

NATURE CONSERVATION MARGARET RIVER REGION (Inc.)

RULES OF ASSOCIATION

This document includes additional summaries of the obligations arising from the *Associations Incorporation Act 2015* and other explanatory material. These are presented in the form of 'Guidance Notes' and 'Act Requirements'. These summaries do not form part of the rules. They have been included to assist in understanding the various requirements.

PART 1 — PRELIMINARY

1. Name of Association

The name of the Association is Nature Conservation Margaret River Region Inc.

2. Terms used

In these rules, unless the contrary intention appears —

Act means the *Associations Incorporation Act 2015*;

Association means the incorporated association to which these rules apply;

Board means the management board of the Association;

Board meeting means a meeting of the Board;

Board member means a member of the Board;

books, of the Association, includes the following —

- (a) a register;
- (b) financial records, financial statements or financial reports, however compiled, recorded or stored;
- (c) a document;
- (d) any other record of information;

by laws means by-laws made by the Association under rule 55;

Chair means the Board member holding office as the chairperson of the Association;

Commissioner means the person for the time being designated as the Commissioner under section 153 of the Act;

Committee means a committee appointed by the Board under rule 39;

Deputy Chair means the Board member holding office as the deputy chairperson of the Association;

financial records includes —

- (a) invoices, receipts, orders for the payment of money, bills of exchange, cheques, promissory notes and vouchers; and
- (b) documents of prime entry; and
- (c) working papers and other documents needed to explain —
 - (i) the methods by which financial statements are prepared; and
 - (ii) adjustments to be made in preparing financial statements;

financial report, of a tier 2 association or a tier 3 association, has the meaning given in section 63 of the Act;

financial statements means the financial statements in relation to the Association required under Part 5 Division 3 of the Act;

financial year, of the Association, has the meaning given in rule 3;

general meeting, of the Association, means a meeting of the Association that all members are entitled to receive notice of and to attend;

member means member of the Association as defined in rule 6, with the rights referred to in rule 10;

register of members means the register of members referred to in section 53 of the Act;

rules means these rules of the Association, as in force for the time being;

secretary means the Board member holding office as the secretary of the Association;

special general meeting means a general meeting of the Association other than the annual general meeting;

special resolution means a resolution passed by the members at a general meeting in accordance with section 51 of the Act;

tier 1 association means an incorporated association to which section 64(1) of the Act applies;

tier 2 association means an incorporated association to which section 64(2) of the Act applies;

tier 3 association means an incorporated association to which section 64(3) of the Act applies;

treasurer means the Board member holding office as the treasurer of the Association;

writing and **written notice** means by communication in written form whether on paper or by electronic means.

3. Financial year

The financial year of the Association is a period commencing 1 July and ending on 30 June in the following year.

PART 2 — OBJECTS OF ASSOCIATION

4. Objects of the Association

- (1) The objects of the Association are —
 - (a) to inspire and work with the community, all levels of government and business to manage and promote the natural environment of the Margaret River region so that the natural systems, people and their activities co-exist in a healthy, productive and sustainable way;
 - (b) to collaborate with management agencies, organisations and groups with similar aims to address broader regional environmental issues and achieve shared benefits;
 - (c) to seek funding from and develop partnerships with government, non-government, private businesses and individuals and to organise fundraising activities to enable the Association to fulfil its aims; and
 - (d) to establish and maintain a public fund for the specific purposes of supporting the environmental objects of the Association.

PART 3 — ASSOCIATION TO BE NOT FOR PROFIT BODY

5. Not-for-profit body

- (1) The property and income of the Association must be applied solely towards the promotion of the objects or purposes of the Association and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to any member, except in good faith in the promotion of those objects or purposes.
- (2) A payment may be made to a member out of the funds of the Association only if it is authorised under subrule (3).
- (3) A payment to a member out of the funds of the Association is authorised if it is —
 - (a) the payment in good faith to the member as reasonable remuneration for any services provided to the Association, or for goods supplied to the Association, in the ordinary course of business; or
 - (b) the payment of interest, on money borrowed by the Association from the member, at a rate not greater than the cash rate published from time to time by the Reserve Bank of Australia; or
 - (c) the payment of reasonable rent to the member for premises leased by the member to the Association; or
 - (d) the reimbursement of reasonable expenses properly incurred by the member on behalf of the Association.
- (4) A payment under this rule must be authorised by a member of the Board who is not a recipient of the payment.

Act Requirements – Powers of Incorporated Association - Under section 14 of the Act the Association may do all things necessary or convenient for carrying out its objects or purposes. Section 14(1)(a)-(g) provides particular examples.

PART 4 — MEMBERS

Act Requirements - Membership - Under sections 4 and 17 of the Act an association must always have at least 6 members with full voting rights.

Act Requirements – Liabilities of the association - Under section 19 of the Act a member of the management committee, trustee or a member of the association is not liable in respect of the liabilities of the association. This does not apply to liabilities incurred by or on behalf of the association prior to incorporation.

Guidance Note – Liability of Members - A member is only liable for their own outstanding membership fees (if any) payable under rule 14.

Division 1 — Membership

6. Eligibility for membership

- (1) Any person or group as defined in subrule (2) who supports the objects or purposes of the Association is eligible to apply to become a member.
- (2) Membership of the Association is open to individuals, bodies corporate and other associations as determined by the Board from time to time.
- (3) An individual who has not reached the age of 18 years is not eligible to apply for a class of membership that confers full voting rights.

Guidance Note – Eligibility for membership

- The by-laws may require members to hold specified educational, trade or professional qualifications.
- The association must comply with all legal and regulatory obligations that may apply to the association under any other law when assessing eligibility of an applicant for membership.

7. Applying for membership

- (1) An applicant person or group as defined in rule 6(2) who wants to become a member must apply in writing to the Association.
- (2) The application must be signed by the applicant.
- (3) The applicant must specify in the application the class of membership, if there is more than one, to which the application relates.

8. Dealing with membership applications

- (1) The Board must consider each application for membership of the Association at the earliest available Board meeting whether to accept or reject the application.
- (2) The Board must not accept an application unless the applicant —
 - (a) is eligible under rule 6; and
 - (b) has applied under rule 7.
- (3) The Board may reject an application even if the applicant —
 - (a) is eligible under rule 6; and
 - (b) has applied under rule 7.

- (4) The Board must notify the applicant of the Board's decision to accept or reject the application as soon as practicable after making the decision.
- (5) If the Board rejects the application, the Board is not required to give the applicant its reasons for doing so.

9. Becoming a member

An applicant for membership of the Association becomes a member when —

- (a) the Board accepts the application; and
- (b) the applicant pays any membership fees payable to the Association under rule 14.

