



CONSTITUTION

THE ANGUS SOCIETY OF AUSTRALIA LIMITED

ACN 000 574 210

November 2020

TABLE OF CONTENTS

| | | |
|-----------|--|-----------|
| 1. | GENERAL | 5 |
| | 1.1 Name of the Company | 5 |
| | 1.2 Replaceable Rules | 5 |
| | 1.3 Public Company | 5 |
| 2. | DEFINITIONS AND INTERPRETATION | 5 |
| | 2.1 Definitions..... | 5 |
| | 2.2 Interpretation | 9 |
| | 2.3 Actions authorised under the Act and compliance with the Act | 9 |
| | 2.4 Changes to Constitution..... | 9 |
| 3. | OBJECTS AND POWERS | 10 |
| | 3.1 Objects of the Company | 10 |
| | 3.2 Not separate objects..... | 11 |
| | 3.3 Powers of the Company | 11 |
| 4. | HERD BOOK AND OTHER REGISTERS | 12 |
| 5 | NON-PROFIT NATURE OF THE COMPANY..... | 12 |
| | 5.1 Non distribution of profits to Members..... | 12 |
| | 5.2 Limited liability of Members..... | 13 |
| | 5.3 No distribution of profits to Members on winding up..... | 14 |
| 6. | MEMBERSHIP..... | 14 |
| | 6.1 Classes of Membership..... | 14 |
| | 6.2 First Members..... | 15 |
| | 6.3 Qualification for and rights of membership..... | 15 |
| | 6.4 Application for Membership..... | 18 |
| | 6.5 Fees and subscriptions | 19 |
| | 6.6 Variation of rights of Members | 19 |
| | 6.7 Rights and Privileges of every Member. | 19 |
| 7 | TERMINATION OF MEMBERSHIP | 19 |
| | 7.1 Resignation and removal of a Member | 19 |
| | 7.2 Conduct and Competency of Members..... | 20 |
| | 7.3 Disputes and Mediation..... | 22 |
| 8. | FINANCIAL RECORD KEEPING | 23 |
| 9 | AUDIT | 24 |
| 10 | GENERAL MEETINGS..... | 24 |
| 11 | PROCEEDINGS OF MEETINGS..... | 27 |
| | 11.1 Business of general meetings | 27 |
| | 11.2 Quorum | 28 |
| | 11.3 Chair of General Meetings..... | 28 |
| | 11.4 Acting Chair..... | 28 |

| | | |
|------------|--|-----------|
| | 11.5 General conduct of meeting | 29 |
| | 11.6 Adjournment | 29 |
| | 11.7 Voting | 29 |
| | 11.8 Declaration of vote on a show of hands - when poll demanded | 30 |
| | 11.9 Taking a poll | 31 |
| | 11.10 Continuation of business | 31 |
| | 11.11 Special meetings | 31 |
| 12. | VOTING BY PROXY | 32 |
| | 12.1 Appointment of proxies | 32 |
| | 12.2 Validity of vote | 32 |
| | 12.3 Form and execution of instrument of proxy | 32 |
| | 12.4 Board to issue forms of proxy | 33 |
| 13 | THE BOARD OF DIRECTORS | 34 |
| | 13.1 Directors | 34 |
| | 13.2 Election of Directors | 35 |
| | 13.3 Transition to new Board and Board rotation | 37 |
| | 13.4 Directors – Vacation from office | 38 |
| | 13.5 Directors may contract with the Company | 40 |
| | 13.6 Appointment of Attorneys or Agents | 41 |
| | 13.7 Execution of documents and negotiable instruments | 42 |
| 14. | EXERCISE OF VOTING POWER IN OTHER BODIES CORPORATE . | 42 |
| 15 | PROCEEDINGS OF THE BOARD | 42 |
| | 15.1 Procedures relating to the Board meetings | 42 |
| | 15.2 Meetings by telephone or other means of communication | 43 |
| | 15.3 Majority votes at Board meetings | 44 |
| | 15.4 Quorum at Board meetings | 44 |
| | 15.5 Powers of meetings | 44 |
| | 15.6 Validity of acts | 44 |
| | 15.7 Resolution in writing | 44 |
| 16 | BOARD COMMITTEES AND REGULATIONS | 45 |
| | 16.1 Power to establish Board Committees | 45 |
| | 16.2 Proceedings of Board Committees | 45 |
| | 16.3 Audit Committee | 46 |
| | 16.4 Affiliated Angus Breeder Groups | 46 |
| | 16.5 Regulations | 46 |
| 17 | GENERAL POWERS OF THE BOARD | 47 |
| 18 | COMPANY SECRETARY | 47 |
| 19 | OTHER SALARIED OFFICERS | 47 |
| 20 | THE SEAL | 48 |

| | | |
|-----------|--|-----------|
| 21 | MINUTES | 48 |
| | 21.1 Contents of minutes | 48 |
| | 21.2 Signing of minutes..... | 48 |
| | 21.3 Inspection of records and the Register..... | 48 |
| 22 | NOTICES | 49 |
| | 22.1 Service of notices | 49 |
| | 22.2 When notice deemed to be served | 49 |
| | 22.3 Member not known at Registered Address..... | 50 |
| | 22.4 Signature to notice..... | 50 |
| | 22.5 Reckoning of period of notice..... | 50 |
| | 22.6 Persons entitled to notice of Company general meeting | 50 |
| | 22.7 Notification of change of address | 51 |
| 23 | INDEMNITY AND INSURANCE | 51 |
| | 23.1 Indemnity | 51 |
| | 23.2 Insurance | 51 |

A COMPANY LIMITED BY GUARANTEE
CONSTITUTION
Of
THE ANGUS SOCIETY OF AUSTRALIA LIMITED

1. GENERAL

1.1. Name of the Company

The name of the Company is **THE ANGUS SOCIETY OF AUSTRALIA LIMITED.**

1.2. Replaceable Rules

To the extent permitted by law the Replaceable Rules do not apply to the Company. (The Replaceable Rules themselves are rules within the Corporations Act that may be rewritten by individual companies to suit their own needs.)

1.3. Public Company

The Company is a public company limited by guarantee.

2. DEFINITIONS AND INTERPRETATION

2.1. Definitions

In these Rules unless it is inconsistent with the subject or context in which it is used:

'Act' means the *Corporations Act 2001*;

'Affiliated Angus Breeder Groups' means state, regional or special interest groups established to promote the interests of the Company and subject to terms of reference determined by the Board;

'AGM' means the Annual General Meeting of the Company;

'Angus Genetic Evaluation Services' means services to members for genetic evaluation of Angus and Angus-influenced cattle using appropriate analytical tools selected by the Board from time to time;

'Annual General Meeting' or **'AGM'** means the annual general meeting of the

Company;

'Ballot' means a ballot conducted by way of any means approved by the Board and includes an Electronic Ballot or a Postal Ballot;

'Board' means all or some of the Directors acting as the board of the Company;

'Board Committee' means a sub-committee of the Board to which powers have been delegated by the Board pursuant to **Rule 16.1**;

'Breeding Registers' means any recorded cattle information owned or administered by the Company as determined by the Board from time to time, including but not limited to the Herd Book Register (HBR), Angus Performance Register (APR), Red Angus Register (RAR), Multi-Breed Register (MBR), and Angus Commercial Register (ACR);

'Business Day' means a day, not being a Saturday, Sunday or public holiday, on which banks (as that term is defined in the Banking Act 1959) are open for business in Sydney;

'Company' means **THE ANGUS SOCIETY OF AUSTRALIA LIMITED, ACN 000 574 210**;

'Constitution' means the constitution of the Company, as amended from time to time;

'Declaration Day' means the day appointed by the Board as the day on which the result of a Ballot is to be declared.

'Director' means a person elected or appointed from time to time to the office of director of the Company in accordance with these Rules.

'Electioneering Material' means an election statement for nominations of persons for Director of the Company in a fixed format prescribed from time to time by the Board and less than 300 words including all headings that details the following in relation to the nominees:

- (a) their qualifications, if any, and relevant experience;
- (b) their contribution to the breed and/or the Company to date; and

(c) key issues they see facing the Company;

OR

an election statement in the format that is determined by the Board from time to time.

