



# CONSTITUTION OF MAYFIELD WEST BOWLING CLUB

Mayfield West Bowling Club July 2016

## Introduction

*THIS CONSTITUTION IS CONSISTENT WITH:*

**CO-OPERATIVES (ADOPTION OF NATIONAL LAW) ACT 2012 (NSW)**

**CO-OPERATIVES NATIONAL REGULATIONS**

**REGISTERED CLUBS ACT 1976**

**LIQUOR ACT 2007**

Within this constitution there will be references to sections that are more detailed in the Regulations of Mayfield West Bowling Club.

Mayfield West Bowling Club is a Co-operative Without Share Capital.

Mayfield West Bowling Club is a 'registered club' under the Registered Clubs Act 1976.

Mayfield West Bowling Club is a non-proprietary association under the Liquor Act 2007 & has a Limited Duration Licence.

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# CONSTITUTION OF MAYFIELD WEST BOWLING CLUB CO-OPERATIVE LIMITED

## PART 1. PRELIMINARY

### 1. APPLICATION OF THESE RULES

These rules are the rules of Mayfield West Bowling Club.

### 2. NAME OF THE CO-OPERATIVE

The name of the co-operative is Mayfield West Bowling Club.

## PART 2. DEFINITIONS AND INTERPRETATION

### 3. DEFINITIONS

(1) In these rules:

**Association or NDBA** means Newcastle District Bowling Association

**Ballot paper** means a ballot paper in paper or electronic form.

**Basic minimum financial statements** means the financial statement required of a small co-operative under the National Regulations.

**Board** means the board of the co-operative.

**Bowls** means the sport and game of lawn bowls as determined by the International Federation (IF) with such variations as may be recognised by the Royal NSW Bowling Association from time to time.

**CCU** means a co-operative capital unit, as provided for by Division 2 of Part 3.4 of the Law.

**CNL** is a reference to the Co-operatives National Law as applying in this jurisdiction.

**Constitution** means this Constitution of the co-operative.

**Debenture** (as provided for by Chapter 1 Part 1.2 (4) of the Law) of a co-operative means a chose in action that includes an undertaking by the co-operative to repay as a debt, money deposited with or lent to the co-operative. The chose in action may (but need not) include a security interest in property of the co-operative to secure repayment of the money.

**Delegate** means the person(s) appointed from time to time by the Club to act for and on behalf of the Club at General Meetings and Management Meetings of the Association.

**Director** means an elected member of the Board of Directors who is not an Office-Bearer of the Club and includes any person acting in the capacity as Director from time to time in accordance with this Constitution but does not include the Bowls Coordinator, if any.

**Executive Committee** means the body consisting of the Directors elected in accordance with rules 41 and 42 and 43 of this Constitution.

**General Meeting** means the annual or any special general meeting of the Club.

**Intellectual Property** means all rights subsisting in copyright, business names, names, trademarks (or signs), logos, designs, equipment including computer software, images (including photographs, videos or films) or service marks relating to the Co-operative or any activity of or conducted, promoted or administered by the Co-operative in New South Wales.

**Junior Member** means a registered Member of the Club who is younger than 18 years of age.

**Life Member** means an Individual appointed as a Life Member of the Club under **Part 4**.

**Member** means a Member of the Club for the time being under **Part 4**.

**NSO** means the National Sporting Organisation being Bowls Australia.

**Public Officer** means the person appointed to be the Secretary of Mayfield West Bowling Club.

**Register** means a register of Members kept and maintained in accordance with section 214 (1) of the Law

**RSO** means the Regional Sporting Organisation being Newcastle District Bowling Association.

**Seal** means the common Seal of Mayfield West Bowling Club Co-operative Limited.

**Special Resolution** means a Special Resolution defined in the Co-operatives National Law.

**SSO** means the State Sport Organisation being Royal NSW Bowling Association.

**Standard Postal Times** means the times when properly addressed and pre-paid letters would be delivered in the ordinary course of post.

**The Co-operative** means the Mayfield West Bowling Club Co-operative Limited.

**The National Regulations** means the Co-operatives National Regulations as applying in this jurisdiction.

**The Law** means the Co-operatives National Law as applying in this jurisdiction. Except so far as the contrary intention appears in these rules, words and expressions used in these rules have the same meanings as they have, from time to time, in the Law or relevant provisions of the Law.

#### 4. INTERPRETATION

In this Constitution:

- (1) A reference to a function includes a reference to a power, authority and duty;
- (2) A reference to the exercise of a function includes, where the function is a power, authority or duty, a reference to the exercise of the power or authority of the performance of the duty;
- (3) Words importing the singular include the plural and vice versa;
- (4) Words importing any gender include the other genders;

- (5) References to persons include corporations and bodies politic;
- (6) References to a person include the legal personal representatives, successors and permitted assigns of that person;
- (7) A reference to a statute, ordinance, code or other law includes Regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether of the same or any legislative authority having jurisdiction); and
- (8) A reference to "writing" shall unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form, including messages sent by electronic mail.

## **5. SEVERANCE**

If any provision of this Constitution or any phrase contained in it is invalid or unenforceable, the phrase or provision is to be read down if possible, so as to be valid and enforceable, and otherwise shall be severed to the extent of the invalidity or unenforceability, without affecting the remaining provisions of this Constitution.

## **6. THE CNL**

Except where the contrary intention appears, in this Constitution, an expression that deals with a matter under the Co-operatives National Law has the same meaning as that provision of the Co-operatives National Law.

## **PART 3. PRIMARY ACTIVITY OF THE CLUB**

For the purposes of Part 2.6 of the Law, the primary activities of the co-operative are:

- a) The promotion of the game of Lawn Bowls
- b) To operate, maintain and carry on a Club for the above purpose;

## **PART 4. MEMBERSHIP**

### **7. ACTIVE MEMBERSHIP REQUIREMENTS**

To establish active membership of the co-operative a member must:

- a) Pay an annual subscription of not less than \$5.00; or
- b) Be a Life Member in accordance with these Rules.

### **8. MEMBERSHIP GENERALLY**

The Membership of the Club shall consist of:

- a) Full Members
- b) Life Members
- c) Social Bowling Member
- d) Social Member
- e) Honorary Members
- f) Junior Members

### **9. FULL MEMBER**

Shall mean a member, male or female, of the Club;

- a) Who shall pay the full annual subscription of not less than \$5.00 as decided by the board and;
- b) Who shall pay the full annual subscription, or such proportion of the full annual subscription as decided by the board, to be affiliated with the Newcastle District Bowling Association and Bowls NSW
- c) Each applicant for full membership shall indicate on the application form that they intend to play bowls.
- d) Each applicant will be elected for a probationary period of up to six (6) months during which time that intention shall be evident.
- e) Unless already an experienced bowler, coaching classes will be undertaken until such time as the Club Coach assesses sufficient proficiency to take part in organised games.
- f) If sufficient proficiency is not attained within the probationary period, membership may lapse, in which case all membership fees shall be forfeited to the Club and no refund shall be made.

### **10. LIFE MEMBER**

Shall mean any member who may, in consideration of long or meritorious service or for any other special reason, be granted honorary Life Membership of the Club.