Guidance Note – Becoming a member - *The applicant immediately becomes a member, when rule 9 has been fulfilled, and is entitled to exercise all the rights and privileges of membership, including the right to vote (if applicable), and must comply with all of the obligations of membership under these rules.*

Act requirement – Member to receive rules – *section 36(1)(b) of the Act provides that the association must give each person who become a member of the association of copy of the rules in force at the time their membership commences.*

Guidance note – Format of rules provided - *It is acceptable for the association to provide a copy of the rules to new members by electronic transmission or providing the details for the website where the rules may be downloaded. A hard copy must be provided if the member requests that the rules be provided in that manner.*

10. Classes of membership

- (1) The Association consists of five classes of membership
 - (a) personal member
 - (b) family member
 - (c) body corporate member
 - (d) honorary member
 - (e) life member.
- (2) An individual can only belong to one class of membership.
- (3) The conditions for entry as an honorary member or a life member shall be determined by the Board, and an individual may be admitted to either class of membership by a resolution of the Board.
- (4) All members have full voting rights and any other rights conferred on members by these rules or as determined by resolution of the Board.
- (5) The number of members of any class is not limited unless otherwise determined by resolution at a general meeting.
- (6) The classes of membership can be varied from time to time by resolution at a general meeting.

Guidance Note - Voting rights of Members

- *Each individual member of the Association has one vote at a general meeting of the Association.*
- *Each member of the Association that is a group as established under subrule (1) has one vote at a general meeting of the Association.*

11. When membership ceases

- (1) A member ceases to be a member when any of the following takes place —
 - (a) for a member who is an individual, the individual dies;
 - (b) for a member who is a body corporate, the body corporate is wound up;
 - (c) the member resigns from the Association under rule 12;
 - (d) the member is expelled from the Association under rule 17;
 - (e) the member ceases to be a member under rule 14(4).
- (2) The Secretary must keep a record, for at least one year after a member ceases to be a member, of —
 - (a) the date on which the member ceased to be a member; and
 - (b) the reason why the member ceased to be a member.

12. Resignation

- (1) A member may resign from membership of the Association by giving written notice of the resignation to the Secretary.
- (2) The resignation takes effect —
 - (a) when the Secretary receives the notice; or
 - (b) if a later time is stated in the notice, at that later time.

13. Rights not transferable

The rights of a member are not transferable and end when membership ceases.

Division 2 — Membership fees

14. Membership fees

- (1) The Board shall from time to time determine the entrance fee (if any) and the annual membership fee (if any) to be paid for membership of the Association.
- (2) The fees determined under subrule (1) may be different for different classes of membership.
- (3) A member must pay the annual membership fee to the Treasurer, or another person authorised by the Board to accept payments, by the date (the **due date**) determined by the Board.
- (4) If a member has not paid the annual membership fee within the period of 3 months after the due date, the member ceases to be a member on the expiry of that period.
- (5) If a member who has ceased to be a member under subrule (4) offers to pay the annual membership fee after the period referred to in that subrule has expired —
 - (a) the Board may, at its discretion, accept that payment; and
 - (b) if the payment is accepted, the member's membership is reinstated from the date the payment is accepted.

Division 3 — Register of members

15. Register of members

Act Requirements – Register of members

Section 53 of the Act requires an incorporated association to maintain a register of its members and record in the register any change in the membership of the association. Any change to the register must be recorded within 28 days after the change occurs.

Under section 53(2) of the Act the register of members must include each member's name and a residential, postal or email address.

Under section 54 of the Act a member is entitled to inspect the register free of charge. The member may make a copy of, or take an extract from, the register but has no right to remove the register for that purpose.

Under section 56 of the Act the management committee is authorised by to determine a reasonable charge for providing a copy of the register.

- (1) The Secretary, or another person authorised by the Board, is responsible for the requirements imposed on the Association under section 53 of the Act to maintain the register of members and record in that register any change in the membership of the Association.
- (2) In addition to the matters referred to in section 53(2) of the Act, the register of members must include the class of membership (if applicable) to which each member belongs and the date on which each member becomes a member.
- (3) The register of members must be kept in the Secretary's custody or under the Secretary's control.
- (4) A member who wishes to inspect the register of members must contact the Secretary to make the necessary arrangements.
- (5) If —
 - (a) a member inspecting the register of members wishes to make a copy of, or take an extract from, the register under section 54(2) of the Act; or
 - (b) a member makes a written request under section 56(1) of the Act to be provided with a copy of the register of members,

the Board may require the member to provide a statutory declaration setting out the purpose for which the copy or extract is required and declaring that the purpose is connected with the affairs of the Association.

PART 5 — DISCIPLINARY ACTION AND DISPUTES

Division 1 — Term used

16. Term used: member

In this Part —

member, in relation to a member who is expelled from the Association, includes former member.

Division 2 — Disciplinary action

17. Expulsion

- (1) The Board may decide to expel a member from the Association if —
 - (a) the member contravenes any of these rules; or
 - (b) the member acts detrimentally to the interests of the Association.
- (2) The Secretary must give the member written notice of the proposed expulsion at least 28 days before the Board meeting at which the proposal is to be considered by the Board.
- (3) The notice given to the member must state —
 - (a) when and where the Board meeting is to be held; and
 - (b) the grounds on which the proposed expulsion is based; and
 - (c) that the member, or the member's representative, may attend the meeting and will be given a reasonable opportunity to make written or oral (or both written and oral) submissions to the Board about the proposed expulsion;
- (4) At the Board meeting, the Board must —
 - (a) give the member, or the member's representative, a reasonable opportunity to make written or oral (or both written and oral) submissions to the Board about the proposed expulsion; and
 - (b) give due consideration to any submissions so made; and
 - (c) decide whether or not to expel the member from the Association.
- (5) A decision of the Board to expel the member from the Association takes immediate effect.
- (6) The Board must give the member written notice of the Board's decision, and the reasons for the decision, within 7 days after the Board meeting at which the decision is made.

Guidance Note – Expulsion of a Member - Once the Board has decided to expel a member under rule 17, the member is immediately expelled.

Division 3 — Resolving disputes

18. Terms used

In this Division —

grievance procedure means the procedures set out in this Division;

party to a dispute includes a person —

- (a) who is a party to the dispute; and
- (b) who ceases to be a member within 6 months before the dispute has come to the attention of each party to the dispute.

Guidance Note - Resolving disputes

- *For the purposes of rules 19 and 20, the term **this Division** relates to rules 21 – 23.*

19. Application of Division

The procedure set out in this Division (the grievance procedure) applies to disputes —

- (a) between members; or
- (b) between one or more members and the Association.