‘Electronic Ballot’ means voting on a matter reserved to Full Members or Honorary Life Members at an election of Directors using technology which may be approved by the Board from time to time, and which may include web-based or email voting systems or systems not yet developed and in such format and conditions as to delivery and authentication of the vote consistent with the Act that the Board prescribes from time to time;

‘Foundation Animals’ means purebred male and female Angus cattle considered by the Board to be of superior merit, see **Rule 4 (c)**.

‘Full Member’ means persons admitted to membership as set out in **RULES 6.1 (a) and 6.3.2**

‘Honorary Life Member’ means persons admitted to membership as set out in **Rules 6.1 (a)(v) and 6.3.6**

‘Member’ means persons admitted to any of the classes of membership as set out in **Rule 6.1**;

‘Officer’ has the meaning set out in the Act;

‘Optional Appointed Director’ means a Director appointed in accordance with clause 13.1(d) of this Constitution, subject to clauses 13.1(a), (b), (c) and (e) of this Constitution;

‘person’ and words importing **‘persons’** include partnerships, associations, bodies corporate, unincorporated and incorporated by Ordinance, Act of Parliament or registration, as well as individuals;

‘Postal Ballot’ means voting on a matter reserved to Full Members or Honorary Life Members at an election of Directors in writing in a form approved by the Board from time to time, and sent by delivering it to the Company’s Registered Office or by sending it by prepaid post or facsimile transmission addressed to the Company Secretary at the Company’s Registered Office;

'President' means the Director elected to chair Board meetings in accordance with **Rule 13.2(m)**;

'Registered Address' means the principal place of residence of a Member as they have indicated on the membership application form and as recorded in the Register of Members;

'Register of Members' means the Register of Members of the Company established pursuant to the Act;

'Registered Office' means the registered office from time to time of the Company;

'Rule' means the rules of the Constitution as altered or added to from time to time;

'Seal' means the common seal, if any, from time to time of the Company;

'Secretary' means any person appointed by the Board to perform the duties of a company secretary of the Company;

'Special Resolution' has the meaning in the Act which as at the date of adoption of this Constitution means:

- (a) in relation to a company, a resolution:
 - (i) of which notice as set out in paragraph 249L(c) has been given; and
 - (ii) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution;"

'State' means each and any of New South Wales, Victoria, South Australia, Western Australia, Tasmania and Queensland. Northern Territory is included with South Australia and the Australian Capital Territory with New South Wales;

'Transition Period' is the period during which constitutional changes are implemented to amend the Board structure, as specified in **Rules 13.1, 13.2 and 13.3**;

'Vice-president' means the Director elected in accordance with **Rule 13.2 (n)**;

'writing' and **'written'** includes printing, typing, lithography, email, computerised

documents and other modes of reproducing words in a visible form;

“**Year**” for the purposes of **Rules 13 and 16.4** means the period between the conclusion of one AGM and the conclusion of the next AGM.

2.2. Interpretation

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise:

- (a) A gender includes all genders;
- (b) Singular includes plural and conversely;
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) A reference to a paragraph or sub-paragraph is to all words included in that paragraph or sub-paragraph including any further embedded content;
- (e) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it, and all regulations and statutory instruments issued under it;
- (f) Subject to a contrary intention in the Constitution, an expression in the Constitution has the same meaning as it has in a related provision of the Act.

2.3. Actions authorised under the Act and compliance with the Act

Where the Act authorises or permits a company to do any matter or thing if so authorised by its constitution, the Company is taken by this Rule to be authorised or permitted to do that matter or thing.

2.4. Changes to Constitution

Changes to the Constitution shall be decided in accordance with procedures as determined by the Board from time to time provided:

- (a) The motion is to be put to the Members for decision by Ballot;

- (b) Only Full Members and Honorary Life Members can participate in the Ballot;
- (c) Ballots and explanatory memoranda, if any, shall be sent to Full and Honorary Life Members at least 6 weeks prior to the Declaration Day;
- (d) Changes to the Constitution shall only be approved if at least 75% of valid Ballots received are in favour of the change;
- (e) Any Ballot shall be scrutineered by the Company's auditor and the result declared on the Declaration Day;
- (f) Ballots will close on a date nominated by the Board being not earlier than 14 days before the Declaration Day or failing nomination by the Board 14 days prior to the Declaration Day and only valid Ballots:
 - (i) if in hard copy marked to the attention of the Secretary of the Company received at the Registered Office; or
 - (ii) if in electronic format (however described);received at an address for receipt indicated on the Ballot or notice accompanying the Ballot by close of business on the nominated day will be counted;
- (g) If the Board resolves not to hold a meeting to declare the results of the Ballot then on the Declaration Day it shall publish the results on the Company's website;
- (h) The Declaration Day must be any day other than a public holiday in New South Wales and may coincide with a meeting of the Company;
- (i) Implementation of any change to the Constitution will occur from 9.00am on the day following the Declaration Day or as otherwise specified in the resolutions approving the change to the Constitution.

3. OBJECTS AND POWERS

3.1. Objects of the Company

The objects for which the Company is established are to carry out any activities which advance the interests of the Angus-based cattle industry. Included in these activities are those:

- (a) To maintain the Breeding Registers and any other pedigree and performance records needed for the genetic advancement of Angus-based cattle;
- (b) To increase Members' ability to develop and produce world-leading Angus-based cattle and related genetics;
- (c) To increase Members' ability to market world-leading Angus-based cattle and related genetics;
- (d) To increase Members' ability to produce and market world-leading Angus-based beef and related animal by-products;
- (e) To establish relationships with other organisations whose purpose is to improve and promote the beef cattle industry.

3.2. Not separate objects

None of the above objects constitutes a separate object of the Company, and each object should be construed by reference to the other objects.

3.3. Powers of the Company

- (a) The Company may only exercise the powers in section 124(1) of the Act to:
 - (i) Carry out the objects in **Rule 3.1**;
 - (ii) To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Company;
 - (iii) Charge fees for service and membership fees;
 - (iv) This Rule shall not restrict or prohibit the exercise by the Company of any power or the doing of any act including the power to charge

interest on fees chargeable under the Constitution which are overdue;

- (b) The Company has no power to either issue or allot fully or partly paid shares in the Company to any person.

4. HERD BOOK AND OTHER REGISTERS

- (a) The Board shall keep or cause to be kept Breeding Registers and from time to time make Regulations, subject to **Rule 4 (b), (c) and (d)**, governing the maintenance of the Breeding Registers and eligibility of animals for registration and entry therein;
- (b) All stock submitted for entry into the Herd Book Register as part of the Breeding Registers must be progeny of sires and dams registered in the Herd Book Register or any such other herd book register as may be approved for the purpose by the Board or from Foundation Animals;
- (c) Foundation Animals shall be eligible for entry into the Herd Book Register subject to such requirements, tests and inspections as the Board shall from time to time determine;
- (d) Applications for entry in the Herd Book Register or for transfer of ownership of animals registered in the Herd Book Register may be accepted and acted upon by the Board as sufficient evidence of the correctness of the facts set out therein.

5. NON-PROFIT NATURE OF THE COMPANY

5.1. Non distribution of profits to Members

- (a) Subject to **Rule 5.1 (b) and (c)**, the surpluses, profits or other income and property of the Company must be applied solely towards the promotion of the objects of the Company in **Rule 3.1** and no portion of it may be paid or transferred, directly or indirectly, to any Member whether by way of dividend, bonus or otherwise;
- (b) Nothing in **Rule 5.1 (a)** prevents any payment in good faith by the Company of:

- (i) reasonable and proper remuneration to any Member or Officer or to a body corporate or a firm of which an Officer or Member is a partner or shareholder, for any services actually rendered or for real property or goods supplied to the Company in the ordinary and usual course of business;
 - (ii) the payment or reimbursement of out-of-pocket expenses incurred by a Member or Officer or to a body corporate or a firm of which an Officer or Member is a partner or shareholder on behalf of the Company where the amount payable does not exceed an amount previously approved by the Board;
 - (iii) reasonable and proper rent for premises leased to the Company from any Member or from a body corporate or a firm of which an Officer or Member is a partner or shareholder.
- (c) Nothing in **Rule 5.1a** prevents the Company from making payment to a Director under the following circumstances:
- (i) for the payment of out-of-pocket expenses incurred by a Director in the performance of any duty as a Director of the Company and the payment of fees for occupying the office of Director and carrying out the duties and obligations of that office, where the amounts payable, if any, do not exceed reasonable amounts previously approved by the Board;
 - (ii) for payment of any service rendered to the Company by the Director in a professional or technical capacity, other than in the capacity as Director, where the provision of the service has the prior approval of the Board and is not more than an amount which would be a reasonable commercial payment for the service;
 - (iii) The total payment, if any, for all Directors for services as Directors is to be determined by the Members in general meeting.