- a) A proposal for Life Membership shall be made to the Board in writing by any two members of the Club and the Board shall consider it and come to a decision regarding it.
- b) No such grant shall be made except on the recommendation of the Board made to the annual or a special general meeting and communicated to the members in the notice convening such a meeting and the subsequent adoption of that recommendation by two-thirds of the members present and entitled to vote. At no time shall the number of Life members exceed seven (7).
- c) A Life member shall be entitled to Full Membership in all respects, without the payment of the annual subscription.

#### **11. SOCIAL BOWLING MEMBER**

Shall mean a member, male or female, of the Club;

- a) Who is a financial member of Bowls NSW and the Newcastle District Bowling Association through membership at another bowling club.
- b) Who shall pay an annual subscription not less than \$5.00 as decided by the board.
- c) Each applicant for full membership shall indicate on the application form that they intend to play bowls.

Social Bowling Members shall have all the rights and privileges of a full member except:-

- a) Standing for office on the board of management or nominating club members for such office.
- b) Voting at general meetings of members.
- c) May only participate in Club Championship games which are not played at District level.

#### **12. SOCIAL MEMBER**

Means a member, male or female, entitled to use the facilities of the Club without participating in the game of bowls.

Apart from this restriction, Social Members shall have all the rights and privileges of a full member except:-

- a) Standing for office on the board of management or nominating club members for such office.
- b) Voting at general meetings of members.
- c) The subscription of a Social Member shall be less than that of a full member not less than \$5.00 as determined by the Board.

#### **13. JUNIOR BOWLING MEMBER**

A person under the age of eighteen (18) years but of a minimum age as determined by the Board who;

- a) Having been elected as a Junior Bowling Member, shall pay the applicable annual subscription as determined by the Board.



- b) Subject to the provisions of the Registered Clubs Act a Junior Bowling Member shall be entitled to such of the playing privileges and to the use of such of the facilities of the Club as the Board shall determine but shall not be entitled to hold office on the board of management of the Club or to nominate Club members for such office or to attend and vote at meetings of the Club.
- c) Junior Bowling Members shall be subject to the same conditions regarding probationary membership and the intention to play bowls as apply to applicants for full membership.
- d) On attaining the age of eighteen (18) years a Junior Bowling Member may make written request to the Board to transfer to full membership and the Board may grant such request without the necessity of a fresh election.
- e) A Junior Bowling Member so changing his membership designation shall pay such additional subscription as shall, with the amount already paid by him as such Junior Bowling Member, bring his total subscription to the amount payable by a full member.

#### **14. ASSOCIATE MEMBER**

Means any full or life member of any bowling club affiliated with the Newcastle or other Bowling Association who desires to associate himself with this Club.

An Associate Member is entitled only to the use of the Club's greens, amenities and social privileges.

No Gaming will be permitted unless signed in by a member.

#### **15. HONORARY MEMBERSHIP**

The following may be admitted, at the discretion of the Board or the Secretary, as an Honorary Member of the Club:-

- a) The patron or patrons of the Club.
- b) A visiting member of another bowling club, affiliated with;
  - (i) The Royal New South Wales Bowling Association (R.N.S.W.B.A.).
  - (ii) The Australian Bowls Council,
  - (iii) Any District Association recognised by such State Association or Council.
  - (iv) Any member of a Women's Bowling Club affiliated with the Australian Women's Bowling Council (A.W.B.C.) or
  - (v) The New South Wales Women's Bowling Association (N.S.W.W.B.A.), or
  - (vi) Any District Association recognised by such State Association or Council, for the duration of the day on which he or she takes part in any match, game, competition or tournament played on the Club's property.
- c) An interstate or overseas visitor.
- d) A person residing not less than 5 kilometres from the Club.

- e) A member of another club, registered under the Registered Clubs Act 1976, with similar objects to those of the Club.
- f) Any prominent citizen visiting the Club for some special occasion.
- g) Members of bona fide bowling clubs who have no bowling green of their own visiting the Club to play in a match or competition of bowls for the day.
- h) Members of other clubs visiting the Club for the purpose of taking part in a competition of darts, indoor bowls, billiards, snooker or other competitions for the day of such competition only.
- i) An Honorary member shall be entitled only to the social privileges of the Club and to play bowls and such other games, recreations and pastimes as determined by or on the invitation of the Board from time to time.
- j) No Gaming will be permitted unless signed in by a member.

#### **16. CHANGING MEMBERSHIP CLASSIFICATION**

- (1) The Board shall have the power to grant written requests for full, social or associate members to change from either one of such designations to another without the necessity of a fresh election, provided that a full member, on changing his designation, shall not be entitled to any refund or reduction for any subscription paid or payable by him for the current year.
- (2) Any associate or social member changing his designation to that of full member shall pay such additional subscription as shall, with the amount already paid by him as such associate or social member, bring his total subscription to the amount payable by a full member.
- (3) A social member transferring to full (playing) membership shall be subject to the same provisions as regards probationary period and coaching classes as apply to applicants for full membership under Rule 9.

#### **17. SPECIAL PROVISIONS**

Associate, Honorary and Social Members shall not;

- (1) Be entitled to compete in Club Championship Competitions which are played under the Rules of Zone 2/Newcastle District Bowling Association, RNSWBA /Bowls NSW and The Laws of the Sport of Bowls.
- (2) Take part in competitions conducted by the Newcastle District Bowling Association nor to vote or hold any office in the Club or nominate any members for such office.

#### **18. QUALIFICATIONS FOR MEMBERSHIP**

A person qualifies for membership of the co-operative if the person is able to use or contribute to the Primary Activities of the co-operative.

#### **19. ENTRANCE FEE**

The entrance fee for all membership will be determined by The Board or the Members at a General Meeting. The Fee is to be paid in full upon acceptance of membership.

## **20. MEMBERSHIP APPLICATION**

- (1) Applications for membership must be lodged at the registered office in the application form approved by The Board, and should be accompanied by payment of any applicable entry fee or subscription set under rule 10.
- (2) Every application must be considered by The Board.
- (3) If The Board approves the application, the applicant's name and any other information required under The Law must be entered in the Register of Members within 28 days of the Board's approval.
- (4) The applicant must be notified in writing of the entry in the register and the applicant is then entitled to the privileges attaching to membership.
- (5) The Board, at its discretion, can refuse an application for membership.
- (6) The Board need not assign reasons for the refusal. On refusal, any amounts accompanying the application for membership must be refunded within 28 days without interest.

## **21. RENEWAL**

Members (other than Life Members) must renew their membership annually in accordance with the procedures set down by the Club in Regulations from time to time.

## **22. DEEMED MEMBERSHIP**

- a) All persons who are, prior to the approval of this Constitution under the Law, Members of the Club shall be deemed Members from the time of approval of this Constitution under the Law.
- b) Any Members of the Club, prior to approval of this Constitution under the Act, who are not deemed Members under rule 13(a) shall be entitled to carry on such functions analogous to their previous functions as are provided for under this Constitution.