20. Parties to attempt to resolve dispute

The parties to a dispute must attempt to resolve the dispute between themselves within 14 days after the dispute has come to the attention of each party.

21. How grievance procedure is started

- (1) If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 20, any party to the dispute may start the grievance procedure by giving written notice to the Secretary of —
 - (a) the parties to the dispute; and
 - (b) the matters that are the subject of the dispute.
- (2) Within 28 days after the Secretary is given the notice, a Board meeting must be convened to consider and determine the dispute.
- (3) The Secretary must give each party to the dispute written notice of the Board meeting at which the dispute is to be considered and determined at least 7 days before the meeting is held.
- (4) The notice given to each party to the dispute must state —
 - (a) when and where the Board meeting is to be held; and
 - (b) that the party, or the party's representative, may attend the meeting and will be given a reasonable opportunity to make written or oral (or both written and oral) submissions to the Board about the dispute.
- (5) If —
 - (a) the dispute is between one or more members and the Association; and
 - (b) any party to the dispute gives written notice to the Secretary stating that the party does not agree to the dispute being determined by the Board;
the Board must not determine the dispute.

22. Determination of dispute by Board

- (1) At the Board meeting at which a dispute is to be considered and determined, the Board must —
 - (a) give each party to the dispute, or the party's representative, a reasonable opportunity to make written or oral (or both written and oral) submissions to the Board about the dispute; and
 - (b) give due consideration to any submissions so made; and
 - (c) determine the dispute.
- (2) The Board must give each party to the dispute written notice of the Board's determination, and the reasons for the determination, within 7 days after the Board meeting at which the determination is made.

PART 6 — Board

Division 1 — Powers of Board

23. Board

- (1) The Board members are the persons who, as the management Board of the Association, have the power to manage the affairs of the Association.
- (2) Subject to the Act, these rules, the by-laws (if any) and any resolution passed at a general meeting, the Board has power to do all things necessary or convenient to be done for the proper management of the affairs of the Association.
- (3) The Board must take all reasonable steps to ensure that the Association complies with the Act, these rules and the by-laws (if any).

Division 2 — Composition of Board and duties of members

24. Board members

- (1) The Board members consist of —
 - (a) the office holders of the Association as specified in subrule (3); and
 - (b) at least one ordinary Board member.
- (2) The Board must determine the maximum number of members who may be ordinary Board members.
- (3) The following are the office holders of the Association —
 - (a) the Chair;
 - (b) the Deputy Chair;
 - (c) the Secretary;
 - (d) the Treasurer.
- (4) A person may be a Board member if the person is —
 - (a) an individual who has reached 18 years of age;
 - (b) a member; and
 - (c) not a staff member or contracted employee of the Association.
- (5) A person must not hold 2 or more of the offices mentioned in subrule (3) at the same time.

Act Requirements – Persons who are not to be members of Committee

- *Under section 39 of the Act the following persons must not, without leave of the Commissioner, accept an appointment or act as a member of a management of an association:*
 - *a person who is, according to the Interpretation Act 1984 section 13D, a bankrupt or person whose affairs are under insolvency laws;*
 - *a person who has been convicted, within or outside the State, of-*
 - *an indictable offence in relation to the promotion, formation or management of a body corporate; or*
 - *an offence involving fraud or dishonesty punishable by imprisonment for a period of not less than three months; or*
 - *an offence under Part 4 Division 3 or section 127 of the Act*

Section 39 only applies to a person who has been convicted of the above offences only for a period of 5 years from the time of the person's conviction, or if the conviction results in a term of imprisonment, from the time of the person's release from custody.

Act Requirements - Duties of Committee Members and Officers

Section 3 of the Act provides a definition of “officer”. The duties provisions will apply to committee members and to those persons who have the ability to influence the management committee but who do not hold a formal committee position

- Under section 44 of the Act an officer of an association must exercise his or her powers and discharge his or her duties with a degree of care and diligence that a reasonable person would exercise if that person-
 - (a) were an officer of the association in the association’s circumstances; and
 - (b) occupied the office held by, and had the same responsibilities within the association as, the officer.
- Under section 45 of the Act an officer of an association must exercise his or her powers and discharge his or her duties-
 - (a) in good faith in the best interests of the Association; and
 - (b) for a proper purpose.
- Under section 46 an officer of an association must not improperly use his or her position to-
 - (a) gain an advantage for the officer or another person; or
 - (b) cause detriment to the Association.
- Under section 47 a person who obtains information because the person is, or has been, an officer of an association must not improperly use the information to-
 - (a) gain an advantage for the person or another person; or
 - (b) cause detriment to the Association.

25. Chair

- (1) It is the duty of the Chair to consult with the Secretary regarding the business to be conducted at each Board meeting and general meeting.
- (2) The Chair has the powers and duties relating to convening and presiding at Board meetings and presiding at general meetings provided for in these rules.

26. Secretary

The Secretary is to ensure that the following duties are performed —

- (a) dealing with the Association’s correspondence;
- (b) consulting with the Chair regarding the business to be conducted at each Board meeting and general meeting;
- (c) preparing the notices required for meetings and for the business to be conducted at meetings;
- (d) unless another member is authorised by the Board to do so, maintaining on behalf of the Association the register of members, and recording in the register any changes in the membership, as required under section 53(1) of the Act;
- (e) maintaining on behalf of the Association an up-to-date copy of these rules, as required under section 35(1) of the Act;

- (f) unless another member is authorised by the Board to do so, maintaining on behalf of the Association a record of Board members and other persons authorised to act on behalf of the Association, as required under section 58(2) of the Act;
- (g) ensuring the safe custody of the books of the Association, other than the financial records, financial statements and financial reports, as applicable to the Association;
- (h) maintaining full and accurate minutes of Board meetings and general meetings;
- (i) carrying out any other duty given to the Secretary under these rules or by the Board.

Guidance note – Record of Office Holders - detailed information about what must be included in the record of office holders is included under rule 59.

27. Treasurer

The Treasurer has the following duties —

- (a) ensuring that any amounts payable to the Association are collected and issuing receipts for those amounts in the Association’s name;
- (b) ensuring that any amounts paid to the Association are credited to the appropriate account of the Association, as directed by the Board;
- (c) ensuring that any payments to be made by the Association that have been authorised by the Board or at a general meeting are made on time;
- (d) ensuring that the Association complies with the relevant requirements of Part 5 of the Act;
- (e) ensuring the safe custody of the Association’s financial records, financial statements and financial reports, as applicable to the Association;
- (f) if the Association is a tier 1 association, coordinating the preparation of the Association’s financial statements before their submission to the Association’s annual general meeting;
- (g) if the Association is a tier 2 association or tier 3 association, coordinating the preparation of the Association’s financial report before its submission to the Association’s annual general meeting;
- (h) providing any assistance required by an auditor or reviewer conducting an audit or review of the Association’s financial statements or financial report under Part 5 Division 5 of the Act;
- (i) carrying out any other duty given to the Treasurer under these rules or by the Board.