5.2. Limited liability of Members

Each Member except those under 18 years of age undertakes to contribute to the Company's property if the Company is wound up while the Member is a Member and within one year after the Member ceases to be a Member, for

payment of the Company's debts and liabilities contracted before the Member ceases to be a Member and of the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding \$20.00.

5.3. No distribution of profits to Members on winding up

If, on the winding up or dissolution of the Company by any means and for any reason, there remains any property, after the satisfaction of all the Company's debts and liabilities, the property must not be paid to, nor distributed among, the Members, but must be given or transferred to:

- (a) one or more institutions nominated by Members by ordinary resolution in general meeting being an organisation/s having objects similar to the objects of the Company and whose constitution/s prohibits the distribution of their income and property to an extent at least as great as that imposed on the Company under **Rule 5.1(a) and (b)**;
- (b) If there is no institution meeting the requirements of **Rule 5.3 (a)**, to one or more other institutions nominated by Members by ordinary resolution in general meeting provided their constitution/s prohibits the distribution of their income and property to an extent at least as great as that imposed on the Company under **Rule 5.1(a) and (b)**; or
- (c) That institution/s referred to in **Rule 5.3 (a) or (b)** will be determined by the Members at or before the time of the dissolution, and in default of this by the relevant court in the State of New South Wales and if and so far as effect cannot be given to this provision, then otherwise as allowed by law.

6. MEMBERSHIP

6.1. Classes of Membership

- (a) The following are the classes of membership of the Company:
 - (i) Full Member;
 - (ii) Junior Full Member;
 - (iii) Honorary Life Member;

- (iv) Associate Member.
- (b) Members other than Honorary Life Members may also be joint members, partnerships and bodies corporate. Any partnership or other kind of joint membership must be held as tenants in common, and;
 - (i) all partners may attend general meetings;
 - (ii) only one partner or one nominee of a joint membership may:
 - (A) vote at a general meeting;
 - (B) cast a vote in person or by proxy or vote by Ballot; or
 - (C) stand for election as a Director.
- (c) There is no cap on the number of Members of any class.

6.2. First Members

All persons who are existing members of the Company at the time of the adoption of this Constitution become Members in accordance with this Constitution. Members become Full Members; Junior Members become Junior Full Members; Honorary Members and Life Members and Honorary Life Members become Honorary Life Members; and Associate Members become Associate Members.

6.3. Qualification for and rights of membership

6.3.1 Financial Status

The membership rights set out in this Rule are available only to those Members who are financial or whose subscriptions are not overdue according to **Rule 6.5 (c)**.

6.3.2 Full Members

- (a) The Board may admit any person 18 years or older whom it so wishes as a Full Member at its sole discretion without giving any reasons therefore, including natural persons, joint memberships, partnerships and bodies corporate.

- (b) A Full Member is entitled to:
 - (i) nominate eligible Members for election as a Director of the Company;
 - (ii) by any means permitted by law, receive notices of, attend, speak and vote at, a general meeting or in a Ballot;
 - (iii) vote in elections for Directors according to **Rule 13**;
 - (iv) stand for election to the position of Director;
 - (v) attend all general meetings of the Company;
 - (vi) participate in all Member services; and
 - (vii) receive such membership benefits as are determined annually by the Board to apply to Full Members.

6.3.3 Junior Full Member

- (a) The Board may admit at its sole discretion without giving any reasons therefore, any natural person and joint membership, whom it so wishes as a Junior Full Member provided the person is less than 25 years of age.
- (b) No person under 18 years of age may become a Junior Full Member unless a parent or guardian has guaranteed the payment of membership and other fees incurred while the Member is under 18 years of age in a form acceptable to the Board.
- (c) A Junior Full Member is not entitled to:
 - (i) nominate eligible Members for election as a Director of the Company;
 - (ii) vote at a general meeting of the Company or in a Ballot of the Company; or
 - (iii) stand for election to be a Director.
- (d) A Junior Full Member, subject to parental/guardian approval if under 18 years, is entitled to:

- (i) membership of the State Youth Group and election to its office bearer positions and any offices there-in;
- (ii) election to the Angus Youth National Management Committee and to hold any office there-in;
- (iii) register cattle in the Breeding Registers;
- (iv) participate in Angus Genetic Evaluation Services; and
- (v) receive notices of, attend and speak at all general meetings of the Company.

6.3.4 Honorary Life Members

- (a) The Board may admit any natural person whom it considers worthy to be an Honorary Life Member because of their outstanding contribution to the Company and/or the development of the breed;
- (b) An Honorary Life Member shall enjoy all the rights as a Full Member providing that an Honorary Life Member:
 - (i) shall only be able to register cattle in the Breeding Registers and use Angus Genetic Evaluation Services while the membership remains in their own personal name;
 - (ii) shall not be required to pay annual membership fees, but shall be required to pay any other applicable fees for the Company's services.

6.3.5 Associate Member

- (a) On application the Board may admit to Associate Membership a person or body corporate which is not directly involved in Angus-based seedstock or commercial breeding and/or production;
- (b) Associate Members are not entitled to any services other than the receipt of Company publications unless otherwise determined by the Board.

6.4. Application for Membership

- (a) Subject to **Rule 6.1**, the Members of the Company are those persons whom the Board decides at its absolute discretion to admit to membership, in accordance with these Rules;
- (b) Any eligible person may nominate themselves for any class of membership other than Honorary Life Member;
- (c) The application for membership (other than Honorary Life Member) shall be made by the applicant in such form as the Board prescribes, from time to time;
- (d) At least one authorized signatory must be nominated for each membership. Where there are multiple signatories nominated the application must specify the number of signatories required to act for the membership;
- (e) The Board may delegate the consideration and determination of all membership applications. In no case shall the Board be required to give any reason for the rejection of an application;
- (f) Subject to **Rule 6.4 (g)** when an applicant has been accepted for membership the Secretary or other person designated by the Board shall send to the applicant written notice of their acceptance forthwith;
- (g) The acceptance of an applicant to be a Member is subject to payment of any establishment fee and annual subscription at the time of application and if such payment is not made at this time then the Board may, in its discretion, cancel its acceptance of the applicant for membership of the Company;
- (h) If the applicant is not admitted to membership in due course, any monies paid by them to the Company must be returned forthwith in full;
- (i) Subject to the above, an applicant for membership becomes a Member and is entitled to exercise the rights and benefits of membership when their name is entered in the Register of Members.

6.5. Fees and subscriptions

- (a) The establishment fee and annual subscription payable by Members of the Company shall be as prescribed by the Board from time to time;
- (b) The Board shall determine what if any additional fees are to be paid by Members from time to time;
- (c) The Board shall determine when annual subscriptions become due and payable.

6.6. Variation of rights of Members

Subject to sections 246B to 246E of the Act the rights attaching to any class of Members may, whether or not the Company is being wound up, be varied by proposal of the Board and the consent in writing of Members with at least 75% of the votes in the class, or with the sanction of a Special Resolution passed at a separate meeting of the Members of that class.

6.7. Rights and Privileges of every Member.

The rights and privileges of every Member by reason of membership of the Company:

- (a) May be transferred or transmitted to another person or entity; and
- (b) Terminates upon the cessation of the membership for any reason.

7. TERMINATION OF MEMBERSHIP

7.1. Resignation and removal of a Member

- (a) A Member may resign their membership at any time, by giving one month's notice in writing to the Secretary, but shall continue to be liable for any sum not exceeding \$20.00 for which that person is liable as a Member under **Rule 5.2**;
- (b) A person may not be readmitted to membership until any unpaid monies outstanding at the time of ceasing to be a Member are paid including any interest or other charges that may be levied on outstanding monies;

- (c) A Member may not seek a refund of any annual subscription or establishment fee notwithstanding when the Member resigns their membership;
- (d) If a Member's annual subscription is unpaid after 90 days from the due date membership shall cease;
- (e) The Board may remove any Member from the Register of Members if:
 - (i) their affairs are subject to external administration provided that if one partner in a partnership becomes an undischarged bankrupt then, subject to the law, for the purposes of this Rule, the remaining joint Members may remain joint Members and exercise rights in accordance with **Rule 6.1 (b) (ii)**;
 - (ii) they are convicted of an indictable offence;
 - (iii) or the Member has failed to pay any monies due and owing to the Company for services supplied but unpaid for 90 days after the Company has served a demand notice on the Member specifying the amount owing and requiring payment of the monies owing within 14 days and the Member has failed to comply with the demand notice within the 14 day period; provided however that the Directors have served the Member with a notice of intention to expel at least 14 days before the proposed expulsion.

