurred before the time at which the Member ceased to be a Member and for the costs charged and expenses of winding up and for the adjustment of rights of the contributories among themselves, such amount as may be required not exceeding \$100.

8. Powers of Attorney

- (a) If a Member executes or proposes to execute any document or to do any act by or through an attorney which affects the Company or the Members membership in the Company, that Member must deliver the instrument appointing the Attorney to the Company for notation.
- (b) If the Company asks the Member to file with it a certified copy of the instrument for the Company to retain, the Member will promptly comply with that request.
- (c) The Company may ask for whatever evidence it thinks appropriate that the power of attorney is effective and continues to be in force.

9. General Meetings

9.1 Annual General Meetings

- (a) A General meeting of the Company shall be held annually at such time and place as the Board may determine in accord with the Act.
- (b) The abovementioned General Meetings shall be called “Annual General Meeting” and all other Meetings of the Company shall be called “General Meetings”.
- (c) All members in every state will be afforded the opportunity to participate in the Meeting via cost effective and practicable means.

9.2 Calling a General Meeting

- (a) The Board may call a General Meeting at any time.
- (b) Any three Directors may call a General Meeting at any time.
- (c) The Board must call and arrange to hold a General Meeting on the request of Voting Members with at least 5% of votes that may be cast at the General Meeting.
- (d) A request of the Voting Members under clause 9.2 (c) must be:
 - in writing
 - state any resolution to be proposed at the meeting

- be signed by the Members making the request
- be given to the Company

9.3 Notice of General Meeting

Subject to the Corporations Act the Company must give twenty one days notice of General meetings and Annual General Meetings

9.4 Content of Notice

(a) A notice calling a General Meeting:

1. must specify the place, date, and time of the meeting and if the meeting is to be held in two or more places, the technology that will be used to facilitate this.
2. must state the general nature of the business to be transacted at the meeting; and
3. may specify a place, facsimile number and electronic address for the purposes of proxy appointment.

(b) A notice of an Annual General Meeting need not state that the business to be transacted at the meeting includes:

1. the consideration of the annual financial report, Board report and the Auditors report
2. the election of members of the Board
3. the appointment and fixing of the remuneration of the Auditor.

9.5 Failure to Give Notice

The failure or accidental omission to send a notice of a General Meeting (including a proxy appointment form) to any member or the non-receipt of a notice (or form) by any member does not invalidate the proceedings of any resolution passed at the General Meeting.

9.6 Postponement or Cancellation of General Meeting

- (a) The Board may postpone or cancel any General Meeting as it thinks fit (other than a meeting called as the result of a request under clause 9.2(c).
- (b) The Board must give notice of the postponement or cancellation to all persons referred to in clause 23.2 entitled to receive notice from the Company

10. Proceedings at General Meetings

10.1 Quorum

- (a) No business may be transacted at a Meeting unless a quorum of Voting Members is present when the meeting proceeds to business.
- (b) A quorum of Voting Members is ten Voting Members

10.2 Effect of No Quorum

Where a quorum is not present within thirty minutes after the time appointed for the General Meeting:

- (a) If the General Meeting was called on the requisition of Voting Members, it is automatically dissolved; or
- (b) In any other case:
 - a. It will stand adjourned to the same time and place seven days after the meeting, or to another day, time and place determined by the Board; and
 - b. If at the adjourned General Meeting a quorum is not present within thirty minutes after the time appointed for the General Meeting, the General Meeting is automatically dissolved.

10.3 Chairperson

- (a) The Chairperson of the Board, or in their absence the Deputy-Chairperson of the Board will be the Chairperson at every meeting of Members.
- (b) If:
 - 1. there is no Chairperson of the Board or Deputy-Chairperson of the Board; or
 - 2. neither the Chairperson of the Board or the Deputy-Chairperson of the Board is present within fifteen minutes after the time appointed for holding the General Meeting; or
 - 3. the Chairperson of the Board or Deputy-Chairperson of the Board are unwilling to act as Chairperson of a General Meeting,

the Directors present may elect an Independent Director as Chairperson of the General Meeting.