Guidance note – Tier 1, 2 & 3 associations - The requirements for financial reporting to members applicable to an association under the new Act depend on which reporting tier the association falls into. The applicable tier depends on the total amount of money received or earned by an association in a financial year. Tier 1 is less than \$250,000; Tier 2 is \$250,000 to \$1 million; Tier 3 is over \$1 million.

Division 3 — Election of Board members and tenure of office

28. How members become Board members

A member becomes a Board member if the member —

- (a) is elected to the Board at a general meeting; or
- (b) is appointed to the Board by the Board to fill a casual vacancy under rule 30.

29. Term of office

- (1) The term of office of a Board member begins when the member —
 - (a) is appointed at an annual general meeting; or
 - (b) is appointed to fill a casual vacancy under rule 35.
- (2) Subject to rule 35, the term of Board membership shall be 4 years.
- (3) Members shall be eligible for reappointment through the selection process set out in rule 25.

30. Nomination of Board members

- (1) At least 42 days before an annual general meeting, the Secretary must send written notice to all the members —
 - (a) stating the number of positions expected to be vacant;
 - (b) calling for nominations for election to the Board;
 - (c) stating the date by which nominations must be received by the Secretary to comply with subrule (2);
 - (d) specifying any application requirements determined by the Board such as curriculum vitae and response to selection criteria;
 - (e) stating the eligibility criteria of rule 24 and those of Section 39 of the Act.
- (2) A member who wishes to be considered for election to the Board must nominate for election by sending written notice of the nomination to the Secretary at least 28 days before the annual general meeting.
- (3) A member in nominating for the Board does not have opportunity to nominate for a specified position of office holder of the Association; the appointment of office holders being determined by the Board under rule 32.

31. Election of Board members

- (1) Board members shall be elected at an annual general meeting after consideration of the recommendation of the Board.
- (2) The Board shall recommend suitable candidates for selection at an annual general meeting from applicants eligible under rule 24(4) for all vacant positions.
- (3) The Chair must advise the meeting of the recommendations of the Board as to the suitability of the applicants to be appointed to these positions.
- (4) The Secretary or Chair may distribute a copy of the written applications by the nominated applicants as provided under rule 30(1)(d) to each member in advance of the annual general meeting or, if they are not so given, may make provision for them to be read out or copies distributed at the general meeting.
- (5) If the recommendations of the Board are not ratified in total, the Chair shall put forward each nomination individually for a vote.

- (6) In the event of the Board nominating insufficient applicants to fill all vacant positions, or the membership at the meeting not endorsing all nominated applicants, the positions shall remain unfilled until the next annual general meeting or filled through the provisions of rule 35.

32. Appointment of Office bearers

- (1) Office bearers shall be elected by members of the Board at the first Board meeting following each annual general meeting; or
- (2) at the next Board meeting in the event that an Office bearer position has been vacated.

33. Resignation from office

- (1) A Board member may resign from the Board by written notice given to the Secretary or, if the resigning member is the Secretary, given to the Chair.
- (2) The resignation takes effect —
 - (a) when the notice is received by the Secretary or Chair; or
 - (b) if a later time is stated in the notice, at the later time.
- (3) A vacancy that arises through resignation may be filled through the provisions of rule 35.

34. When membership of Board ceases

A person ceases to be a Board member if the person —

- (a) dies or otherwise ceases to be a member; or
- (b) resigns from the Board under rule 33; or
- (c) becomes ineligible to accept an appointment or act as a Board member under section 39 of the Act;
- (d) becomes permanently unable to act as a Board member because of a mental or physical disability; or
- (e) fails to attend 3 consecutive Board meetings, of which the person has been given notice, without having notified the Board that the person will be unable to attend.

Note for this rule:

Section 41 of the Act imposes requirements, arising when a person ceases to be a member of the management committee of an incorporated association, that relate to returning documents and records.

Act requirements – handing over documents and records – where a person ceases to be a member of the association's committee section 41 of the Act requires that person to, as soon as practicable after their membership ceases, deliver to a member of the committee all of the relevant documents and records they hold pertaining to the management of the association's affairs.

35. Filling casual vacancies

- (1) The Board may appoint a member who is eligible under rule 24(4) to fill a position on the Board that —
 - (a) has become vacant under rules 33 or 34;
 - (b) was not filled by election at the most recent annual general meeting.
- (2) A Board member so appointed shall remain a Board member until the position is subject to selection at the following AGM as set out in rule 30.

- (3) If the position of Secretary becomes vacant and the vacancy cannot be filled by another Board member, the Board must appoint a member who is eligible under rule 24(4) to fill the position at the next meeting of the Board.
- (4) Subject to the requirement for a quorum under rule 41, the Board may continue to act despite any vacancy in its membership.
- (5) If there are fewer Board members than required for a quorum under rule 41, the Board may act only for the purpose of —
 - (a) appointing Board members under this rule; or
 - (b) convening a general meeting.

36. Validity of acts

The acts of a Board or Committee, or of a Board member or member of a Committee, are valid despite any defect that may afterwards be discovered in the election, appointment or qualification of a Board member or member of a Committee.

Division 4 — Board meetings

37. Board meetings

- (1) The Board must meet at least 3 times in each year on the dates and at the times and places determined by the Board.
- (2) The date, time and place of the first Board meeting must be determined by the Board members as soon as practicable after the annual general meeting at which the Board members are elected.
- (3) Special Board meetings may be convened by the Chair or any 2 Board members.

38. Notice of Board meetings

- (1) Notice of each Board meeting must be given to each Board member at least 5 days before the time of the meeting.
- (2) The notice must state the date, time and place of the meeting and must describe the general nature of the business to be conducted at the meeting.
- (3) Unless subrule (4) applies, the only business that may be conducted at the meeting is the business described in the notice.
- (4) Urgent business that has not been described in the notice may be conducted at the meeting if the Board members at the meeting unanimously agree to treat that business as urgent.

39. Procedure and order of business

- (1) The Chair or, in the Chair's absence, the Deputy Chair must preside as Chair of each Board meeting.
- (2) If the Chair and Deputy Chair are absent or are unwilling to act as Chair of a meeting, the Board members at the meeting must choose one of them to act as Chair of the meeting.