## **23. CESSATION OF MEMBERSHIP**

A person ceases to be a member in either of the following circumstances:

- a) If the membership ceases in any circumstances specified in section 117 of the Law;
- b) If the member no longer qualifies for membership under rule 7 of this Constitution

## **24. EXPULSION OF MEMBERS**

- (1) A member may be expelled from the co-operative by special resolution to the effect:
  - a) That the member has seriously or repetitively failed to discharge the member's obligations to the co-operative under these rules or a contract entered into with the co-operative under section 125 of the Law; or
  - b) That the member has acted in a way that has:

- (i) Prevented or hindered the co-operative in carrying out its primary activity or one or more of its primary activities; or
  - (ii) Brought the co-operative into disrepute; or
  - (iii) Been contrary to one or more of the co-operative principles as described in section 10 of the Law and has caused the co-operative harm.
- (2) Written notice of the proposed special resolution must be given to the member at least 28 days before the date of the meeting at which the special resolution is to be moved, and the member must be given a reasonable opportunity of being heard at the meeting.
- (3) At the general meeting when the special resolution for expulsion is proposed the following procedures apply:
- a) At the meeting, the member must be afforded a full opportunity to be heard and is entitled to call witnesses and cross-examine witnesses called against the member;
  - b) If the member fails to attend at the time and place mentioned, without reasonable excuse, the member's alleged conduct must be considered and the co-operative may decide on the evidence before it, despite the absence of the member.
  - c) Once the alleged conduct is considered, the co-operative may decide to expel the member concerned.
  - d) the co-operative must not make a decision on the alleged conduct or on expulsion, except by vote by secret ballot of the members present, in person or represented by proxy or by attorney, and entitled to vote;
  - e) A motion for the decision is not taken to be passed unless two-thirds of the members present, in person or represented by proxy or by attorney, vote in favour of the motion.
  - f) An expelled member must not be re-admitted as a member unless the re-admission is approved by special resolution.

## **25. RESIGNATION OF MEMBERS**

A member may resign from the co-operative by giving one month notice in writing to the Secretary.

## **26. MONETARY CONSEQUENCES OF EXPULSION OR RESIGNATION**

- (1) If a member is expelled or resigns from the co-operative, all amounts owing by the former member to the co-operative become immediately payable in full.
- (2) Subject to section 128 of the Law, payment to the expelled or resigning member of any amount owing by the co-operative to the former member:
  - a) Must be made at the time decided by the board but within one year from the date of expulsion or resignation; or
  - b) May be applied at the time decided by the board, but within one year from the date of expulsion or resignation, in the manner set out in section 128 of the Law, if there is agreement by the board and former member or if the board considers that repayment would adversely affect the financial position of the co-operative.

## **27. SUSPENSION OF MEMBERS**

- (1) The Board may suspend a member for not more than one year, who does any of the following:
  - a) Contravenes any of these rules;
  - b) Fails to discharge obligations to the co-operative, whether under these rules or a contract;
  - c) Acts detrimentally to the interests of the co-operative.
- (2) In order to suspend a member:
  - a) Written notice of the proposed suspension must be given to the member at least 28 days before the date of the board meeting at which the resolution is to be moved, and the member must be given a reasonable opportunity of being heard at the meeting.
  - b) At the board meeting when the resolution for suspension is proposed the following procedures apply:
    - (i) At the meeting, the member must be afforded a full opportunity to be heard and is entitled to call witnesses and cross-examine witnesses called against the member;
    - (ii) If the member fails to attend at the time and place mentioned, without reasonable excuse, the member's alleged conduct must be considered and the Board may decide on the evidence before it, despite the absence of the member.
    - (iii) Once the alleged conduct is considered, the Board may decide to suspend the member concerned.
- (3) During the period of suspension, the member:
  - a) Loses any rights (except the right to vote) arising as a result of membership; and
  - b) Is not entitled to a refund, rebate, relief or credit for membership fees paid, or payable, to the co-operative; and
  - c) Remains liable for any fine that may be imposed.

## **PART 5. DISCIPLINE**

Members will be subject to and will submit unreservedly to the jurisdiction, procedures, penalties and the appeal mechanisms of the Club set out in the Regulations.

The Board shall appoint a Judiciary Committee to deal with any disciplinary matter referred to it. Such a Judiciary Committee shall operate in accordance with the procedures expressed in the Regulations but is subject always to the CNL.

## **PART 6. EFFECT OF MEMBERSHIP**

Members acknowledge and agree that:

- (1) This Constitution forms a contract between each of them and the Club and that they are bound by this Constitution.
- (2) They shall comply with and observe this Constitution and any determination, resolution or policy which may be made or passed by the Board or other entity with delegated authority;
- (3) By submitting to this Constitution they are subject to the jurisdiction of the Club, RSO, SSO and NSO.
- (4) The Constitution and Regulations are necessary and reasonable for promoting the Primary Activities of the Club and particularly the advancement and protection of Lawn Bowls; and
- (5) They are entitled to all benefits, advantages, privileges and services of Club membership.

## **PART 7. DISPUTES AND MEDIATION**

### **28. DISPUTES**

- (1) The grievance procedure set out in this rule applies to disputes under these rules between:
  - a) A member and another member; or
  - b) A member (including a former member) and the co-operative.
- (2) If a dispute arises, a party cannot commence any court or arbitration proceedings relating to the dispute unless it has complied with the provisions of this rule, except where a person seeks urgent interlocutory relief.
- (3) The parties to the dispute must meet and discuss the matter in dispute, and, if possible, resolve the dispute within 14 days of:
  - a) The dispute coming to the attention of each party; or
  - b) A party giving notice, to each of the other parties involved, of the dispute or grievance.
- (4) If the parties are unable to resolve the dispute at the meeting, or if a party fails to attend that meeting, the parties must, as soon as is practicable, hold a meeting in the presence of a mediator.

### **29. MEDIATOR**

- (1) The mediator is, where possible, to be a person chosen by agreement between the parties, but in the absence of agreement between the parties:
  - a) For a dispute between a member and another member, a person appointed by the board; or
  - b) For a dispute between a member (including a former member) and the co-operative, a person appointed by a mediation service accredited by the Australian Mediation Association).

- (2) The mediator may (but need not) be a member of the co-operative, unless the member is a party to the dispute.
- (3) The parties to the dispute must, in good faith, attempt to settle the dispute by mediation.
- (4) The mediator, in conducting the mediation, must:
  - a) Give the parties to the mediation process every opportunity to be heard; and
  - 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.
- (5) The mediator cannot determine the dispute.
- (6) The mediation must be confidential and without prejudice.
- (7) The costs of the mediation are to be shared equally between the parties unless otherwise agreed.
- (8) Nothing in this rule applies to any dispute as to the construction or effect of any mortgage or contract contained in any document other than these rules.
- (9) Nothing in this rule applies to any dispute involving the expulsion or suspension of a member or the imposition of a fine.
- (10) If the mediation process does not result in the dispute being resolved, each party may seek to resolve the dispute in accordance with the Law or otherwise at law.

*NOTE. SECTION 130 OF THE LAW APPLIES IF MEDIATION DOES NOT RESOLVE THE DISPUTE.*

#### **PART 8. FINES PAYABLE BY MEMBERS**

- (1) The board may impose on a member a maximum fine of \$ 500.00 for a contravention of these rules.
- (2) A fine must not be imposed on a member under sub rule (1) unless:
  - a) Written notice of intention to impose the fine and the reason for it has been given to the member; and
  - b) The member has been given a reasonable opportunity to appear before the board in person (with or without witnesses), or to send to the board a written statement, to show cause why the fine should not be imposed.

#### **PART 9. LIABILITY OF MEMBERS TO CO-OPERATIVES**

A member is liable to the co-operative for the amount, if any, unpaid by the member in respect of entry fees and regular subscriptions, together with any charges, payable by the member to the co-operative under these rules.