7.2. Conduct and Competency of Members

- (a) The Board may adopt, with the approval of the Full and Honorary Life Members at a general meeting, a Members' Code of Conduct and may amend the Code of Conduct in the same way;
- (b) All Members are bound to comply with any Members' Code of Conduct and agree to do so upon becoming a Member or renewing their membership;
- (c) If the Company receives from any Member a complaint in writing (containing the particulars of the allegations on which the complaint is founded) alleging that a Member has:

- (i) committed any breach of the Members' Code of Conduct;
- (ii) wilfully refused or neglected to comply with a provision of the Constitution;

then the Board must consider the complaint as soon as practicable.

- (d) The Board or any person or persons appointed by the Board for the purpose then may do any one or more of the following:
 - (i) require the complainant to provide further particulars of the complaint;
 - (ii) carry out an investigation into the complaint;
 - (iii) attempt to resolve the complaint by reconciliation or mediation under **Rule 7.3**;
 - (iv) decline to entertain the complaint (because, for example, the complaint is frivolous, vexatious, misconceived or lacking in substance); and/or
 - (v) conduct a hearing into the complaint.
- (e) After a hearing of the complaint against a Member, the Board, if they find the complaint substantiated, may do any one or more of the following:
 - (i) forgive the Member in view of the circumstances;
 - (ii) caution or reprimand the Member;
 - (iii) direct the Member to rectify a breach of the Members' Code of Conduct and specify the manner in which the Member is to do so;
 - (iv) suspend or expel the Member from membership of the Company. Any Member who is to be expelled may advise the Board that they are in dispute with the Board. The Board must then follow the procedure in **Rule 7.3** before making a final determination on the expulsion.
- (f) If the Board does not find the complaint substantiated, it must dismiss the complaint;

- (g) Within 30 days of its decision, the Board must give a written statement of the decision to the complainant and the Member against whom the complaint was made. The statement must include the reasons for the decision;
- (h) The complainant and the Member about whom the complaint is made are not entitled to representation as required by law during attempts to resolve the complaint by conciliation, but are entitled to call witnesses and to have representation during a hearing into the complaint if required by law. If a Member does not appear at any hearing into the complaint, the Board may deal with the Member in their absence;
- (i) No matter or thing done or omitted by the Board or by a person acting in accordance with a resolution of the Board subjects the Board or the Company or the person to any liability if the matter or thing was done or omitted in good faith for the purpose of implementing the procedure specified in the Constitution for the determination of complaints and the disciplining of Members;

7.3. Disputes and Mediation

- (a) The grievance procedure set out in this **Rule 7.3** applies to disputes under these Rules between a Member and the Company;
- (b) The parties to the dispute may meet to discuss the matter in dispute and, if possible, resolve the dispute within 14 days or a time period mutually agreed after the dispute comes to the attention of all of the parties;
- (c) If the parties are unable to resolve the dispute at the meeting, or if a party fails to attend that meeting, then the parties may, within 10 days, or a time period mutually agreed, hold a meeting in the presence of a mediator;
- (d) The mediator must be a person chosen by agreement between the parties or in the absence of agreement; a person who is a mediator appointed or employed by the New South Wales Community Justice Centres or such other body which in the Board's opinion is appropriate within New South Wales. The mediation shall be conducted in

accordance with the guidelines issued by the New South Wales Community Justice Centres or such other body appointed by the Board;

- (e) A Member cannot be a mediator;
- (f) The mediator cannot be a person who is a party to the dispute;
- (g) The parties to the dispute must, in good faith, attempt to settle the dispute by mediation;
- (h) The mediator, in conducting the mediation, must:
 - (A) give the parties to the mediation process every opportunity to be heard;
 - (B) allow due consideration by all parties of any written statement submitted by any party; and
 - (C) ensure that natural justice is accorded to the parties to the dispute throughout the mediation process.
- (i) The mediator must not determine the dispute;
- (j) If the mediation process does not result in the dispute being resolved or the Company does not seek to utilize the termination process (see **Rule 7.1(e)**), then either party may exercise their rights according to law.

8. FINANCIAL RECORD KEEPING

- (a) The financial year of the Company is to be determined by the Board;
- (b) Proper books and financial records must be kept and maintained showing correctly the financial affairs of the Company. The Board must ensure the relevant accounting and auditing requirements of the Act are duly complied with;
- (c) All accounts, vouchers and claims due for payment by the Company must be presented to the Board for the Board's approval or to such person or persons as are appointed by the Board for this purpose and only such persons who have been appointed by the Board to do so may sign cheques or activate electronic or other payments.

9. AUDIT

- 9.1. The Directors must cause the financial records and financial documents of the Company to be audited in accordance with the requirements of the Act and any other applicable laws at least once each year.
- 9.2. A properly qualified auditor must be appointed by the Company and the auditor's remuneration fixed and duties regulated in accordance with the Act.

10. GENERAL MEETINGS

- (a) General meetings of the Company, other than Annual General Meetings, may be called by the Board and held at the times and places and in the manner determined by the Board;
- (b) Not less than 21 days notice (excluding the day on which the notice is deemed to be served and the day of the meeting) of any general meeting including the Annual General Meeting, must be given by the Secretary in the form and in the manner determined by the Board;
- (c) Notice of meetings must be given to the Full and Honorary Life Members and to such persons as are entitled under these Rules or the Act to receive notice. The non-receipt of a notice of general meeting by, or the accidental omission to give notice to, any person entitled to receive notice does not invalidate any proceedings of or resolution passed at that meeting;
- (d) If the meeting is to be held at 2 or more places the notice is to set out details of the technology that will be used to facilitate such a meeting and any other matters required to be stated by the Act in relation to the use of such technology;
- (e) A meeting of the Full and Honorary Life Members shall be convened by the Secretary whenever called upon so to do by:
- (i) the President; or
 - (ii) the Board; or
 - (iii) any 3 Directors jointly; or

- (iv) by a request in writing signed by at least 5% of the Full and Honorary Life Members in accordance with the Act; or
 - (v) as otherwise provided by law.
- (f) At any time before the meeting the Directors may postpone or cancel any general meeting other than a meeting requested under **Rule 10 (e) (iv)**;
- (g) The Directors must give notice of the postponement or cancellation to all persons entitled to receive notice of a general meeting;
- (h) A notice of postponement of a general meeting must specify:
- (i) the postponed date and time for the holding of the general meeting;
 - (ii) a place for the holding of the general meeting which may be either the same as or different from the place specified in the original notice convening the meeting; and
 - (iii) if the general meeting is to be held in two (2) or more places, the technology that will be used to facilitate the holding of the general meeting in that manner.
- (i) The only business that may be transacted at a general meeting when it is postponed is the business specified in the original notice convening the meeting;
- (j) Any Member may submit to the Secretary prior to the general meeting questions relating to the matters on the agenda and the questions must be dealt with in accordance with the Act both before and during the meeting. Questions may also be asked of the Chair from the floor at the meeting. If insufficient notice of the question is given then the person to whom the question is directed may respond to that question either during or after the meeting. A response made after the meeting may be made in writing;
- (k) Any Full or Honorary Life Member may submit a non-binding resolution for deliberation at a general meeting provided it is included in the notice of meeting;

- (l) Notwithstanding the voting result of the non-binding resolution under **Rule 10 (k)** the Board is not obliged to act on the resolution and must take such action as it determines and must always act in the best interests of the Company when considering any action;
- (m) The Chair of a general meeting may refuse admission to, or require to leave and remain out of, the meeting any person who is:
 - (i) in possession of a pictorial-recording or sound-recording device;
 - (ii) in possession of a placard or banner;
 - (iii) in possession of an object considered by the Chair to be dangerous, offensive or liable to cause disruption;
 - (iv) who refuses to produce or to permit examination of any object, or the contents of any object or container, in the person's possession;
 - (v) who behaves or threatens to behave in a dangerous, offensive or disruptive manner; or
 - (vi) who refuses to promptly comply with a ruling from the Chair: or
 - (vii) who is not:
 - (A) a Full or Honorary Life Member or a proxy of a Full or Honorary Life Member;
 - (B) a Junior Full Member;
 - (C) a Director; or
 - (D) the auditor of the Company.
- (n) A person, whether or not a Member, who is requested by the Board or the President to attend a general meeting as an invitee of the Board, is entitled to be present.