- (c) If no election is made under clause 10.3 (b) then the Directors present may elect another from their number as Chairperson of the General Meeting

(d) If no election is made under clause 10.3 (b) or 10.3 (c), then:

1. The Voting Members may elect one of the Directors present as Chairperson of the General meeting; or
2. If no Directors present are willing to take the Chair, the Voting Members present may elect one of the Members present as Chairperson of the General Meeting.

(e). If there is a dispute at a General meeting about a question of procedure, the Chairperson of the General Meeting may determine the question.

10.4 Adjournment

(a). The Chairperson at a General Meeting at which a Quorum is present:

(1) may in their discretion adjourn the General Meeting with the consent of those present at the Meeting.

(2) must adjourn the General Meeting if the meeting directs them to do so

(b) An adjourned General Meeting may take place at a different venue to the initial General Meeting.

(c) The only business that can be transacted at an adjourned General Meeting is the unfinished business of the initial General Meeting.

(d) Notice of an adjourned General Meeting need only be given in accord with clause 10.2 if a General Meeting has been adjourned for more than twenty one days.

11. Voting at General Meetings

11.1 Voting

(a) Subject to the Corporations Act an ordinary resolution is carried if a majority of the votes cast on the resolution are in favour of the resolution.

(b) A resolution put to the vote at a General Meeting is decided on a show of hands unless a poll is demanded.

(c) Unless a poll is demanded:

(1) a declaration by the Chairperson of the General Meeting that a

resolution has been carried, carried by a specific majority, or lost; and

(2) an entry to that effect in the minutes of the meeting,

are conclusive evidence of the fact without proof of the number or proportion of the votes in favour of or against the resolution.

(d) the demand for a poll may be withdrawn

(e) A decision of a General Meeting may not be impeached or invalidated on the ground that a person voting at a General Meeting was not entitled to do so.

11.2 Voting by Poll

(a) A Poll will be taken when and in the manner that the Chairperson of the General Meeting directs.

(b) The result of the Poll will be the resolution of the meeting at which the Poll was demanded.

(c) The Chairperson of the General Meeting may determine any dispute about the admission or rejection of a vote.

(d) The Chairperson of the General Meeting's determination, if made in good faith will be final and conclusive.

(e) A Poll demanded on the election of the Chairperson of the General meeting must be taken immediately.

(f) After a Poll has been demanded at a General Meeting, the General Meeting may continue for the transaction of business other than the question on which the Poll was demanded.

12. Votes of Members

12.1 Entitlement to Vote

(a) Non Voting Members do not have a vote.

(b) Every Voting Member present in person, shall have one vote whether on a show of hands or on a Poll.

(c) Every person whether a member or not shall have one vote for each Voting Member they are representing by proxy.

12.2 Objections

- (a) An objection to the qualification of a voter may only be raised at the General Meeting or adjourned General Meeting at which the voter tendered their vote.
- (b) An objection must be referred to the Chairperson of the General Meeting whose decision is final.
- (c) A vote which the Chairperson of the General Meeting has not disallowed because of an objection is valid for all purposes.

12.3 Casting Vote of Chairperson

In the case of an equality of votes, whether on a show of hands or on a Poll, the Chairperson of the General Meeting at which the show of hands takes place or at which the Poll is demanded has a casting vote (in addition to any vote that the Chairperson of the General Meeting may have as a Member).

12.4 Votes by Proxy

- (a) If a Voting Member appoints a proxy, proxies or an attorney, the proxy, proxies or attorney may not vote on a show of hands.
- (b) A proxy need not be a member
- (c) A proxy may demand or join in demanding a Poll
- (d) A proxy or attorney may vote on a Poll
- (e) A proxy may vote or abstain as they choose except where the appointment of the proxy directs the way the proxy is to vote on a particular resolution. If a proxy votes at all, the proxy will be deemed to have voted all directed proxies in the manner directed.

12.5 Document Appointing Proxy

An instrument appointing a proxy:

- (a) may be contained in a facsimile
- (b) must be in writing under the hand of the appointer or of an attorney duly authorized in writing.
- (c) may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the

proxy is not entitled to vote on the resolution except as specified in the instrument.

- (d) is deemed to confer authority to demand or join in demanding a Poll; and
- (e) must (except in the case of proxies appointed under power of attorney), be in such form as the Directors prescribe.