#### **PART 10. FORFEITURE AND CANCELLATIONS-INACTIVE MEMBERS**

The board must declare the membership of a member cancelled if:

- a) The whereabouts of the member are not presently known to the co-operative and have not been known to the co-operative for a continuous period of at least 1 year; or
- b) The member is not presently active and has not been active within the meaning of rule 7 in the past 3 years.

## **PART 11. VALUE OF INTEREST OF DECEASED MEMBER**

*NOTE: MEMBERSHIP CEASES ON DEATH (SEC 117 OF THE LAW AND RULE 14)*

The value of the interest of a deceased member is the amount that would have been payable to the member if the member had resigned and includes any prepayments of regular subscriptions or other fees less any amounts owing to the co-operative by the member.

## **PART 12. RIGHTS AND LIABILITIES OF MEMBERS –BANKRUPTCY OR MENTAL INCAPACITY**

- (1) If a person's membership ceases because of bankruptcy, the value of the person's membership interest calculated in accordance with Rule 11 may be transferred to the Official Trustee in Bankruptcy.
- (2) A person appointed under a law of a State or Territory to administer the estate of a member who, through mental or physical infirmity, is incapable of managing his or her affairs, may be registered as the holder of the member's interest in the co-operative and the rights and liabilities of membership vest in that person during the period of the appointment.
- (3) Upon application by a person appointed to manage the affairs of a member referred to in sub rule (2), the Board may decide to suspend some or all active membership obligations if there are grounds to believe that the member's physical or mental infirmity is temporary.

## **PART 13. TRANSFER OF SECURITIES OTHER THAN SHARES**

### **30. TRANSFER AND TRANSMISSION OF DEBENTURES**

- (1) On the written request of the transferor (the giver) of a debenture, the co-operative must enter in the appropriate register the name of the transferee (the receiver) in the same way and on the same conditions as if the application for entry were made by the transferee.
- (2) If the co-operative refuses to register a transfer of debentures, it must, within 28 days after the date on which the transfer was lodged with it, send to the transferee notice of the refusal.
- (3) An instrument of transfer of a debenture must be executed by or on behalf of the transferor and the transferee. The transferor is taken to remain the holder of the debenture until the debenture in the name of the transferee is entered in the register of debentures.
- (4) The board may decline to recognise an instrument of debenture and may decline to register a debenture unless:
  - a) a fee of \$ ..... (or a lesser amount decided by the board) is paid to the co- operative for the transfer of registration; and



- b) the instrument of transfer is accompanied by the relevant debenture(s) and any other evidence the board reasonably requires (in particular, evidence showing the right of the transferor to make the transfer); and
- c) any government stamp duty payable is paid.

(5) Debentures must be transferred in the following form or in a form approved by the board:

I, A.B. (the transferor) of ..... in the State/Territory of ..... in consideration of the sum of \$ ..... paid

to me by C.D (the transferee), of ..... in the State of ..... transfer to the transferee the debenture(s)

numbered .....

to be held by the transferee, the transferee’s executors, administrators and assigns, subject to any conditions on which I hold the debenture(s) and any other conditions being terms of the transfer of the debenture(s).

And I, the transferee, agree to take the debenture(s) subject to the conditions mentioned.

Dated this ..... day of .....20 .....

Signed by ..... transferor.

In the presence of .....witness.

Signed by..... transferee.

In the presence of .....witness.

**31. ISSUE OF CCUs**

- (1) The board may confer an interest in the capital of the co-operative by issuing CCUs in accordance with the Law.
- (2) Each holder of CCUs is entitled to one vote only at a meeting of the holders of CCUs.
- (3) The rights of the holders of CCUs may be varied only in the way and to the extent provided by their terms of issue and only with the consent of at least 75% of those holders of CCUs who, being entitled to do so, cast a formal vote to accept the variation at a meeting.
- (4) The holder of a CCU has, in the person’s capacity as a holder of a CCU, none of the rights or entitlements of a member of the co-operative.
- (5) The holder of a CCU is entitled to receive notice of all relevant meetings of the co-operative and all other documents in the same manner as the holder of a debenture of the co-operative.

**NOTE. DEBENTURE HOLDERS RECEIVE NOTICE OF MEETINGS OF DEBENTURE HOLDERS, NOT GENERAL MEETINGS OF THE CO-OPERATIVE.**

### **32. TRANSFER AND TRANSMISSION OF CCUS**

- (1) Subject to sub rule (2), the transfer and transmission of a CCU is to follow the same process as for a debenture under Part 13 rule 2.1
- (2) If the terms of issue of a CCU differ from Part 13 rule 2.1 in respect of the manner of transfer or transmission, the terms of its issue prevail.

## **PART 14. GENERAL MEETINGS, RESOLUTIONS AND VOTING**

### **33. ANNUAL GENERAL MEETINGS (CNL s252)**

An annual general meeting must be held each year, at a place and on a date and a time decided by the Board, within 5 months after the close of the financial year of the co-operative or within the further time allowed by the Registrar.

### **34. MEMBERS' POWER TO REQUISITION A GENERAL MEETING (CNL s257)**

- (1) The board may, whenever it considers appropriate, call a special general meeting of the co-operative.
- (2) The board must call a general meeting of the co-operative on the requisition in writing by members who together are able to cast at least 20% of the total number of votes able to be cast at a meeting of the co-operative.
- (3) The provisions of section 257 of the Law apply to a meeting requisitioned by members.

### **35. NOTICE OF GENERAL MEETINGS (CNL ss239, 254 & 611)**

- (1) At least 14 days' notice of a general meeting (not including the day on which the notice is served or taken to be served, but including the day for which notice is given) must be given.

**NOTE 1. IF THERE IS TO BE A SPECIAL RESOLUTION PROPOSED AT THE MEETING, THERE IS A REQUIREMENT FOR AT LEAST 21 DAYS' NOTICE OF THE SPECIAL RESOLUTION.**

**NOTE 2. IF THERE IS A RESOLUTION PROPOSED FOR THE REMOVAL OF A DIRECTOR, SECTION 180 OF THE LAW REQUIRES SPECIAL NOTICE OF THE RESOLUTION AND 21 DAYS' NOTICE OF THE MEETING.**

- (2) Notice must be given to each member of the co-operative and any other persons who are, under these rules or the Law, entitled to receive notices from the co-operative.
- (3) The notice must state the place, day and hour of the meeting and include ordinary business as specified in rule 27 and, for special business, the general nature of any special business.
- (4) The notice must also include any business members have notified their intention to move at the meeting under sub rule (6) (but only if the members' notification has been made under these rules and within time).
- (5) The notice must be served in the manner provided in the Law.

**NOTE 1. SECTION 611 OF THE LAW MAKES PROVISION FOR THE SERVICE OF NOTICES ON MEMBERS OF THE CO-OPERATIVE. RULE 57 MAKES ADDITIONAL PROVISION FOR NOTICE BY ELECTRONIC TRANSMISSION**

**NOTE 2. NON-RECEIPT OF THE NOTICE DOES NOT INVALIDATE THE PROCEEDINGS AT THE GENERAL MEETING**

- (6) Members who together are able to cast at least 20% of the total number of votes that are able to be cast at a meeting of the co-operative and who have a resolution to

submit to a general meeting must give written notice of it to the co-operative at least 45 days before the day of the meeting.