11. PROCEEDINGS OF MEETINGS

11.1. Business of general meetings

- (a) The business of an Annual General Meeting is to:
 - (i) consider the annual financial report, directors' report and auditor's report;
 - (ii) announce the election and appointment of Directors in place of those retiring;
 - (iii) when required by law, to appoint the auditor and fix their remuneration; and
 - (iv) transact any other business which, under these Rules, is required to be transacted at an Annual General Meeting.

- (b) The Company's auditor or their representative is entitled to attend and be heard on any part of the business of a general meeting that concerns the auditor. The auditor or their representative, if present at the meeting, may be questioned by the Members, through the Chair, about the audit and the accounting policies adopted by the Company in relation to preparation of the financial statements;

- (c) The approval of the Full and Honorary Life Members in general meeting shall be required by Special Resolution before the Board may bind the Company in contract or otherwise to proceed in relation to any of the following matters:
 - (i) the sale of a main undertaking or business of the Company;
 - (ii) the sale or part sale of, or issue of shares in, any wholly owned subsidiary of the Company or sale of a main undertaking of any such subsidiary;
 - (iii) the sale of any shareholding in a subsidiary partly owned by the Company or the sale of a main undertaking of any such subsidiary;
 - (iv) the amalgamation of the Company's business or activities with another organisation.

11.2. Quorum

- (a) No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Twenty (20) Full or Honorary Life Members present in person or by proxy constitutes a quorum;
- (b) If within half an hour from the time appointed for the meeting a quorum is not present in accordance with **Rule 11.2 (a)**, the meeting:
 - (i) if convened under the requisition of Full or Honorary Life Members in accordance with **Rule 10 (e) (iv)** shall be cancelled; or
 - (ii) if convened by the Board, then it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be cancelled.

11.3. Chair of General Meetings

- (a) The President is entitled to chair all general meetings of the Company;
- (b) In the absence of the President at a Company general meeting, the Vice President is entitled to chair;
- (c) In the absence of the Vice President, then the Directors present may choose another Director as Chair of the meeting and if no Director is present or if each of the Directors present is unwilling to act as Chair of the meeting, a Full or Honorary Life Member chosen by the Full and Honorary Life Members present is entitled to chair the meeting.

11.4. Acting Chair

- (a) If during any general meeting, the Chair is unwilling or unable to take the chair for any part of the proceedings, the Chair may withdraw from the chair during the relevant part of the proceedings and may nominate any other Director to be acting Chair of the meeting during the relevant part of the proceedings;

- (b) Upon the conclusion of the relevant part of the proceedings, the acting Chair must withdraw and the Chair retake the chair.

11.5. General conduct of meeting

- (a) Except as provided by the Act, the general conduct of each general meeting of the Company and the procedures to be adopted at the meeting are as determined by the Chair;
- (b) The Chair may, at any time the Chair considers it necessary or desirable for the proper and orderly conduct of the meeting, demand the cessation of debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the Full and Honorary Life Members;
- (c) The Chair may require the adoption of any procedure which in the Chair's opinion is necessary or desirable for the proper and orderly casting or recording of votes at any general meeting of the Company, whether on a show of hands or on a poll.

11.6. Adjournment

- (a) The Chair may at any time during the course of a general meeting adjourn from time to time and place to place the meeting or any business, motion, question or resolution being considered or remaining to be considered by the meeting or any debate or discussion either to a later time at the same meeting or to an adjourned meeting.

11.7. Voting

- (a) Before a vote is taken the Chair must inform the meeting whether any proxy votes have been received and if so the number of proxy votes that have been directed in favour of the motion, against the motion, to abstain from voting on the motion and how many have been left to the discretion of the proxy holder;
- (b) Each motion properly submitted to a general meeting is to be decided in the first instance by a show of hands of the eligible Full and Honorary Life Members present in person or by proxy appointed according to **Rule 12**;

- (c) On a show of hands:
 - (i) every eligible Full and Honorary Life Member or proxy of same present in person shall be entitled to cast only 1 vote each;
 - (ii) eligible Full or Honorary Life Members present in person who have been appointed to act as proxy according to **Rule 12** cannot vote the proxy on a show of hands. A poll is required for the proxy to be counted.
- (d) On a poll:
 - (i) every eligible Full and Honorary Life Member present in person shall be entitled to cast 1 vote; and
 - (ii) in addition, every person present may cast 1 vote for each eligible Full or Honorary Member that has appointed that person to act as their proxy according to **Rule 12**.
- (e) Subject to **Rule 11.7 (d)**, in the case of an equality of votes, on both a show of hands and at a poll, the Chair does not have a casting vote in addition to their own deliberative vote.

11.8. Declaration of vote on a show of hands - when poll demanded

- (a) At any general meeting, unless a poll is demanded, a declaration by the Chair that a resolution has been passed or lost, having regard to the majority required, and an entry to that effect in the book containing the minutes of the proceedings of the general 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;
- (b) A poll may be demanded:
 - (i) before a vote is taken;
 - (ii) before the voting results on a show of hands are declared; or
 - (iii) immediately after the voting results on a show of hands are declared.

- (c) A poll may be demanded by:
 - (i) the Chair;
 - (ii) at least 5 eligible Full or Honorary Life Members entitled to vote on the resolution or their proxies; or
 - (iii) Members with at least 5% of the votes that may be cast on the resolution.
- (d) No poll may be demanded on the election of a Chair of a meeting or on the question of an adjournment;
- (e) The demand for a poll may be withdrawn.

11.9. Taking a poll

- (a) If a poll is demanded as provided in **Rule 11.8**, it is to be taken in the manner and at the time and place as the Chair directs, and the result of the poll is deemed to be the resolution of the meeting at which the poll was demanded;
- (b) In the case of any dispute as to the admission or rejection of a vote, the Chair's determination in respect of the dispute made in good faith is final.

11.10. Continuation of business

A demand for a poll does not prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.11. Special meetings

All the provisions of these Rules as to general meetings apply to any special meeting of any class of Members which may be held pursuant to the operation of these Rules or the Act.

12. VOTING BY PROXY

12.1. Appointment of proxies

- (a) A Full or Honorary Life Member is, in accordance with the provisions of Section 250A of the Act, entitled to appoint another person as their proxy to attend and vote instead of the Member at any general meeting at which the Member is entitled to vote;
- (b) A proxy must be a Full Member or Honorary Life Member of the Company or the chair of the general meeting;
- (c) The form of appointment may specify whether the proxy is to vote 'for', 'against', or 'abstain' on any motion. No Full or Honorary Life Member is obliged to indicate any of these options but if they do not then the vote is at the proxy's discretion;
- (d) The instrument appointing a proxy and the power of attorney or other authority (if any) must be deposited at the Registered Office, faxed to the Registered Office or deposited, faxed or sent by electronic mail or sent via web address to any place specified in the notice of meeting, at least 48 hours before the time for holding the meeting or adjourned meeting or taking of the poll at which the person named in the instrument proposes to vote. In default the instrument of proxy will not be treated as valid.

12.2. Validity of vote

A vote given in accordance with the terms of an instrument of proxy is valid unless it has been revoked by a notice in writing received at the Registered Office or deposited, faxed or sent by electronic mail to any other place named in the notice of meeting before the meeting or any adjourned meeting.

12.3. Form and execution of instrument of proxy

- (a) An instrument appointing a proxy is required to be in writing and must contain the:
 - (i) Full or Honorary Life Member's name and address, Company's name, proxy's name or the name of the office held by the proxy, meeting or meetings at which the appointment may be used; or

- (ii) sufficient information to allow the Secretary to identify the Member and the proxy; and
 - (iii) it must be signed by the Full or Honorary Life Member making the appointment or the Full or Honorary Life Member's attorney duly authorised in writing or, if the Full Member is a corporation, by an officer or attorney duly authorised.
- (b) The instrument of proxy is deemed to include the right to demand or join in demanding a poll and (except to the extent to which the proxy is specifically directed to vote 'for', 'against' or 'abstain' on any proposal) the power to act generally at the meeting for the Full or Honorary Life Member giving the proxy;
- (c) An instrument appointing a proxy, unless the contrary is stated, is valid for any adjournment of the meeting, as well as for the meeting to which it relates;
- (d) A proxy received at an electronic address nominated in the notice of meeting will be taken as signed by any Full or Honorary Life Member if:
 - (i) a personal identification code allocated by the Company to the Full or Honorary Life Member has been included with the appointment; or
 - (ii) the appointment is verified or authorised by the Full or Honorary Life Member in another manner approved by the Board.