12.6 Lodgement of Proxy

- (a) The written appointment of a proxy or attorney must be received by the Company, at least forty-eight hours (unless otherwise specified in the notice of meeting to which the proxy relates) before:
 - (1) the time for holding the General Meeting or adjourned General meeting at which the appointee proposes to vote; or
 - (2) the taking of a Poll on which the appointee proposes to vote.
- (b) The Company receives an appointment of a proxy and any power of attorney or other authority under which it was executed when they are received at:
 - (1) the office
 - (2) a facsimile number at the office
 - (3) a place, facsimile number or electronic address specified for that purpose in the notice of meeting.

12.7 Validity

A vote cast in accord with an appointment of proxy or power of attorney is valid even if before the vote was cast the appointer:

- (a) died
- (b) became mentally incapacitated; or
- (c) revoked the proxy or power,

unless any written notification of the death, unsoundness of mind or revocation was received by the Company before the relevant General Meeting or adjourned General Meeting.

13. Board

13.1 Initial Directors at Date of Incorporation

- (a) At date of incorporation Directors will comprise one each appointed by and from each Division, and may include up to two independent Directors appointed by the Board.
- (b) The initial Directors will hold office until the date of the first Annual General Meeting.

13.2 Subsequent Directors (After Date of First Annual General Meeting)

- (a) From the date of the first Annual General Meeting the Board will comprise:
 - 1. One Director from each Division elected by the members from that Division.
 - 2. Up to ten Independent Directors elected in accord with clause 13.4.

13.3 Directors

A Director must :

- (a) be a natural person
- (b) formally consent to appointment as a Director

13.4 Independent Directors

- (a) Independent Directors **may** be members of the Company
- (b) Any two Members may submit a nomination for an Independent Director
- (c) The Board will establish a Nominations Committee to seek out and establish the credentials of potential Independent Directors
- (d) The election of Independent Directors shall take place at the Annual General Meeting.
- (e) The Board may fill any casual vacancies for Independent Directors as they occur. Such appointments will remain in office until the next Annual General Meeting.

SECTION FOR ALL DIRECTORS

13.5 Term of Office

- (a) Term of office for all Directors will be for two years subject to staggered rotation to ensure continuity.
- (b) Maximum period of office for a Director will be four consecutive years (two terms) except:
 - where there are insufficient candidates to fill a vacancy
 - where the affected Division approves and the Board ratifies a third term.
- (c) Any Director completing two terms will again be eligible for appointment or election for one further term, after being out of office for one year.

13.6 Removal of Directors

The Company may remove a Director from time to time in accord with the Corporations Act.

13.7 Vacation of Office

The office of a Director immediately becomes vacant if the Director:

- (a) is prohibited by the Corporations Act from holding office or continuing as a Director;
- (b) is liable to have a person appointed, under the law relating to administration of estates of persons who through mental or physical incapacity are incapable of managing their affairs, to administer it, or becomes in the opinion of the Board incapable of performing their duties;
- (c) resigns by notice in writing to the Company; or
- (d) is absent from three or more Director's meetings without the prior approval of the Board.

13.8 Appointment to Fill Casual Vacancy

- (a) The Board in collaboration with the Divisions may fill any occurring Casual Vacancies until the date of the next Annual General Meeting.

- (b) The Board will fill any occurring casual vacancy within three months from the date the vacancy first occurred.
- (c) Any Director appointed to fill a casual vacancy will hold office only until the next Annual General Meeting but will be eligible at that time to stand for election to hold office until the end of the term of the vacating Director.

14. Powers and Duties of the Board

14.1 Powers and Duties of the Board

- (a) The business of the Company is managed by the Board who may exercise all powers of the Company that this Constitution and the Corporations Act do not require to be exercised in General Meeting.
- (b) The Board will control and manage the affairs of the Company and without limiting the generality of clause 14 (a), the Board may exercise all the powers of the Company to:
 - (1) borrow money;
 - (2) charge any property or business of the Company;
 - (3) issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person; and
 - (4) guarantee or to become liable for the payment of money or the performance of any obligation by or of any other person.
- (c) The Board will at all times:
 - (1) Strive to achieve the Objects of the Company;
 - (2) Be responsible for Governance and Compliance
 - (3) Act in the best interests of the Company.