### **36. BUSINESS OF GENERAL MEETINGS**

- (1) The ordinary business of the annual general meeting of a small co-operative must be:
  - a) To confirm minutes of the last preceding general meeting (whether annual or special); and
  - b) To receive from the board, auditors or officers of the co-operative:
    - (i) the basic minimum financial statements for the co-operative for the financial year;
    - (ii) a report on the state of affairs of the co-operative;
    - (iii) a directors' solvency resolution as to whether or not, in their opinion, there are reasonable grounds to believe that the co-operative will be able to pay its debts as and when they become due and payable; and
  - c) To approve any payments of fees to directors.
- (2) The annual general meeting may also transact special business of which notice has been given to members under these rules.
- (3) All business of a general meeting, other than business of the annual general meeting that is ordinary business, is special business.
- (4) No business other than that stated on the notice for a general meeting shall be transacted at that meeting.

### **37. QUORUM AT GENERAL MEETINGS**

- (1) An item of business cannot be transacted at a general meeting unless a quorum of members is present when the meeting is considering the item.
- (2) Unless these rules state otherwise, 20% of Full members present in person, each being entitled to exercise a vote, constitute a quorum.
- (3) If a quorum is not present within half an hour after the appointed time for a meeting, the meeting, if called on the requisition of members, must be dissolved. In any other case it must be adjourned to the same day, time and place in the next week.
- (4) If a quorum is not present within half an hour after the time appointed for an adjourned meeting, the members present constitute a quorum.

### **38. CHAIRPERSON AT GENERAL MEETINGS**

- (1) The President of the Board shall preside as chairperson at every general meeting of the co-operative.
- (2) If there is no chairperson, or if at a meeting the chairperson is either not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as chairperson, the members present must choose someone from their number to be chairperson (until the chairperson attends and is willing to act).

- (3) The chairperson may, with the consent of a meeting at which a quorum is present (and must if directed by the meeting) adjourn the meeting from time to time and from place to place. However, the only business that can be transacted at an adjourned meeting is the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned meeting must be given just as for the original meeting. Apart from this it is not necessary to give notice of an adjournment or the business to be transacted at an adjourned meeting.

### **39. ATTENDANCE AND VOTING AT GENERAL MEETINGS (CNL ss228 & 256)**

- (1) The right to vote attaches to Full membership.
- (2) A resolution, other than a special resolution, must be decided by simple majority.
- (3) Subject to sub rules (5) and (6), a question for decision at any general meeting must be decided on a show of hands of members present at the meeting.
- (4) A poll may be demanded on any question for decision.
- (5) If before a vote is taken or before or immediately after the declaration of the result on a show of hands:
  - a) The chairperson directs that the question is to be determined by a poll; or
  - b) At least 5 members present in person or represented by proxy demand a poll; the question for decision must be determined by a poll.
- (6) The poll must be taken when and in the manner that the chairperson directs.
- (7) A poll on the election of a chairperson or on the question of adjournment must be taken immediately and without debate.
- (8) Once the votes on a show of hands or on a poll have been counted then, subject to sub rule (6), a declaration by the chairperson that a resolution has been carried (unanimously or by a particular majority) or lost is evidence of that fact.
- (9) The result of the vote must be entered in the minute book.

## **PART 15. VOTING**

### **40. VOTING ON A SHOW OF HANDS (CNL ss234 & 256)**

On a show of hands at a general meeting, each member:

- a) Present; or
- b) Represented by a non-member acting under a power of attorney; or
- c) Represented by a non-member appointed under the provisions of the Law; may vote.

### **41. VOTING ON A POLL**

On a poll called at a general meeting, each member:

- a) Present; or
- b) Represented by a person acting under a power of attorney; or

c) Represented by a person appointed under the provisions of the Law; may vote.

#### **42. DETERMINING THE OUTCOME WHERE EQUALITY OF VOTES (CNL s228)**

- (1) This rule applies where the votes in favour and against a resolution are equal.
- (2) If the chairperson of the meeting is a member of the co-operative, he or she may exercise a second or casting vote.
- (3) If the chairperson is not a member of the co-operative or decides not to exercise a second or casting vote, the outcome of an equality of votes is taken to have been decided in the negative.

#### **43. PROXY VOTES (CNL s229)**

Voting by proxy is not permitted at a general meeting.

#### **44. POSTAL BALLOTS (OTHER THAN SPECIAL BALLOTS) (CNL ss247 & 250)**

- (1) In the event of an eligible member being unable to attend the Club house to vote due to illness, absence from the district or for any reason acceptable to the Returning Officer, the member may apply in writing to the Returning Officer to be issued with a ballot paper, marked and enclosed in a sealed envelope marked "Ballot Paper," by post or by other means and is to be received by the Returning Officer before the close of the ballot. The ballot paper shall be placed by the Returning Officer in the ballot box and be recorded in the Meeting Attendance Book.
- (2) A postal ballot must be held in respect of a special resolution where members who together are able to cast at least 20% of the total number of votes able to be cast at a meeting of the co-operative may requisition the board to conduct the special resolution by postal ballot.

**NOTE. REQUISITIONING MEMBERS MAY BE LIABLE FOR THE COST OF A POSTAL BALLOT IF THE SPECIAL RESOLUTION IS NOT PASSED. SEE SECTION 250 OF THE LAW.**

- (3) If a postal ballot is requisitioned by members under sub rule (2), the requisition should specify whether the postal ballot is to be a secret ballot.
- (4) A postal ballot requisitioned under sub rule (2) is to be conducted in accordance with the National Regulations and in the form and manner determined by the board.
- (5) The board may determine in a particular case whether the special resolution by postal ballot should be a secret ballot and whether votes may be returnable by fax or other electronic means or both.
- (6) If the board decides to conduct a secret postal ballot, it must ensure that the method used to conduct the ballot will ensure that votes can be counted without identifying the way each member has voted.
- (7) The board is to appoint a returning officer to conduct the postal ballot. In default of such an appointment, the secretary is the returning officer.
- (8) Ballot papers (in such form and with such content as the board may approve) must be sent to all voting members giving:
  - a) Particulars of the business in relation to which the postal ballot is being conducted;  
and

- b) An explanation of how to lodge a valid vote and the majority required to pass the vote; and
- c) Notice of the closing date and closing time of the postal ballot; and must be sent to members so that they arrive (assuming standard postal times) at least 21 days before the closing date of the postal ballot.

(9) This rule does not apply in relation to special postal ballots.

#### **45. SPECIAL POSTAL BALLOTS (CNL ss248 & 249)**

This rule applies where a special postal ballot is required.

- (1) Ballot papers (in such form and with such content as the board may approve) must be sent to all voting members so that they arrive (assuming standard postal times) at least 28 days before the closing date of the special postal ballot.
- (2) The board may determine in a particular case whether the special resolution by postal ballot should be a secret ballot and whether votes may be returnable by fax or other electronic means or both.
- (3) If the board decides to conduct a secret postal ballot, it must ensure that the method used to conduct the ballot will ensure that votes can be counted without identifying the way each member has voted.

#### **46. SPECIAL RESOLUTIONS (CNL ss238-241)**

- (1) A special resolution is a resolution that is passed:
  - a) By a two-thirds majority at a general meeting; or
  - b) By a two-thirds majority in a postal ballot (other than a special postal ballot) of members; or
  - c) By a three-quarters majority in a special postal ballot of members.
- (2) A notice of special resolution is required to be given to members at least 21 days before the vote or ballot time (or 28 days notice in the case of a special postal ballot).
- (3) The notice of special resolution must state:
  - a) The intention to propose the special resolution; and
  - b) The reasons for proposing the special resolution; and
  - c) The effect of the special resolution being passed.