12.4. Board to issue forms of proxy

The Board may issue a form of proxy for use by Full and Honorary Life Members with any notice of general meeting of Members or any class meeting of Members. Each form is to make provision for the information set out in **Rule 12.3 (a)** and may provide that, if the Full or Honorary Life Member does not so write in a name, or if that person does not attend, then the proxy is to be the Chair of the general meeting.

13. THE BOARD OF DIRECTORS

13.1. Directors

- (a) Except for the Transition Period, the Board of the Company shall consist of a maximum of 11 Directors comprising:
 - (i) not more than 1 Director to be elected per State; plus
 - (ii) not more than 3 Directors to be elected nationally; plus
 - (iii) up to 2 Optional Appointed Directors.

- (b) During the transition period, the Board of the Company shall consist of a maximum of 13 Directors comprising:
 - (i) not more than 2 Directors to be elected per State, for 3 States; plus
 - (ii) not more than 1 Director to be elected per State, for 3 States; plus
 - (iii) not more than 2 Directors to be elected nationally; plus
 - (iv) up to 2 Optional Appointed Directors.

- (c) Elected Directors stand for a 2 Year term and upon completing their 2 Year term would be eligible to stand for re-election with the exception that if they had been elected as a Director for 4 consecutive 2 Year terms then they would not be eligible for election for another term until they had ceased to be a Director for at least 1 full 2 Year term;

- (d) The Board has the option to appoint at a properly constituted meeting of the Board and with the approval of at least 75% of the elected Directors up to 2 Members or non-members as Optional Appointed Directors to serve until the conclusion of the next AGM. Optional Appointed Directors would have specific expert skills and/or experience that the Board believes are appropriate for the Board and which are not available from the elected Directors. The Board may re-appoint an Optional Appointed Director on the completion of their term if the Board considers the specific expert skills and/or experience continues to be appropriate for the Board;

- (e) Irrespective of their status as Full or Honorary Life Members the following persons are not eligible to nominate for election as a Director nor can they be appointed as an Optional Appointed Director:
 - (i) any current member of staff or management of the Company or its subsidiaries;
 - (ii) any person who is contracted to organisations or companies that provide services which are deemed by the Board to represent a material conflict of interest with those provided by the Company.

13.2. Election of Directors

The election of Directors shall take place by Ballot in accordance with procedures set out by the Board for the conduct of voting provided:

- (a) State elected Directors must have their Registered Address in that State and can only be elected by Full and Honorary Life Members whose Registered Address is in the respective State;
- (b) Any Full or Honorary Life Member of the Company may nominate themselves or another Full or Honorary Life Member who resides in the State of their Registered Address as a Director from that State;
- (c) Any Full or Honorary Life Member of the Company may nominate themselves or another Full or Honorary Life Member as a nationally elected Director;
- (d) The nomination form shall be in writing and be signed by the nominated Full or Honorary Life Member, and shall be lodged with the Secretary;
- (e) The nomination shall clearly indicate whether it refers to a vacant State elected Director position, a vacant Nationally elected Director position, or to both;
- (f) Nominations will close 8 weeks before the Company's Annual General Meeting;
- (g) Eligible nominees are permitted to provide only Electioneering Material and any election statements that do not meet the requirements defined by **Rule 2.1** may be rejected and may (without obligation on the Company's

part) be returned to the nominee for adjustment to comply with the requirements;

- (h) Where a Ballot is required, voting and Electioneering Material (if received by the Company with adequate time) are to be sent to Full and Honorary Life members at least 6 weeks before the AGM;
- (i) Ballots will close on a date nominated by the Board being earlier than 14 days before the Declaration Day or failing nominations by the Board 14 days prior to the Declaration Day and only valid Ballots:
 - (i) if in hard copy marked to the attention of the Secretary of the Company received at the Registered Office; or
 - (ii) if in electronic format (however described);

received at an address for receipt indicated on the Ballot or notice accompanying the Ballot by close of business on the nominated day will be counted.

- (j) Shall be scrutineered by the Company's auditor;
- (k) The successful nominees shall be determined on the basis of the number of valid votes cast for the nominees with the highest number of votes in descending order being elected to the positions available. In the event of a tie for any of the available positions, a further Ballot will be conducted among tied candidates only, according to **Rule 13.2(i)** and **Rule 13.2(j)**, with a revised ballot schedule and Declaration Date for these positions alone as determined by the Company Secretary. Any such additional ballot shall not affect the declaration of other successful candidates. If the additional ballot is also tied then such tie shall be broken by drawing one of the candidate names from lot, and the name so drawn shall be declared as elected;
- (l) Where an individual is nominated in the same Ballot as both a State elected Director and a Nationally elected Director, and has sufficient votes according to **Rule 13.2 (k)** to be elected as both a State elected Director and a Nationally elected Director, they will be appointed as a State elected Director and the next most successful eligible candidate for

a Nationally elected Director position will be appointed as a Nationally elected Director;

- (m) All nominees shall be notified of the election results at least 7 days prior to the AGM, with the result posted on the Company's website;
- (n) The result of the Ballot shall be declared at the AGM by the Chair;
- (o) Newly elected Directors shall take office at the conclusion of the AGM;
- (p) The Board, alone, shall appoint any Optional Appointed Directors;
- (q) At least annually, the Directors are to elect one of their number as President to chair meetings of the Board. The term of any Director as President is to be a maximum of 2 consecutive years. From the end of that term at least 1 year must elapse before that Director can be again elected as President;
- (r) At least annually, the Directors are to elect one of their number as Vice-President to act as chair in the absence of the President.

13.3. Transition to new Board and Board rotation

The new Board structure shall be implemented in the two years following the Declaration Day in accordance with **Rule 13.2**, with the following amendments:

- (i) In transition year 1,
 - (A) the Secretary is to give notice to all Full and Honorary Life Members in the 3 states where Directors are completing their 2 year term calling for nominations of a single Director to be elected per state in accordance with **Rule 13.1(b) (ii)**; and,
 - (B) the Secretary will also give notice to Full and Honorary Life Members in all 6 states calling for nominations of 2 Directors to be elected nationally in accordance with **Rule 13.1 (b) (iii)**.
- (ii) In transition year 2,

- (A) the Secretary is to give notice to all Full and Honorary Life Members in the 3 states where Directors are completing their 2 year term calling for nominations of a single Director to be elected per state in accordance with **Rule 13.1(a) (i)**; and,
 - (B) the Secretary will also give notice to all Full and Honorary Life Members in all 6 states calling for nominations of a single Director to be elected nationally in accordance with **Rule 13.1 (a) (ii)**.
- (iii) Beyond transition year 2,
- (A) the Secretary is to give notice to all Full and Honorary Life Members in the 3 states where Directors are completing their 2 year term calling for nominations of a single Director to be elected per state in accordance with **Rule 13.1(a) (i)**; and,
 - (B) the Secretary will also give notice to all Full and Honorary Life Members in all 6 states calling for nominations of either 1 or 2 Director(s) to be elected nationally in accordance with the stage of rotation and with **Rule 13.1 (a) (ii)**.