- (3) The procedure to be followed at a Board meeting must be determined from time to time by the Board.
- (4) The order of business at a Board meeting may be determined by the Board members at the meeting.
- (5) A member or other person who is not a Board member may attend a Board meeting if invited to do so by the Board.
- (6) A person invited under subrule (5) to attend a Board meeting —
 - (a) has no right to any agenda, minutes or other document circulated at the meeting; and
 - (b) must not comment about any matter discussed at the meeting unless invited by the Board to do so; and
 - (c) cannot vote on any matter that is to be decided at the meeting.

Act Requirements -Material Personal Interests of Committee Members

- *Under section 42 of the Act a member of the committee who has a material personal interest in a matter being considered at a committee meeting must:*
 - *as soon as he or she becomes aware of that interest, disclose the nature and extent of his or her interest to the Committee;*
 - *disclose the nature and extent of the interest at the next general meeting of the association*
- *Under section 42(3) of the Act this rule does not apply in respect of a material personal interest*
 - (a) *that exists only because the member-*
 - *is an employee of the incorporated association; or*
 - *is a member of a class of persons for whose benefit the association is established; or*
 - (b) *that the member has in common with all, or a substantial proportion of, the members of the Association.*
- *Under section 43 of the Act a member of the management committee who has a material personal interest in a matter being considered at a meeting of the management committee must not be present while the matter is being considered at the meeting or vote on the matter.*

Under section 42(6) of the Act the association must record every disclosure made by a committee member of a material personal interest in the minutes of the committee meeting at which the disclosure is made.

40. Use of technology to be present at Board meetings

- (1) The presence of a Board member at a Board meeting need not be by attendance in person but may be by that Board member and each other Board member at the meeting being simultaneously in contact by telephone or other means of instantaneous communication.
- (2) A member who participates in a Board meeting as allowed under subrule (1) is taken to be present at the meeting and, if the member votes at the meeting, the member is taken to have voted in person.

41. Quorum for Board meetings

- (1) Subject to rule 35(4), no business is to be conducted at a Board meeting unless a quorum is present.
- (2) Any 3 Board members constitute a quorum for the conduct of business of a Board meeting.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a Board meeting —
 - (a) in the case of a special meeting — the meeting lapses; or
 - (b) otherwise, the meeting is adjourned to the same time, day and place in the following week;
 - (c) in which case the same provisions for a quorum apply as set out in subrule(2).

42. Voting at Board meetings

- (1) Each Board member present at a Board meeting has one vote on any question arising at the meeting.
- (2) A motion is carried if a majority of the Board members present at the Board meeting vote in favour of the motion.
- (3) If the votes are divided equally on a question, the Chair of the meeting has a second or casting vote.
- (4) A vote may take place by the Board members present indicating their agreement or disagreement or by a show of hands, unless the Board decides that a secret ballot is needed to determine a particular question.
- (5) If a secret ballot is needed, the Board of the meeting must decide how the ballot is to be conducted.

43. Minutes of Board meetings

- (1) The Secretary, or a person appointed by the Board from time to time, must take and keep the minutes of each Board meeting.
- (2) The minutes must record the following —
 - (a) the names of the Board members present at the meeting;
 - (b) the name of any person attending the meeting under rule 40(1);
 - (c) the business considered at the meeting;
 - (d) any motion on which a vote is taken at the meeting and the result of the vote.
- (3) The minutes of a Board meeting must be entered in the Association's minute book within 30 days after the meeting is held.
- (4) The Chair must ensure that the minutes of the previous Board meeting are reviewed and, when accepted, signed by the Chair of the meeting as a true record.
- (5) When the minutes of a Board meeting have been signed as correct they are, until the contrary is proved, evidence that —
 - (a) the meeting to which the minutes relate was duly convened and held; and
 - (b) the matters recorded as having taken place at the meeting took place as recorded; and
 - (c) any appointment purportedly made at the meeting was validly made.

Note for this rule:

Section 42(6) of the Act requires details relating to the disclosure of a committee member's material personal interest in a matter being considered at a committee meeting to be recorded in the minutes of the meeting.

Division 5 — Committees and subsidiary offices

44. Committees and subsidiary offices

- (1) To help the Board in the conduct of the Association's business, the Board may, in writing, do either or both of the following —
 - (a) appoint one or more committees;
 - (b) create one or more subsidiary offices and appoint people to those offices.
- (2) A committee may consist of the number of people, whether or not members, that the committee considers appropriate.
- (3) A person may be appointed to a subsidiary office whether or not the person is a member.
- (4) Subject to any directions given by the Board —
 - (a) a committee may meet and conduct business as it considers appropriate; and
 - (b) the holder of a subsidiary office may carry out the functions given to the holder as the holder considers appropriate.

45. Delegation to committees and holders of subsidiary offices

- (1) In this rule —

non-delegable duty means a duty imposed on the Board by the Act or another written law.
- (2) The Board may, in writing, delegate to a committee or the holder of a subsidiary office the exercise of any power or the performance of any duty of the Board other than —
 - (a) the power to delegate; and
 - (b) a non-delegable duty.
- (3) A power or duty, the exercise or performance of which has been delegated to a committee or the holder of a subsidiary office under this rule, may be exercised or performed by the committee or holder in accordance with the terms of the delegation.
- (4) The delegation may be made subject to any conditions, qualifications, limitations or exceptions that the Board specifies in the document by which the delegation is made.
- (5) The delegation does not prevent the Board from exercising or performing at any time the power or duty delegated.
- (6) Any act or thing done by a committee or by the holder of a subsidiary office, under the delegation has the same force and effect as if it had been done by the Board.
- (7) The Board may, in writing, amend or revoke the delegation.

PART 7 — GENERAL MEETINGS OF ASSOCIATION

46. Annual general meeting

- (1) The Board must determine the date, time and place of the annual general meeting.
- (2) If it is proposed to hold the annual general meeting more than 6 months after the end of the Association's financial year, the Secretary must apply to the Commissioner for permission under section 50(3)(b) of the Act within 4 months after the end of the financial year.
- (3) The ordinary business of the annual general meeting is as follows —
 - (a) to confirm the minutes of the previous annual general meeting and of any special general meeting held since then if the minutes of that meeting have not yet been confirmed;
 - (b) to receive and consider —
 - (i) the Board's annual report on the Association's activities during the preceding financial year; and
 - (ii) if the Association is a tier 1 association, the financial statements of the Association for the preceding financial year presented under Part 5 of the Act; and
 - (iii) if the Association is a tier 2 association or a tier 3 association, the financial report of the Association for the preceding financial year presented under Part 5 of the Act;
 - (iv) if required to be presented for consideration under Part 5 of the Act, a copy of the report of the review or auditor's report on the financial statements or financial report;
 - (c) to elect the Board members of the Association;
 - (d) if applicable, to appoint or remove a reviewer or auditor of the Association in accordance with the Act.
- (4) Any other business of which notice has been given in accordance with these rules may be conducted at the annual general meeting.