14.2 Payments to Directors

- 1. No payment will be made to Directors other than payment:
 - (a) of out of pocket expenses incurred by the Director in performance of any duty as Director of the Company where the amount payable does not exceed an amount previously authorized by the Board;

- (b) for services rendered, at the request of the Board, in their capacity as a Director;
 - (c) for any services rendered to the Company by the Director in a professional or technical capacity, where the provision of the service has the prior approval of the Board and where the amount payable is not more than an amount which commercially would be reasonable payment for the service;
 - (d) relating to an indemnity in favour of the Director and permitted by or insurance permitted by the Corporations Act.
2. The Board may at its discretion pay attendance fees to Independent Directors subject to ratification by Members at the Annual General Meeting.

14.3 Directors Interests

- (a) No contract made by a Director and no contract arrangement entered into by or on behalf of the Company in which the Director may be in any way interested is avoided or rendered voidable merely because of the person holding office as a Director or because of the fiduciary obligations arising out of that office.
- (b) No Director contracting with or being interested in any arrangement involving the Company is liable to account to the Company for any profit realised by or under any such contract or arrangement merely because of the person holding office as a Director or because of the fiduciary obligations arising out of that office.
- (c) A Director is not disqualified merely because of being a Director from contracting with the Company in any respect.
- (d) Subject to clause 14.1, a Director or a body or entity in which a Director has a direct interest may:
 - (1) enter into any agreement or arrangement with the Company;
 - (2) hold any office or place of profit other than as Auditor in the Company;
 - (3) act in a professional capacity other than as Auditor of the Company,

and a Director or the body or entity can receive and keep beneficially any remuneration, profits or benefits under any agreement or

arrangement with the Company or from holding an office or place of profit in or acting in a professional capacity with the Company.

- (e) A Director who has a material personal interest in a matter that is being considered at a Directors Meeting must not:
- (1) be present while the matter is being considered at the meeting;
 - or
 - (2) vote on the matter,
- unless permitted by the Corporations Act to do so, in which case a Director may,
- (3) be counted in determining whether or not a quorum is present at any meeting of the Board considering that contract or arrangement or proposed contract or arrangement;
 - (4) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement; and
 - (5) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement.
- (f) A Director may be or may become a Director or other officer of, or otherwise interested in, any related body corporate or any other body corporate promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and is not accountable to the Company for any remuneration or other benefits received by a Director as a Director or officer of, or from having an interest in, that body corporate.

14.4 Alternate Directors

- (a) Each State Director may appoint an Alternate Director from the contingent of currently active Independent Directors, or in the absence of a suitable Independent Director, the State President from their State, to exercise the nominated Director's powers for a period determined by that Director. In making such an appointment there will be genuine dialogue with and consent from the affected State Division
- (b) The appointment of an Alternate Director must be in writing, in a form designated by the Board, and a copy given to the Company.
- (c) An Alternate Director is entitled to notice of Directors Meetings and to attend and vote at those meetings, and to exercise all powers of the absent Director in their place.

- (d) When an Alternate Director exercises the absent Directors powers, the exercise of the powers is just as effective as if the powers were exercised by the absent Director.
- (e) The appointing Director may terminate the Alternate Directors appointment at any time. The termination of the Alternate Director must be in writing and a copy given to the Company.
- (e) In any case, the appointment of an alternate Director terminates when the appointing Director ceases to hold office as Director.

14.5 Remaining Directors

- (a) The Directors may act even if there are vacancies on the Board.
- (b) If the number of Directors is not sufficient to constitute a quorum at a Directors Meeting, the Directors may act only to:
 - (1) appoint a Director
 - (2) call a General Meeting

14.6 Validity of Acts of Directors

If it is discovered that:

- (a) there was a defect in the appointment of a Director or alternate Director; or
- (b) a person appointed to one of those positions was disqualified, all acts of the Directors or Alternate Directors before the discovery was made are as valid as if the person had been duly appointed and was not disqualified.

15. Delegation

- (a) The Board may delegate any of their powers, other than those which by law must be dealt with by the Directors as a Board, to the Chief Executive Officer, or to a Committee or Committees, including Divisional Committees).
- (b) The delegation of powers will be set out in writing.
- (c) The Directors may at any time revoke any delegation of power.

- (d) The Chief Executive or Committees may be authorized by the Directors to sub-delegate any powers vested to them.