13.4. Directors – Vacation from office

- (a) Subject to **Rule 13.4 (b)**, a person vacates their office as a Director at the conclusion of the Annual General Meeting at which their term of office expires (subject to them being re-elected or re-appointed as a Director in accordance with the Constitution);
- (b) A Director also vacates their office if they:
 - (i) resign their office by notice in writing to the Company;
 - (ii) other than Optional Appointed Directors, cease to be a financial Full Member or Honorary Life Member of the Company;
 - (iii) are declared bankrupt or make any arrangement or composition with their creditors generally;

- (iv) pursuant to the Act, cease to be a Director or are prohibited from being a director of a company;
 - (v) become bankrupt or insolvent or make an arrangement or composition with creditors of the Member's joint or separate estate, generally;
 - (vi) for more than 3 meetings (whether face to face or by electronic means) are absent from Board meetings without the permission of the Directors;
 - (vii) have failed to disclose a material conflict of interest in breach of the law;
 - (viii) are removed as a Director by a majority resolution of the Company in general meeting;
 - (ix) change Registered Address to a State different to that from which they were elected; or
 - (x) become ineligible to be nominated as a Director in accordance with **Rule 13.1(e)**;
 - (xi) dies
- (c) Where there is less than 1 Director from a particular State or when a person vacates their office as a Director according to **Rule 13.4 (b)** the Board shall as soon as practicable, convene a meeting of the Directors and may:
- (i) appoint any eligible Full Member or Honorary Life Member from that State to fill the vacancy; or
 - (ii) leave the position vacant.
- (d) Apart from Transition Year 1, where there are less than 3 nationally elected Directors, or when a person vacates their office as a nationally elected Director according to **Rule 13.4 (b)** the Board may appoint any eligible Full or Honorary Life member to fill the vacancy.

- (e) A Director appointed according to **Rule 13.4 (c)** or **Rule 13.4 (d)** shall hold office for the balance of the period for which the person replaced by them as a Director would have held office but for their vacation of the office.

13.5. Directors may contract with the Company

- (a) Subject to complying with the Act regarding disclosure of and voting on matters involving material personal interests, a Director may:
 - (i) hold any office or place of profit in any other company, body corporate, trust or entity promoted by the Company or in which the Company has an interest of any kind except for the subsidiaries of the Company;
 - (ii) enter into any contract or arrangement with the Company;
 - (iii) participate in any association, institution, fund, trust or scheme for past or present employees or Directors of the Company or persons dependent on or connected with them;
 - (iv) act in a professional capacity (or be a member of a firm which acts in a professional capacity) for the Company, except as auditor;
 - (v) participate in, vote on and be counted in a quorum for any meeting, resolution or decision of the Board and may be present at any meeting where any matter is being considered by the Board; and
 - (vi) sign or participate in the execution of a document by or on behalf of the Company.
- (b) A Director may do any of the above despite the fiduciary relationship of the Director's office without any liability to account to the Company for any direct or indirect benefit accruing to the Director and without affecting the validity of any contract or arrangement;
- (c) No Director may, as a Director, vote in respect of any contract or arrangement in which the Director has directly or indirectly any material personal interest if to do so would be contrary to the Act and if the

Director does vote their vote cannot be counted nor shall the Director be counted in determining the quorum at the Board meeting for that particular item;

13.6. Appointment of Attorneys or Agents

- (a) The Directors may from time to time by resolution or power of attorney executed in accordance with section 127 of the Act appoint any person to be the attorney or agent of the Company:
 - (i) for the carrying out of the objects;
 - (ii) with the powers, authorities and discretions (not exceeding those exercisable by the Directors under the Constitution);
 - (iii) for the period and subject to the conditions as determined by the Directors.
- (b) An appointment by the Directors of an attorney or agent of the Company may be made in favour of:
 - (i) any company;
 - (ii) the members, directors, nominees or managers or any company or firm; or
 - (iii) any fluctuating body of persons whether nominated directly or indirectly by the Directors.
- (c) A power of attorney may contain such provisions for the protection and convenience of persons dealing with an attorney as the Directors determine;
- (d) The Directors may appoint attorneys or agents as determined by the Board;
- (e) An attorney or agent appointed under this **Rule 13.6** may be authorised by the Directors to delegate all or any of the powers authorities and discretions for the time being vested in it.

13.7. Execution of documents and negotiable instruments

The Board shall determine the mechanism for signing, drawing, accepting, endorsing or otherwise executing documents and negotiable instruments.

14. EXERCISE OF VOTING POWER IN OTHER BODIES CORPORATE

- (a) The Board may exercise the voting power conferred by the shares in any body corporate held or owned by the Company as the Board determines (including the exercise of the voting power in favour of any resolution appointing or removing the directors, or any equivalent of directors (by whatever name called) of that body corporate);
- (b) Subject to complying with the Act regarding disclosure of and voting on matters involving personal interest a Director may vote in favour of the exercise of those voting rights notwithstanding that the Director is, or may be about to be appointed, a director of that other body corporate and may be interested in the exercise of those voting rights.

15. PROCEEDINGS OF THE BOARD

15.1. Procedures relating to the Board meetings

- (a) Subject to the Act and **Rule 15.1 (b)**, the Chair may determine the time and place and manner by which the Board may meet upon each Director being given reasonable notice, for the dispatch of business, adjourn and otherwise regulate its meetings as it determines;
- (b) Any 3 or more Directors may require that a meeting be held at any time upon giving reasonable notice of the manner, place, date and time of a meeting to the Secretary;
- (c) Notice is deemed to have been given to a Director, and all Directors are hereby deemed to have consented to the method of giving notice, if notice is sent by mail, personal delivery, facsimile transmission or by electronic mail to the Registered Address, or fax number or electronic address of the Director (if any fax number or electronic address is notified to the Company) or at any other address given to the Secretary by the Director from time to time, subject to the right of the Director to withdraw such consent within a reasonable period before a meeting;

- (d) Where a Director is outside of Australia, no notice need be given to that Director of any meeting, unless the Director has otherwise directed the Secretary, by mail, personal delivery, facsimile transmission or by electronic mail, before the Director leaves Australia;
- (e) In the absence of the President and Vice President, the Directors shall appoint another Director to chair the meeting.

15.2. Meetings by telephone or other means of communication

- (a) The Board may meet either in person or by telephone or by other means of electronic communication consented to by all Directors or by any combination of these methods of meeting subject to the right of a Director to withdraw their consent within a reasonable period before a meeting;
- (b) A meeting conducted using telephone or other means of electronic communication is deemed to be held at the place agreed upon by the Directors attending the meeting, provided that at least one of the Directors or the Secretary present at the meeting is at that place for the duration of the meeting;
- (c) At the commencement of the meeting, and at all times during the meeting each of the Directors taking part in the meeting by electronic device must be able to communicate with each of the other Directors taking part;
- (d) At the commencement of the meeting, each Director shall acknowledge their presence to all the other Directors taking part;
- (e) A Director shall not intentionally leave the meeting by disconnecting their electronic device unless the Director has previously obtained the consent of the Chair. A Director is conclusively presumed to have been present and to have formed part of a quorum at all times during the meeting by electronic device unless the Director has previously obtained the consent of the Chair to leave the meeting;
- (f) A minute of the proceedings of a meeting using electronic device is sufficient evidence of those proceedings and of the observance of all necessary formalities if certified as a correct minute by the Chair.

15.3. Majority votes at Board meetings

- (a) All questions arising at any meeting of the Board are decided by a majority of votes unless otherwise stated in the Constitution;
- (b) The Chair of the Board shall not have, in addition to their deliberative vote, a second or casting vote in the event of an equality of votes.

15.4. Quorum at Board meetings

No business shall be conducted at a meeting of the Directors unless there is a quorum. The quorum necessary for the transaction of the business of the Board shall be 50% of all Directors, rounded down, plus one (1) present at the beginning of each resolution to be passed by the Board.

15.5. Powers of meetings

A meeting of the Board or any adjournment of a meeting at which a quorum is present, is competent to exercise any of the authorities, powers and discretions for the time being vested in or exercisable by the Board.

15.6. Validity of acts

- (a) Any act done at any meeting of the Board or by a Board Committee or by any person acting as a Director or a member of a Board Committee is, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any of the Directors or members of the Board Committee or the person acting as a Director or that any of them were disqualified, as valid as if every person had been duly appointed and was qualified and continued to be a Director or a member of the Board Committee (as the case may be);
- (b) If the number of Directors is reduced below the quorum fixed pursuant to these Rules, the continuing Directors may act for the purpose of increasing the number of Directors to at least the quorum or to call a general meeting of the Company, but for no other purpose.

15.7. Resolution in writing

- (a) If all the Directors entitled to vote on a resolution have signed a statement that they are in favour of the resolution, then that resolution will be

deemed to have been passed at a meeting of Directors held on the day and at the time that the Secretary receives the final vote, provided that all Directors shall have been first sent an identical notice of the proposed resolution;

- (b) A facsimile transmission or other document produced by mechanical or electronic means under the name of a Director with their authority is deemed to be a document in writing signed by that Director.