Note for this rule:

Unless the Commissioner allows otherwise, under section 50(3) of the Act the annual general meeting must be held within 6 months after the end of the Association's financial year. If it is the first annual general meeting, section 50(2) of the Act provides that it may be held at any time within 18 months after incorporation.

47. Special general meetings

- (1) The Board may convene a special general meeting.
- (2) The Board must convene a special general meeting if at least 20% of the members require a special general meeting to be convened.
- (3) The members requiring a special general meeting to be convened must —
 - (a) make the requirement by written notice given to the Secretary; and
 - (b) state in the notice the business to be considered at the meeting; and
 - (c) each sign the notice.
- (4) The special general meeting must be convened within 28 days after notice is given under subrule (3)(a).
- (5) If the Board does not convene a special general meeting within that 28 day period, the members making the requirement (or any of them) may convene the special general meeting.

- (6) A special general meeting convened by members under subrule (5) —
- (a) must be held within 3 months after the date the original requirement was made; and
 - (b) may only consider the business stated in the notice by which the requirement was made.

48. Notice of general meetings

- (1) The Secretary or, in the case of a special general meeting convened under rule 47(5), the members convening the meeting, must give to each member —
- (a) at least 21 days' notice of a general meeting if a special resolution is to be proposed at the meeting; or
 - (b) at least 14 days' notice of a general meeting in any other case.
- (2) The notice must —
- (a) specify the date, time and place of the meeting; and
 - (b) indicate the general nature of each item of business to be considered at the meeting; and
 - (c) if the meeting is the annual general meeting, include the names of the members who have nominated for election to the Board under rule 30(2); and
 - (d) if a special resolution is proposed —
 - (i) set out the wording of the proposed resolution as required by section 51(4) of the Act; and
 - (ii) state that the resolution is intended to be proposed as a special resolution; and
 - (iii) comply with rule 49(5).

Note for this paragraph:

Section 51(1) of the Act states that a resolution is a special resolution if it is passed —

- (a) at a general meeting of an incorporated association; and
- (b) by the votes of not less than three-fourths of the members of the association who cast a vote at the meeting.

Act requirements – Notice to be given to reviewer or auditor – For Tier 2 and 3 associations – under section 86 of the Act a reviewer or auditor of an incorporated association is entitled to receive all notices of and other communications relating to any general meetings of the association that a member is entitled to receive.

49. Proxies

- (1) Subject to subrule (2), a member may appoint an individual who is a member as his or her proxy to vote and speak on his or her behalf at a general meeting.
- (2) If the Board has approved a form for the appointment of a proxy, the member may use that form or any other form —
- (a) that clearly identifies the person appointed as the member's proxy; and
 - (b) that has been signed by the member.
- (3) The member appointing the proxy may give specific directions as to how the proxy is to vote on his or her behalf.
- (4) If no instructions are given to the proxy, the proxy may vote on behalf of the member in any matter as the proxy sees fit.
- (5) Notice of a general meeting given to a member under rule 43 must —
- (a) state that the member may appoint an individual who is a member as a proxy for the meeting; and
 - (b) include a copy of any form that the Board has approved for the appointment of a proxy.

- (6) A form appointing a proxy must be given to the Secretary before the commencement of the general meeting for which the proxy is appointed.
- (7) A form appointing a proxy sent by post or electronically is of no effect unless it is received by the Secretary not later than 24 hours before the commencement of the meeting.

50. Use of technology to be present at general meetings

- (1) The presence of a member at a general meeting must be by attendance in person and cannot be by means of contact by telephone or other means of instantaneous communication.

51. Presiding member and quorum for general meetings

- (1) The Chair or, in the Chair's absence, the Deputy Chair must preside as Chair of each general meeting.
- (2) If the Chair and Deputy Chair are absent or are unwilling to act as Chair of a general meeting, the Board members at the meeting must choose one of them to act as Chair of the meeting.
- (3) No business is to be conducted at a general meeting unless a quorum is present.
- (4) Any 5 members, present in person or by proxy, two or more of which must be committee members, constitute a quorum for the conduct of business of a general meeting.
- (5) If a quorum is not present within 30 minutes after the notified commencement time of a general meeting —
 - (a) in the case of a special general meeting — the meeting lapses; or
 - (b) in the case of the annual general meeting — the meeting is adjourned to —
 - (i) the same time and day in the following week; and
 - (ii) the same place, unless the chairperson specifies another place at the time of the adjournment or written notice of another place is given to the members before the day to which the meeting is adjourned;
 - (iii) in which case the same provisions for a quorum apply as set out in subrule(4).

52. Adjournment of general meeting

- (1) The Chair of a general meeting at which a quorum is present may, with the consent of a majority of the members present at the meeting, adjourn the meeting to another time at the same place or at another place.
- (2) Without limiting subrule (1), a meeting may be adjourned —
 - (a) if there is insufficient time to deal with the business at hand; or
 - (b) to give the members more time to consider an item of business.
- (3) No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- (4) Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 48.

53. Voting at general meeting

- (1) On any question arising at a general meeting —
 - (a) subject to subrule (6), each member has one vote unless the member may also vote on behalf of a group as defined under subrule (2); and
 - (b) members may vote personally or by proxy.
- (2) A member that is a group as defined under Rule 6 may, in writing, appoint an individual, whether or not the individual is a member, to vote on behalf of the body corporate on any question at a particular general meeting or at any general meeting, as specified in the document by which the appointment is made.
- (3) A copy of the document by which the appointment is made must be given to the Secretary before any general meeting to which the appointment applies.
- (4) The appointment has effect until —
 - (a) the end of any general meeting to which the appointment applies; or
 - (b) the appointment made under subrule (2) is revoked by the group and written notice of the revocation is given to the Secretary.
- (5) Except in the case of a special resolution, a motion is carried if a majority of the members present at a general meeting vote in favour of the motion.
- (6) If votes are divided equally on a question, the Chair of the meeting has a second or casting vote.
- (7) If the question is whether or not to confirm the minutes of a previous general meeting, only members who were present at that meeting may vote.
- (8) For a person to be eligible to vote at a general meeting as a member, or on behalf of a member of a group appointed under subrule (2), the member —
 - (a) must have been a member at the time notice of the meeting was given under rule 48; and
 - (b) must have paid any fee or other money payable to the Association by the member.