**NOTE. VOTING MAJORITIES FOR ORDINARY AND SPECIAL RESOLUTIONS AND SPECIAL POSTAL BALLOTS ARE DEFINED IN THE LAW ALONG WITH HOW A MAJORITY IS COUNTED AND THE REQUIREMENTS FOR REGISTRATION OF SPECIAL RESOLUTIONS.**

### **PART 16. BOARD OF DIRECTORS**

#### **47. EXISTING BOARD OF DIRECTORS**

The Members of the Board of Directors in office immediately prior to approval of this Constitution under the Act shall continue in those positions until the next annual general meeting following such

adoption of this Constitution. After this General Meeting the positions of Directors shall be filled, vacated and otherwise dealt with in accordance with this Constitution.

#### **48. THE BOARD (CNL s172)**

- (1) The business of the co-operative is to be managed by or under the direction of the board of directors, and for that purpose the board has and may exercise all the powers of the co-operative that are not required to be exercised by the co-operative in general meeting.
- (2) The board must have not more than...9... directors.

### **PART 17. QUALIFICATIONS AND ELECTION OF THE BOARD**

#### **49. COMPOSITION OF THE BOARD**

The Board shall comprise:

- a) Five Executive Directors:
  - (i) President
  - (ii) Secretary
  - (iii) Assistant Secretary
  - (iv) Treasurer
  - (v) Assistant Treasurer
- b) Four Member directors
- c) All shall be elected under rule 41 and 42

#### **50. QUALIFICATIONS OF DIRECTORS (CNL s174)**

- (1) A person is not qualified to be a director of the co-operative unless the person is an individual over the age of 18 years and is either:
  - a) A Full Member of the co-operative; or
  - b) Not a Full Member but who possesses special skills in management or other technical areas of benefit to the co-operative as specified by the board from time to time.
  - c) A person qualified to be a director under sub rule (1) (a) is known as a “member director”. A person qualified under sub rule (1) (b) is known as a “non-member director”.
  - d) The board of directors must have a majority of member directors.

#### **51. ELECTION OF DIRECTORS**

- (1) Pre-Poll voting is permitted for up to ten (10) days prior to the annual general meeting.
- (2) The members of the Board are to be elected in the manner specified in this rule.

- (3) At the annual general meeting, at which time all directors retire, the vacated offices may be filled in the following manner:
- a) At least 6 weeks before the annual general meeting, the board must:
    - (i) Notify all members of the number of directors retiring at the annual general meeting; and
    - (ii) Advise the members of:
      - (1) Their eligibility to nominate as a director; and
      - (2) The duties and responsibilities of a director; and
      - (3) The anticipated remuneration (if any); and
      - (4) The nomination and election procedures.
  - b) A notice must also be displayed at the place of business of the co-operative inviting nominations of nominees to serve as directors.
  - c) A nomination must:
    - (i) Be signed by 2 or more Full Members; and
    - (ii) Provide details of the qualifications and experience of the person nominated; and
    - (iii) Be accompanied by a notice in writing signed by the nominee consenting to their nomination.
  - d) The nomination and the notice of consent must be lodged with the secretary of the co-operative at least 30 days before the annual general meeting.
  - e) The secretary, or an officer nominated by the board, must give details of each person who has been nominated to members with the notice of the annual general meeting. Details to be provided to members must include:
    - (i) The nominee's name; and
    - (ii) The nominee's qualifications and experience; and
    - (iii) The nominee's length of any previous service as a director of the co-operative or with any other co-operative.
- (4) If the number of nominees equals the number of vacancies, the nominees must be declared elected at the annual general meeting.
- (5) If there are insufficient nominees to fill all vacancies, the nominees are to be declared elected at the annual general meeting and nominations for people to fill the remaining vacancies are to be called from the floor and a ballot held if required.
- (6) If there is no pre-polling conducted before the annual general meeting and the number of nominees exceeds the number of vacancies, the election of directors must be conducted at the meeting by ballot as follows:



- a) A returning officer is elected at the meeting. The directors, the secretary and anyone who has an interest in the election are not eligible to be the returning officer.
  - b) All nominees are to be listed on the ballot form in alphabetical order.
  - c) The returning officer is responsible for determining the validity of and counting of the votes.
  - d) If there is an equality of votes, the outcome must be determined by lot.
  - e) The returning officer is to declare the election results.
- (7) If any vacancies remain at the end of the meeting the vacancies are to be casual vacancies and must be filled in accordance with rule 45.

## **PART 18. VACANCIES ON THE BOARD**

### **52. REMOVAL FROM OFFICE OF A DIRECTOR (CNL s180)**

Full Members of the co-operative may by Special Resolution remove a director before the end of the director's period of office, and may by a simple majority appoint another person in place of the removed director. The person appointed must retire when the removed director would otherwise have retired.

### **53. VACATION OF OFFICE OF A DIRECTOR (CNL s179)**

In addition to the circumstances set out in the **Law**, a director vacates office if the director dies.

In addition to the circumstances in which the office of a Director becomes vacant by virtue of the **CNL**, the office of a Director becomes vacant if the Director:

- a) Becomes bankrupt or makes any arrangement or composition with his creditors generally
- b) Becomes of unsound mind or a person whose person or estate is liable to be dealt with in anyway under the law relating to mental health
- c) If the director absents himself or herself from 3 consecutive ordinary meetings of the board without its leave;
- d) If the director resigns by written notice given by the director to the co-operative;
- e) If the person ceases to hold the qualification because of which the person was qualified to be a director;
- f) If an administrator of the co-operative's affairs is appointed under Part 4.1 of the CNL;
- g) If the director holds any office of employment with the Club without the approval of the Board
- h) Is directly or indirectly interested in any contract or proposed contract with the Club and fails to declare the nature of that interest

In the opinion of the Board (but subject always to this Constitution):

- a) Has acted in a manner unbecoming or prejudicial to the Primary Activities and interests of the Club
- b) Has brought the Club into disrepute

#### **54. CASUAL VACANCIES (CNL ss173 & 177)**

In the event of a casual vacancy or vacancies in the office of a Director or Directors, the remaining Directors may act. However, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of the Board, they may act only for the purpose of increasing the number of Director to a number sufficient to constitute a quorum;

- (1) The board may appoint a qualified person to fill a casual vacancy in the office of director until the next annual general meeting.
- (2) The board may appoint a person to act as a director (an alternate director) in the place of an absent director.
- (3) A person is not qualified to be appointed as an alternate director for:
  - a) A member director—unless the person is qualified for appointment as a member director; or
  - b) A non-member director—unless the person is qualified for appointment as a non-member director.
- (4) An alternate director holds office until the next annual general meeting or until the next general meeting held to elect directors to fill any vacancies (whichever is earlier).
- (5) An alternate director for a director (the principal director) vacates office:
  - a) in similar circumstances or cases to those in which the principal director would vacate office (and for that purpose the provisions of these rules and Division 1 of Part 3.1 of the Law accordingly apply in relation to the alternate director); or
  - b) if the alternate director is removed from office by the board as alternate director for failure, without its leave, to attend a meeting of the board at which the principal director is absent (and for that purpose the provisions of section

### **PART 19. REMUNERATION OF DIRECTORS**

#### **55. REMUNERATION (CNL s203)**

Directors' remuneration must comply with the provisions of the Law.