16. BOARD COMMITTEES AND REGULATIONS

16.1. Power to establish Board Committees

- (a) The Board may, subject to the constraints imposed by law and the Constitution, delegate any of its powers to Board Committees consisting of 1 or more Directors and any other person/s as the Board determines provided that the majority of members of a Committee are Members;
- (b) Any Board Committee formed or person or persons appointed to a Board Committee must, in the exercise of the powers delegated, conform to any Regulations that may from time to time be imposed by the Board;
- (c) A delegate of the Board may be authorised by the Board to sub-delegate any of the powers for the time being vested in the delegate.

16.2. Proceedings of Board Committees

- (a) The meetings and proceedings of any Board Committee are to be governed by the provisions of these Rules for regulating the meetings and proceedings of the Board so far as they are applicable and are not superseded by any Regulations;
- (b) A Board Committee may be asked to investigate and to report to the Directors about specific issues or may be a standing committee such as an audit committee;
- (c) A Board Committee, in the exercise of the duties delegated or assigned to it, shall conform to any Regulations, directions or instructions that may be imposed or given by the Board;

- (d) A Board Committee shall be under the control and direction of the Board and has no direct part or power in the management of the Company other than as specified in the Constitution;
- (e) A Board Committee may be disbanded at the discretion of the Board.

16.3. Audit Committee

An audit committee shall be established as and when the Board determines as a standing committee, as follows:

- (a) Composed of at least 1 appointed expert or person with specialist knowledge and at least 1 elected Director who is not the President or Vice President;
- (b) Subject to the terms of reference of the committee, to monitor and to form the format and content of financial reports of the Company and its policies and procedures;
- (c) The Board shall approve the program of work before the audit committee that allows it to satisfy the Board that not only is the financial and other related information correct but that the various agreed policies and procedures within the Company are being followed.

16.4. Affiliated Angus Breeder Groups

- (a) Affiliated Angus Breeder Groups may be established to promote the interests of the Company.
- (b) Such groups are subject to terms of reference determined by the Board from time to time.

16.5. Regulations

- (a) The Board from time to time may make such Regulations as are in its opinion necessary and desirable for the proper control, administration and management of the Company's affairs, operations, finances, interests, effects and property and to amend and repeal those Regulations from time to time;
- (b) A Regulation:

- (i) must not be inconsistent with any provision contained in the Constitution; and
 - (ii) when in force, is binding on all Members and has the same effect as the Constitution.
- (c) The Board will adopt such measures as it deems appropriate to bring to the notice of Members all Regulations, amendments and repeals.

17. GENERAL POWERS OF THE BOARD

- (a) The management and control of the business and affairs of the Company including the power to make policies are vested in the Board, which (in addition to the powers and authorities conferred upon it by these Rules) may exercise all powers and do all things as are within the power of the Company and are not by the Act or the Constitution directed or required to be exercised or done by the Company in general meeting;
- (b) The Directors must carry out their powers and duties first and foremost, in the best interests of the Company and not any other interest group and must not take directions from any other group including sections of Members or external parties, subject to the law.

18. COMPANY SECRETARY

- (a) The Secretary holds office on such terms and conditions as to remuneration and otherwise as the Board determines including acting in an honorary capacity;
- (b) The Secretary is appointed and removed by the Board and may, but need not, be a Member or a Director.

19. OTHER SALARIED OFFICERS

Subject to these Rules, the Board may appoint such officers and employees at such salaries for such periods and on such terms as it determines and may, subject to conditions of the employment of such officers and employees, and relevant laws and regulations, dispense with their services and re-appoint or appoint other officers and employees as it determines.

20. THE SEAL

If the Company has a Seal it must only be used in accordance with the Act on each occasion (if any) that it is used.

21. MINUTES

21.1. Contents of minutes

The Board must ensure that minutes are duly recorded in a proper manner and include:

- (a) the names of the Directors present at each meeting of the Company, the Board and of any Board Committees; and
- (b) details of all business of general meetings of the Company and of meetings of the Board and any Board Committees.

21.2. Signing of minutes

- (a) The minutes of any meeting of the Company, Board, Board Committee or State general meeting if purporting to be signed by the chair of the meeting or by the chair of the next succeeding meeting, are prima facie evidence of the matters stated in the minutes;
- (b) No Member of the Company is entitled to be given a copy of the minutes of a Board meeting unless the Board has agreed to do so upon a written request to the Board by that Member;
- (c) All Full and Honorary Life Members are entitled to be given a copy of the minutes of general meetings.

21.3. Inspection of records and the Register

- (a) The Board may determine whether and to what extent, and at what time and place and under what conditions the accounting records and other documents of the Company or any of them will be open to the inspection of Members other than the Directors;

- (b) No Member other than a Director has the right to inspect any document of the Company except as provided by the Act or as authorised by the Board;
- (c) The Company must keep and maintain a Register of Members containing, at the least:
 - (i) the name and Registered Address of each Member;
 - (ii) the date on which each Member's name was entered in the Register of Members; and
 - (iii) the date the Member ceased to be a Member.
- (d) The Register is available for inspection free of charge by any Member in accordance with the Act;
- (e) A Member may make a copy of entries in the Register upon application to the Board giving reasons in writing for making such an application and paying any fee set by the Board, in accordance with the requirements of the Act.

22. NOTICES

22.1. Service of notices

A notice may be given by the Company to a Member, personally, by leaving it at the Member's Registered Address or by sending it by prepaid post or facsimile transmission addressed to the Member's Registered Address or by sending it to the electronic address (if any) nominated by the Member.

22.2. When notice deemed to be served

- (a) Any notice sent by post is deemed to have been served at the expiration of 72 hours after the envelope containing the notice is posted;
- (b) Any notice served on a Member personally or left at the Member's Registered Address is deemed to have been served when delivered;
- (c) Any notice served on a Member by facsimile transmission is deemed to have been served when the transmission is sent. A facsimile is deemed

to be duly sent when the Company's facsimile system generates a message confirming successful transmission of the total number of pages of the notice to the addressee;

- (d) Any notice served on a Member by electronic means is deemed to have been served when the electronic message is sent.

22.3. Member not known at Registered Address

Where a Member does not have a Registered Address or where the Company has *bona fide* reason to believe that a Member is not known at the Member's Registered Address, all future notices are deemed to be given to the Member if the notice is exhibited in the Registered Office, if any, for a period of 48 hours (and is deemed to be duly served at the commencement of that period) unless and until the Member informs the Company of a Registered Address.

22.4. Signature to notice

The signature to any notice to be given by the Company may be written or printed.

22.5. Reckoning of period of notice

Where a given number of days' notice or notice extending over any other period is required to be given, the day of service is not to be reckoned in the number of days or other period.

22.6. Persons entitled to notice of Company general meeting

- (a) Notice of every Company general meeting is to be given to:
 - (i) each Full Member, Junior Full Member and Honorary Life Member;
 - (ii) each Director; and
 - (iii) the auditor for the time being of the Company.
- (b) No other person is entitled to receive notices of Company general meetings;
- (c) The Board may invite other persons to attend at a Company general meeting but those persons may not speak at the meeting unless invited to

do so by the Chair and cannot vote at the meeting unless they have been appointed as a proxy.

22.7. Notification of change of address

Every Member must notify the Company of any change of their Registered Address and any such new address must be entered in the Register of Members as required to be kept by the Act and upon being so entered, becomes the Member's Registered Address.

23. INDEMNITY AND INSURANCE

23.1. Indemnity

Every person who is or has been a Director or other Officer is entitled to be indemnified out of the property of the Company against:

- (i) every liability incurred by the person in that capacity (except a liability for legal costs); and
- (ii) all legal costs incurred in defending or resisting (or otherwise in connection with) proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity, unless:
 - (A) the Company is forbidden by statute to indemnify the person against the liability or legal costs; or
 - (B) an indemnity by the Company of the person against the liability or legal costs would, if given, be made void by statute.

23.2. Insurance

The Company may pay or agree to pay, whether directly or through an interposed entity, a premium for a contract insuring a person who is or has been a Director or other Officer against liability incurred by the person in that capacity, including a liability for legal costs, unless:

- (i) the Company is forbidden by statute to pay or agree to pay the premium; or

- (ii) the contract would, if the Company paid the premium, be made void by statute.

END OF CONSTITUTION