54. When special resolutions are required

- (1) A special resolution is required if it is proposed at a general meeting —
 - (a) to affiliate the Association with another body; or
 - (b) to request the Commissioner to apply to the State Administrative Tribunal under section 109 of the Act for the appointment of a statutory manager.
- (2) Subrule (1) does not limit the matters in relation to which a special resolution may be proposed.

Note for this rule:

Under the Act, a special resolution is required if an incorporated association proposes to do any of the following—

- (a) to alter its rules, including changing the name of the association (section 30(1));
- (b) to decide to apply for registration or incorporation as a prescribed body corporate (section 93(1));
- (c) to approve the terms of an amalgamation with one or more other incorporated associations (section 102(4));
- (d) to be wound up voluntarily (section 121(2)) or by the Supreme Court (section 124(a) and Schedule 4 item 9);
- (e) to cancel its incorporation (section 129).

55. Determining whether resolution carried

- (1) In this rule —

poll means the process of voting in relation to a matter that is conducted in writing.

- (2) Subject to subrule (4), the Chair of a general meeting may, on the basis of general agreement or disagreement or by a show of hands, declare that a resolution has been —
 - (a) carried; or
 - (b) carried unanimously; or
 - (c) carried by a particular majority; or
 - (d) lost.
- (3) If the resolution is a special resolution, the declaration under subrule (2) must identify the resolution as a special resolution.
- (4) If a poll is demanded on any question by the Chair of the meeting or by at least 3 other members present in person or by proxy —
 - (a) the poll must be taken at the meeting in the manner determined by the Chair;
 - (b) the Chair must declare the determination of the resolution on the basis of the poll.
- (5) If a poll is demanded on the election of the Chair or on a question of an adjournment, the poll must be taken immediately.
- (6) If a poll is demanded on any other question, the poll must be taken before the close of the meeting at a time determined by the Chair.
- (7) A declaration under subrule (2) or (4) must be entered in the minutes of the meeting, and the entry is, without proof of the voting in relation to the resolution, evidence of how the resolution was determined.

56. Minutes of general meeting

- (1) The Secretary, or a person authorised by the Board from time to time, must take and keep minutes of each general meeting.
- (2) The minutes must record the business considered at the meeting, any resolution on which a vote is taken and the result of the vote.
- (3) In addition, the minutes of each annual general meeting must record —
 - (a) the names of the members attending the meeting; and
 - (b) any proxy forms given to the Chair of the meeting under rule 49; and
 - (c) the financial statements or financial report presented at the meeting, as referred to in rule 46(3)(b)(ii) or (iii); and
 - (d) any report of the review or auditor's report on the financial statements or financial report presented at the meeting, as referred to in rule 46(3)(b)(iv).
- (4) The minutes of a general meeting must be entered in the Association's minute book within 30 days after the meeting is held.
- (5) The Chair of the next general meeting must ensure that the minutes of the previous general meeting are reviewed and, when accepted, signed by the Chair of the meeting as a true record.
- (6) When the minutes of a general meeting have been signed as correct they are, in the absence of evidence to the contrary, taken to be proof that —
 - (a) the meeting to which the minutes relate was duly convened and held; and
 - (b) the matters recorded as having taken place at the meeting took place as recorded; and
 - (c) any election or appointment purportedly made at the meeting was validly made.

PART 8 — FINANCIAL MATTERS

57. Source of funds

The funds of the Association may be derived from entrance fees, annual subscriptions, donations, fund-raising activities, grants, interest and any other sources approved by the Board.

58. Control of funds

- (1) The Association must open an account in the name of the Association with a financial institution from which all expenditure of the Association is made and into which all funds received by the Association are deposited other than those funds received and expended through the Public Fund provisions of Rule 69.
- (2) Subject to any restrictions imposed at a general meeting, the Board may approve expenditure on behalf of the Association.
- (3) The Board may authorise the Treasurer to expend funds on behalf of the Association up to a specified limit without requiring approval from the Board for each item on which the funds are expended.
- (4) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments of the Association must be signed by —
 - (a) 2 Board members; or
 - (b) one Board member and a person authorised by the Board.
- (5) All funds of the Association must be deposited into the Association's account within 5 working days after their receipt.

59. Financial statements and financial reports

- (1) For each financial year, the Board must ensure that the requirements imposed on the Association under Part 5 of the Act relating to the financial statements or financial report of the Association are met.
- (2) Without limiting subrule (1), those requirements include —
 - (a) if the Association is a tier 1 association, the preparation of the financial statements; and
 - (b) if the Association is a tier 2 association or tier 3 association, the preparation of the financial report; and
 - (c) if required, the review or auditing of the financial statements or financial report, as applicable; and
 - (d) the presentation to the annual general meeting of the financial statements or financial report, as applicable; and
 - (e) if required, the presentation to the annual general meeting of the copy of the report of the review or auditor's report, as applicable, on the financial statements or financial report.

Notes for this rule:

1. Under section 66 of the Act, an incorporated association must keep financial records that: -
 - (a) correctly record and explain its transactions and financial position and performance; and
 - (b) enable true and fair financial statements to be prepared in accordance with Part 5 Division 3 of the Act.
2. Under section 67 of the Act, an incorporated association must retain its financial records for at least 7 years after the transactions covered by the records are completed.

PART 9 — GENERAL MATTERS

60. By-laws

Guidance Note – Status of By-laws - A by-law must be consistent with the Act, the regulations and these rules. The rules of an association bind the association and the members as an enforceable contract between them. By-laws may not have that status. Therefore, the use of by-laws should be reserved for more procedural or administrative matters.

- (1) The Association may, by resolution at a general meeting, make, amend or revoke by-laws.
- (2) By-laws may —
 - (a) provide for the rights and obligations that apply to any classes of membership approved under rule 6(2); and
 - (b) impose restrictions on the Board's powers, including the power to dispose of the association's assets; and
 - (c) impose requirements relating to the financial reporting and financial accountability of the association and the auditing of the association's accounts; and
 - (d) Provide for any other matter the association considers necessary or convenient to be dealt with in the by-laws.
- (3) A by-law is of no effect to the extent that it is inconsistent with the Act, the regulations or these rules.
- (4) Without limiting subrule (3), a by-law made for the purposes of subrule (2)(c) may only impose requirements on the Association that are additional to, and do not restrict, a requirement imposed on the Association under Part 5 of the Act.
- (5) At the request of a member, the Association must make a copy of the by-laws available for inspection by the member.