### **PART 20. PROCEEDINGS OF THE BOARD**

#### **56. MEETINGS OF THE BOARD (CNLss175 & 176)**

- (1) Meetings of the board (including meetings conducted outside board meetings pursuant to section 176 of the Law) are to be held as often as may be necessary for properly conducting the business of the co-operative and must be held at least every month.
- (2) A meeting may be held with one or more of the directors participating by using a form of communication that allows reasonably contemporaneous and continuous communication between the directors taking part in the meeting.

- (3) Questions arising at a meeting must be decided by a majority of votes.
- (4) If votes are equal, the chairperson, if a member director, has a second or casting vote.
- (5) Other than in special circumstances decided by the chairperson, at least 48 hours' notice must be given to the directors of all meetings of the board, without which the meeting cannot be held
- (6) The Club shall establish and maintain proper records and minutes concerning all of its transactions, business, meetings and dealings (including those of the Club and the Board). It shall produce these as appropriate at each Board or general meeting.

#### **57. QUORUM FOR BOARD MEETINGS (CNL s175)**

- (1) The quorum for a meeting of the board is 50% of the number of directors (or if that percentage of the number of directors is not a whole number, the whole number next higher than 50%).
- (2) For a quorum, the number of member directors must outnumber the non-member directors by at least one.

#### **58. CHAIRPERSON OF THE BOARD**

- (1) The chairperson of the board is to be the President.
- (2) If the chairperson is not present within 15 minutes after the time fixed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present may choose one of their number to be chairperson of the meeting until the chairperson attends and is willing to act as chairperson.
- (3) The chairperson may be removed, and a new chairperson elected, by:
  - a) Ordinary resolution of the board, unless paragraph (b) applies; or
  - b) Ordinary resolution at a general meeting, if these rules provide that the chairperson is elected at a general meeting of the co-operative.

### **PART 21. COMMITTEES**

#### **59. DELEGATION AND BOARD COMMITTEES (CNL s178)**

- (1) The board may by resolution delegate to:
  - a) A director; or
  - b) A committee of 2 or more directors; or
  - c) A committee of members of the co-operative; or
  - d) A committee of members of the co-operative and other persons if members form the majority of persons on the committee; or
  - e) A committee of directors and other persons;

the right to exercise the board's powers (other than this power of delegation) specified in the resolution. The co-operative or the board may by resolution revoke all or part of the delegation.

- (2) A power delegated under this rule may, while the delegation remains unrevoked, be exercised from time to time in accordance with the delegation.
- (3) A delegation under this rule may be given on conditions limiting the exercise of the power delegated, or time or circumstances.
- (4) Despite any delegation under this rule, the board may continue to exercise the power delegated.
- (5) If a power is exercised by a director (alone or with another director) and the exercise of the power is evidenced in writing, signed by the director in the name of the board or in his or her own name on behalf of the board, the power is taken to have been exercised by the board. This is so whether or not a resolution delegating the exercise of the power to the director was in force when the power was exercised, and whether or not any conditions mentioned in sub rule (3) were observed by the director exercising the powers.
- (6) A committee may elect a chairperson of their meetings. If no chairperson is elected, or, if at a meeting the chairperson is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairperson of the meeting.
- (7) A committee may meet and adjourn as it thinks appropriate. Questions arising at a meeting must be decided by a majority of votes of the members present and voting and if the votes are equal, the chairperson has a second or casting vote.

## **60. OTHER COMMITTEES**

- (1) The board may by resolution appoint committees of members or other persons or both, to act in an advisory role to the board and to committees of directors.
- (2) Rule 47 (5) and (6) apply to committees appointed under this rule, with the changes approved by the board.
- (3) The quorum for a meeting of the committee is half the number of committee members (or, if half is not a whole number, the whole number next higher than one half).

## **61. MINUTES**

- (1) The board must keep minutes of meetings and, in particular, of:
  - a) All appointments of officers and employees made by the directors; and
  - b) The names of the directors present at each meeting of the board and of a committee of the board; and
  - c) All resolutions and proceedings at all meetings of the co-operative and of directors and of committees of directors.

**NOTE. SECTION 209 OF THE LAW ALSO REQUIRES ANY DECLARATIONS OF INTEREST BY DIRECTORS TO BE RECORDED IN THE MINUTES.**

- (2) Minutes must be entered in the appropriate records within 28 days of the meeting to which they relate was held.
- (3) The minutes are to be signed within a reasonable time after the meeting to which they relate by either the chairperson of that meeting or the chairperson of the next meeting.

## **PART 22. THE CONSTITUTION**

### **62. AMENDMENTS AND COPIES OF THE CONSTITUTION (CNL ss57 & 60-63)**

- (1) Any amendment of the Constitution must be approved by special resolution.
- (2) A proposal to amend the Constitution of the co-operative must be made in a form approved by the board which clearly shows the existing rule or rules concerned and any proposed amendment to the rules.
- (3) A member is entitled to a copy of the Constitution upon payment of the amount of \$5 to the co-operative.

## **PART 23. ADMINISTRATIVE MATTERS**

### **63. SEAL (CNL ss49 & 223)**

- (1) This rule applies if the co-operative chooses to authenticate a document under the common seal of the co-operative.
- (2) The co-operative's name and registration number must appear on its common seal and any official seal. The common seal must be kept at the registered office in the custody that the board directs.
- (3) The co-operative may have one or more official seals for use outside the State or Territory in place of its common seal. Each of the additional seals must be a facsimile of the common seal with the addition on its face of the name of the place where it is to be used.
- (4) The seal of the co-operative must not be affixed to an instrument other than under a resolution of the board. Two directors, or one director and the secretary, must be present and must sign all instruments sealed while they are present.

### **64. INSPECTION OF RECORDS (CNL s611)**

A co-operative must have at the office where the registers are kept and available during all reasonable hours for inspection by a member free of charge the following; a copy of:

- (1) This Law; and
- (2) The Co-operatives National Law Act of this jurisdiction; and
- (3) The National Regulations; and
- (4) The local regulations;
- (5) A copy of the rules of the co-operative and attachments to the rules required under section 421;
- (6) A copy of the minutes of each general meeting of the co-operative;
- (7) A copy of the last annual report of the co-operative;
- (8) The register of directors;
- (9) The register of members;

Members of the co-operative have free access to the records and registers referred to in section 214 (1) of the Law and they may make a copy of any entry in the registers free of charge, however if the co-operative is required to provide copies the cost will be as determined by the Board as set out in the Regulations.

**NOTE. MEMBERS AND OTHER PERSONS ACCESSING RECORDS AND REGISTERS UNDER SECTION 214 OF THE LAW ARE RESTRICTED IN THE USE OF ANY INFORMATION OBTAINED.**

Members do not have access to the minutes of board or committee meetings, but may request access to any such minutes in writing addressed to the board.

## **65. SECURITIES**

Shares, debentures, charges and any other certificates or documents or duplicates of them pertaining to securities must be safely kept by the co-operative in the way and with the provision for their security as the board directs.