16 Proceedings of the Board

16.1 Directors Meetings

- (a) A Director may at any time, and the Secretary must on the request of a Director, call a Directors Meeting.
- (b) A Directors Meeting called under clause 16.1. (a) must be called with at least two business days' written notice of a meeting to each Director.
- (d) Subject to the Corporations Act:
 - (1) Directors Meetings may be held by Directors communicating with each other by technological means by which they are able simultaneously to hear each other and to participate in discussion and to which all Directors have consented.
 - (2) The Directors need not all be physically present in the same place for the Directors meeting to be held.
 - (3) A Director who participates in a meeting held in accord with this Constitution is taken to be present and entitled to vote at the meeting.
- (e) The Directors may meet together, adjourn and regulate their meetings as they think fit.
- (f) A quorum of four Directors is required, with at least three Directors elected by Divisions to be present to constitute that quorum.
- (g) Where a quorum cannot be established for the consideration of a particular matter at a meeting of Directors, the Chairperson of the Board may call a General Meeting of Members to deal with the matter.
- (h) Notice of a meeting of Directors may be given in writing or the meeting may be otherwise called using any technology consented to by all Directors.

16.2 Voting at Directors Meetings

- (a) Unless otherwise specified in this Constitution questions arising at Directors meetings will be decided by a majority of votes of the Directors present.
- (b) Each Director present at the meeting will have one vote.
- (c) The Chairperson will not vote unless there is a deadlock in which case the Chairperson will be empowered to exercise a casting vote.

16.3 Chairperson and Deputy Chairperson of the Board

- (a) Directors shall elect annually a Chairperson and a Deputy Chairperson from amongst their number. In the event the elected Chairperson was elected from a Division then a new Director will be elected from that Division.
- (b) Chairperson and Deputy Chairperson may hold office for a maximum term of three consecutive years.

16.4 Written Resolutions

- (a) The Directors may pass a resolution without a Directors Meeting being held if all the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. The resolution is passed when the last Director signs.
- (b) For the purposes of this clause, separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy.
- (c) Any document referred to in this clause may be in the form of a facsimile or electronic transmission.
- (d) The Minutes of Directors meetings must record that a meeting was held in accord with this clause 16.4.

16.5 Minutes and Registers

- (a) The Directors must cause minutes to be made of:

- (1) the names of the Directors present at all the Directors meetings and meetings of the Committees, including Divisional Committees;
 - (2) all proceedings and resolutions of General Meetings, the Directors meetings and meetings of Committees, including Divisional Committees;
 - (3) all resolutions passed by the Directors;
 - (4) all appointments of officers;
 - (5) all orders made by Directors; and
 - (6) all disclosures of Directors and Officers interests.
- (b) Minutes must be signed by the Chairperson of the meeting or by the Chairperson of the next meeting of the relevant body.
 - (c) The Company must keep all Registers required by this Constitution and the Corporations Act.

17. Divisional Committees

- (a) Each Division of the Company will have a Divisional Committee
- (b) The members of each Divisional Committee will be elected by the voting members of that Division
- (c) Voting Members of each Division will elect a Director to represent them on the Board of the Company.
- (d) The Board will approve the minimum number of members of each Committee and functions of those Committees. To the extent practicable the intention will be to facilitate consistency across Divisions and to assist the Division Committees to perform effectively.
- (e) Divisional Committees will focus on:
 - serving members needs and aspirations in their sphere of influence having regard to their particular environments
 - Optimising the pursuit of the Objects of the Company.
- (f) The Board will require each Division to:

- (1) comply with record keeping standards
 - (2) manage income and expenditure within the approved Division budget.
 - (3) Maintain proper accounts in the approved format and submit periodic reports as required by the Board.
 - (4) Keep the Board properly informed with timely information and reporting on all relevant matters.
- (g) The Board may by resolution reject the appointment of any Director who has been elected by the Voting Members of a Division under clause 17(c) (the '**Proposed Director**'), if the Board has reason to believe that:
- (1) the relevant Divisional Committee has not complied with any of the relevant voting requirements set out in this Constitution;
 - (2) the Proposed Director has willfully refused or neglected, or is likely to willfully refuse or neglect, to comply with this Constitution;
 - (3) the Proposed Director has engaged in conduct, or is likely to engage in conduct, which is unbecoming or prejudicial to the interests of the Company; or
 - (4) the Proposed Director holds, or is likely to hold, an interest which is contrary to or conflicts with the interests of the Company.