## **66. NOTICES TO MEMBERS (CNL s611)**

- (1) This rule applies in addition to section 611 of the Law regarding how a notice or other document may be given to a member of the co-operative.
- (2) A notice or other document required to be given to a member of the co-operative may be given by the co-operative to any member by any form of technology (for example, by fax or email), where the member has given consent and notified the co-operative of the relevant contact details.
- (3) Note. Legislation relating to electronic transactions may also be relevant to the giving of notices or other documents.
- (4) If a notice is sent by post, service is taken to be effected at the time at which the properly addressed and prepaid letter would be delivered in the ordinary course of post. In proving service by post, it is sufficient to prove that the envelope containing the notice was properly addressed and posted.
- (5) A notice forwarded by some other form of technology is taken to have been served, unless the sender is notified of a malfunction in transmission, on the day of transmission if transmitted during a business day, otherwise on the next following business day.
- (6) A notice may be given by the co-operative to joint members by giving the notice to the joint member named first in the register of members.
- (7) A notice may be given by the co-operative to the person entitled to a share in consequence of the death, incapacity or bankruptcy of a member by sending it through the post in a prepaid letter addressed to that person by name. Alternatively, it can be addressed to the person by the title of representative of the deceased or incapacitated person, or trustee of the bankrupt, or by any like description, and:
  - a) The address should be that supplied for the purpose by the person claiming to be entitled; or
  - b) If no such address has been supplied, the notice can be given in the manner in which it could have been given if the death, incapacity or bankruptcy had not occurred.

## **PART 24. ACCOUNTING AND FINANCIAL MATTERS**

### **67. FINANCIAL YEAR**

The financial year of the co-operative ends on ...Thirtieth April.....

### **68. ACCOUNTS**

- (1) The board must have at least one financial institution account, electronic or otherwise, in the name of the co-operative, into which all amounts received by the co-operative must be paid as soon as possible after receipt.
- (2) All cheques drawn on the accounts, and all drafts, bills of exchange, promissory notes and other negotiable instruments, of the co-operative must be signed by 2 authorised persons.
- (3) The operation of any electronic accounts must be restricted so that there is a requirement for authorisation by 2 authorised persons.
- (4) For the purposes of this rule, an **authorised person** is:
  - a) A director; or
  - b) A person approved by the board.

### **69. APPOINTING AUDITORS FOR A SMALL CO-OPERATIVE (CNL S298)**

If directed by the Members at an Annual General Meeting:

- (1) The co-operative must appoint an auditor in respect of its financial statements.
- (2) An auditor appointed under this rule is to conduct an audit /of the co-operative's financial statements as presented to members.
- (3) The appointment of an auditor under this rule is to be made at an annual general meeting.
- (4) The co-operative may appoint another auditor at a subsequent annual general meeting if there is a vacancy in the office of the auditor.
- (5) The provisions of section 300(2) of the Law apply to an auditor appointed under this rule in the same way (but with any necessary adaptations) as they apply to an auditor appointed for a large co-operative.

## **PART 25. PAYMENT IN GOOD FAITH**

### **70. PAYMENT IN GOOD FAITH TO MEMBERS**

Payments can be made to any member for;

- a) Any services actually rendered to the Club whether as an employee, director or otherwise
- b) Goods supplied to the Club in the ordinary and usual course of operation
- c) Interest on money borrowed from any Member

- d) Rent for premises demised or let by any Member to the Club; or
- e) Any out-of-pocket expenses incurred by a Member on behalf of the Club.

## **PART 26. DISPOSAL OF FUNDS**

### **71. DISPOSAL OF SURPLUS FUNDS IN A FINANCIAL YEAR (CNL ss19, 355 & 356)**

- (1) The board may retain all or part of the surplus arising in any year from the business of the co-operative, to be applied for the benefit of the co-operative.
- (2) No part of the surplus may be paid or transferred directly or indirectly, by way of profit, to members of the co-operative.
- (3) The Board may determine the amount, if any, of any surplus arising in any year from the business of the co-operative may be applied for charitable purposes.

### **72. PROVISION FOR LOSS**

The board must make appropriate provision for losses in the co-operative's accounts and when reporting to members is to indicate whether the loss is expected to continue and whether there is any real prejudice to the co-operative's solvency.

### **73. FINANCIAL REPORTS TO MEMBERS (CNL PART 3.3)**

The co-operative must prepare financial reports and statements in accordance with the Law, the National Regulations and these rules.

## **PART 27. WINDING UP**

### **74. WINDING UP (CNL PART 4.5)**

- (1) The winding up of the co-operative must be in accordance with Part 4.5 of the Law.
- (2) If, on the winding up or dissolution, there remains any property after the satisfaction of all its debts and liabilities, this must not be paid to or distributed among the members of the co-operative but must be given or transferred to an institution or institutions:
  - a) With objects similar to those of the co-operative; and
  - b) Whose constitution prohibits the distribution of its property among its members; and
  - c) Chosen by the members of the co-operative at or before the dissolution or, in default, by a judge of the court with jurisdiction in the matter.

## **PART 28. ALTERATION OF CONSTITUTION**

This Constitution shall not be altered except by Special Resolution.

## **PART 29. REGULATIONS**

### **75. BOARD TO FORMULATE REGULATIONS**

The Board may formulate, issue, adopt, interpret and amend Regulations for the proper advancement, management and administration of the Club, the advancement of the purposes of the Club and Lawn Bowls in the local area. Such Regulations must be consistent with the Constitution and any policy directives of the Board.



## **76. REGULATIONS BINDING**

All Regulations are binding on the Club and all Members.

## **77. REGULATIONS DEEMED APPLICABLE**

All clauses, rules, by-laws and regulations of the Club in force at the date of the approval of this Constitution (as long as such clauses, rules, by-laws and regulations are not inconsistent with or have been replaced by, this Constitution) shall be deemed to be Regulations and shall continue to apply.

## **78. BULLETINS BINDING ON MEMBERS**

Amendments, alterations, interpretations or other changes to Regulations shall be advised to Members by means of bulletins approved by the Board and prepared and issued by the Club. The Club shall take reasonable steps to distribute information in the bulletins to Members. The matters in the bulletins are binding on all Members.

## **PART 30. STATUS AND COMPLIANCE OF THE CLUB**

### **79. RECOGNITION OF CLUB**

The Club is a Member of the Newcastle District Bowling Association and Royal NSW Bowling Association and is recognised by those bodies as the entity responsible for the delivery of lawn bowls in the local area and is subject to compliance with this Constitution. The Newcastle District Bowling Association and Royal NSW Bowling Association Constitutions shall continue to be so recognised and shall administer lawn bowls in the local area in accordance with the Primary Activities.

### **80. REGION AND SSO**

The Club may not resign, disaffiliate or otherwise seek to withdraw from its regional and/or state body without approval by Special Resolution.

## **PART 31. INDEMNITY**

- a) Every director and employee of the Club will be indemnified out of the property and assets of the Club against any liability incurred by them in their capacity as director or employee in defending any proceedings, civil or criminal, in which judgement is given in their favour or in which they are acquitted or connected with any application in relation to any such proceedings in which relief is granted by the Court.
- b) The Club shall indemnify its directors and employees against all damages and losses (including legal costs) for which any such director or employee may be or become liable to any third party in consequence of any act or omission, except wilful misconduct:
  - (i) in the case of a director, performed or made while acting on behalf of and with the authority, express or implied, of the Club; or
  - (ii) in the case of an employee, performed or made in the course of, and within the scope of, their employment by the Club.