18. By-Laws

The Board may by resolution make, repeal, or alter By-Laws not inconsistent with this Constitution, on any matters within the power of the Board to regulate.

19. Appointment of Attorneys and Agents

- (a) The Board may from time to time by resolution or power of attorney executed in accord with the relevant section of the Corporations Act, appoint any person to be the attorney or agent of the Company:

- (1) for the purposes;
 - (2) with the powers, authorities and discretions (not exceeding those exercisable by the Board under this Constitution);
 - (3) for the period, and
 - (4) subject to the conditions,
determined by the Board.
- (b) An appointment by the Board of an attorney or agent of the Company may be made in favour of:
- (1) any company;
 - (2) the members, directors, nominees or managers of any company or firm;
 - (3) any fluctuating body of persons whether nominate directly or indirectly by the Board.
- (c) A power of attorney may contain such provisions for the protection and convenience of persons dealing with an attorney as the Board think fit.
- (d) The Board may appoint attorneys or agents by facsimile transmission, telegraph or cable to act for and on behalf of the Company.
- (e) An attorney or agent appointed under this clause 19 may be authorized by the Board to sub-delegate all or any of the powers, authorities or discretions for the time being vested in it.

20. Chief Executive Officer (CEO)

- (a) The Board may appoint a Chief Executive Officer for any period it so determines and at such remuneration as the Board from time to time determines.
- (b) In accord with the Corporations Act the Board may from time to time delegate all or any of its powers to the Chief Executive Officer.
- (c) The Chief Executive Officer will be the Public Officer and Secretary for the Company.

- (d) The Secretary is entitled to attend and be heard on any matter at all Board and General Meetings

21. Seals

21.1 Common Seal

If the Company has a Seal:

- (a) the Board must provide for the safe custody of the Seal:
- (b) the Seal must not be used without the authority of the Board or a sub-Board authorized to use the Seal;
- (c) every document to which the Seal is affixed must be signed by a Director and be countersigned by another Director, the Chief Executive Officer or another person appointed by the Board to countersign the document,

21.2 Duplicate Seal

If the Company has a Seal, the Company may have one or more duplicate Seals of the Seal each of which:

- (a) must be a facsimile of the Seal with the addition on its face of the words "Duplicate Seal";
- (b) must not be used except with the authority of the Board.

22. Inspection of Records

- (a) Except as otherwise required by the Corporations Act, the Board may determine whether and to what extent, and at what times and places and under what conditions, the financial records and other documents of the Company or any of them will be open for inspection by Members other than Members of the Board.
- (b) A Member other than a Director does not have the right to inspect any financial records or other documents of the Company unless the Member is authorized to do so by a court order or a resolution of the Board.

23. Notices

23.1 Service of Notices

- (a) Notice may be given by the Company to any person who is entitled to notice under this Constitution:
 - (1) by serving it on the person; or
 - (2) by sending it by post, facsimile transmission or electronic notification to the person at the persons address shown in the Register or the address supplied by the person to the Company for sending notices to the person.
- (b) A notice sent by post is taken to be served:
 - (1) by properly addressing, prepaying and posting a letter containing the notice; and
 - (2) on the day after the day on which it was posted.
- (c) A notice sent by facsimile transmission or electronic notification is taken to be served:
 - (1) by properly addressing the facsimile transmission or electronic notification and transmitting it; and
 - (2) on the day after its dispatch.
- (d) If a Member has no registered address a notice will be taken to be served on that Member twenty four hours after it was posted on a Board at the office.
- (e) A Member whose registered address is not in Australia may specify in writing an address in Australia to be taken to be the Members registered address with in the meaning of this clause.
- (f) A Certificate in writing signed by a Director, Executive Officer or other officer of the Company that a document or its envelope or wrapper was addressed and stamped and was posted is conclusive evidence of posting,
- (g) Subject to Corporations Act the signature to a written notice given by the Company may be written or printed.
- (h) All notices sent by post outside Australia must be sent by prepaid airmail post.

23.2 Persons Entitled to Notice

- (a) Notice of every General Meeting must be given to:
 - (1) every Member
 - (2) every Director and Alternate Director, and
 - (3) any Auditor.
- (b) No other person is entitled to receive notice of a General Meeting.

24. Audit and Accounts

- (a) Each Division will prepare and submit an Annual Budget for consideration by the Board.
- (b) The Chief Executive Officer will prepare and submit an Annual Budget covering national operations and initiatives, for consideration by the Board.
- (c) After agreement from the Board, each individual Division Budget, and the national operations budget will be adopted and promulgated. The Board shall not unreasonably withhold approval or agreement for any Divisional Budget.
- (d) Divisions and National will be expected to carry out their activities within the promulgated budgets.
- (e) The CEO will submit proper periodic accounts of actual expenditure in comparison with the approved budget together with explanations of material variances and forecasts for the ensuing rolling twelve months.
- (e) The Board must cause the Company to keep written financial records that:
 - (1) correctly record and explain its transactions (including transactions undertaken as trustee) and financial position and performance; and
 - (2) would enable true and fair financial statements to be prepared and audited;and must allow a Director and the Auditor to inspect those records at all reasonable times.

(f) The Board must cause the Company's financial report for each financial year to be audited, and obtain an auditors report. The eligibility, removal, remuneration, rights and duties of the Auditor are regulated by the Corporations Act.

(g) The Board must cause the Company to prepare a financial report and a Board report that comply with the Corporations Act and must report to members in accord with the Corporations Act no later than the deadline set by the Corporations Act.

(h) Audited financial reports laid before the Company in General Meetings are conclusive except as regards errors notified to the Company within three months after the relevant General Meeting. If the Company receives notice of an error within that period, it must immediately correct the report and the report as corrected is then conclusive.

25. Accumulated Reserves

Any accumulated funds or reserves existing in Divisions and in National Account at time of incorporation will be retained within their respective jurisdictions subject to the initial Board of the Company ratifying decisions taken by the previously existing National Executive Committee in regard to an appropriate contribution from each Division to allow incorporation, start up and an initial period of operation.

26. Winding Up

If upon the winding up or dissolution of the Company there remains after satisfaction of all its debts and liabilities any property or assets, the same shall not be paid or distributed amongst the Members but shall be given or transferred to some institution or institutions having objects similar to the objects of the Company and whose memorandum or constitution shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the Company under this clause, such institution or institutions to be determined by a Special Resolution of Members passed at a General Meeting at or before the time of dissolution or in default of such determination by such Judge of the Supreme Court of New South Wales as may have or acquire jurisdiction in the matter.

27. Indemnity

(a) To the extent permitted by law and subject to the restrictions contained in the Corporations Act the Company indemnifies every person who is or has been an officer of the Company against any liability (other than for legal costs) incurred by that person as such an officer of the Company (including

liabilities incurred by the officer as an officer of a subsidiary of the Company where the Company

- (b) To the extent permitted by law and subject to the restrictions contained in the Corporations Act, the Company indemnifies every person who is or has been an officer of the Company against reasonable legal costs incurred in defending an action for a liability incurred by that person as an officer of the Company (including such legal costs incurred by the officer of a subsidiary of the Company where the Company requested the officer to accept that appointment).
- (c) The amount of any indemnity payable under clause 27 (a) or 27(b) will include an additional amount (GST amount) equal to any GST payable by the officer being indemnified (indemnified officer) in connection with the indemnity (less the amount of input tax credit claimable by the indemnified officer in connection with the indemnity). Payment of any indemnity which includes a GST amount is conditional upon the indemnified officer providing the Company with a GST Tax Invoice for the GST amount.
- (d) For the purposes of this clause 27, officer means:
 - (1) a Director, or
 - (2) an Executive Officer

28. Insurance

The Company may, in respect of each Director and the Chief Executive Officer of the Company (and any other officer or former officer of the Company or its related bodies corporate) to the extent permitted by law, purchase and maintain insurance or pay or agree to pay a premium for insurance against any liability incurred by that person as a officer of the Company or of a related body corporate including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal and whatever outcome.

29. Variation or Amendment of Constitution

This Constitution may be varied or amended from time to time in accord with the Corporations Act.