61. Executing documents

- (1) The Association may execute a document if the document is signed by —
 - (a) 2 Board members; or
 - (b) one Board member and a person authorised by the Board.

62. Giving notices to members

- (1) In this rule —

recorded means recorded in the register of members.
- (2) A notice or other document that is to be given to a member under these rules is taken not to have been given to the member unless it is in writing and —
 - (a) delivered by hand to the recorded address of the member; or
 - (b) sent by prepaid post to the recorded postal address of the member; or
 - (c) sent by facsimile or electronic transmission to an appropriate recorded number or recorded electronic address of the member.

63. Custody of books and securities

- (1) Subject to subrule (2), the books and any securities of the Association must be kept in the Secretary's custody or under the Secretary's control.
- (2) The financial records and, as applicable, the financial statements or financial reports of the Association must be kept in the Treasurer's custody or under the Treasurer's control.
- (3) Subrules (1) and (2) have effect except as otherwise decided by the Board.
- (4) The books of the Association must be retained for at least 7 years.

64. Record of office holders

Act Requirements – Record of office holders

Under section 58 of the Act an association must maintain a record of —

- *the names and addresses of the persons who are members of its management committee; or hold other offices of the association provided for by its rules;*
- *the name and address of any person who is authorised to use the common seal of the association (if it has a common seal); and*
- *the name and address of any person who is appointed or acts as trustee on behalf of the association.*

Under section 58 of the Act the association must, upon the request of a member of the association, make available the record for the inspection of the member. The member may make a copy of or take an extract from the record but does not have a right to remove the record for that purpose.

The record of Board members and other persons authorised to act on behalf of the Association that is required to be maintained under section 58(2) of the Act must be kept in the Secretary's custody or under the Secretary's control.

Note for this rule

Section 58 of the Act —

- (a) sets out the details of the record that an incorporated association must maintain of the committee members and certain others; and
- (b) provides for members to inspect, make a copy of or take an extract from the record; and
- (c) prohibits a person from disclosing information in the record except for authorised purposes.

65. Inspection of records and documents

- (1) Subrule (2) applies to a member who wants to inspect —
 - (a) the register of members under section 54(1) of the Act; or
 - (b) the record of the names and addresses of Board members, and other persons authorised to act on behalf of the Association, under section 58(3) of the Act; or
 - (c) any other record or document of the association.
- (2) The member must contact the Secretary to make the necessary arrangements for the inspection.
- (3) The inspection must be free of charge.
- (4) If the member wants to inspect a document that records the minutes of a Board meeting, the right to inspect that document is subject to any decision the Board has made about minutes of Board meetings generally, or the minutes of a specific Board meeting, being available for inspection by members.
- (5) The member may make a copy of or take an extract from a record or document referred to in subrule (1)(c) but does not have a right to remove the record or document for that purpose.

Note for this subrule:

Sections 54(2) and 58(4) of the Act provide for the making of copies of, or the taking of extracts from, the register referred to in subrule (1)(a) and the record referred to in subrule (1)(b).

- (6) The member must not use or disclose information in a record or document referred to in subrule (1)(c) except for a purpose —
 - (a) that is directly connected with the affairs of the Association; or
 - (b) that is related to complying with a requirement of the Act.

Note for this subrule:

Sections 57(1) and 58(5) of the Act impose restrictions on the use or disclosure of information in the register referred to in subrule (1)(a) and the record referred to in subrule (1)(b).

66. Publication by Board members of statements about Association business prohibited

A Board member must not publish, or cause to be published, any statement about the business conducted by the Association at a general meeting or Board meeting unless —

- (a) the Board member has been authorised to do so at a Board meeting; and
- (b) the authority given to the Board member has been recorded in the minutes of the Board meeting at which it was given.

67. Distribution of surplus property on cancellation of incorporation or winding up

Act Requirements – Distribution of surplus property

Under section 24(1) of the Act surplus property can only be distributed to one or more of the following —

- *an incorporated association;*
- *a company limited by guarantee that is registered as mentioned in the Corporations Act section 150;*
- *a company holding a licence that continues in force under the Corporations Act section 151;*
- *a body corporate that at the time of the distribution is the holder of a licence under the Charitable Collections Act 1946;*

- *a body corporate that —*
 - *is a member or former member of the incorporated association; and*
 - *at the time of the distribution of surplus property, has rules that prevent the distribution of property to its members;*
- *a trustee for a body corporate referred to in paragraph (e);*
- *a co-operative registered under the Co-operatives Act 2009 that, at the time of the distribution of surplus property, is a non-distributing co-operative as defined in that Act.*

(1) In this rule —

surplus property, in relation to the Association, means property remaining after satisfaction of —

- (a) the debts and liabilities of the Association; and
- (b) the costs, charges and expenses of winding up or cancelling the incorporation of the Association,

but does not include books relating to the management of the Association.

(2) On the cancellation of the incorporation or the winding up of the Association, its surplus property must be distributed as determined by special resolution by reference to the persons mentioned in section 24(1) of the Act.

Note for this rule:

Section 24(1) of the Act sets out a provision that is implied in these rules describing the entities to which the surplus property of an incorporated association may be distributed on the cancellation of the incorporation or the winding up of the association. Part 9 of the Act deals with the winding up of incorporated associations, and Part 10 of the Act deals with the cancellation of the incorporation of incorporated associations.

68. Alteration of rules

If the Association wants to alter or rescind any of these rules, or to make additional rules, the Association may do so only by special resolution and by otherwise complying with Part 3 Division 2 of the Act.

Note for this rule:

Section 31 of the Act requires an incorporated association to obtain the Commissioner's approval if the alteration of its rules has effect to change the name of the association.

Section 33 of the Act requires an incorporated association to obtain the Commissioner's approval if the alteration of its rules has effect to alter the objects or purposes of the association or the manner in which surplus property of the association must be distributed or dealt with if the association is wound up or its incorporation is cancelled.

Guidance Note – Alteration of Rules. *Amendments to the rules do not take effect until required documents are lodged with the Commissioner, even if the amendments do not require the approval of the Commissioner under section 31 or section 33. The required documents must be lodged within one month after the special resolution is passed.*

PART 10 — PUBLIC FUND

69. Public Fund

- (1) The objective of the Public Fund is to support the Association's environmental purposes.
- (2) This objective will be achieved by establishing and maintaining a public fund for the specific purposes of supporting the objects as set out in Rule 4 of these Rules of Association.
- (3) The Public Fund shall receive all gifts of money or property for this purpose and any money received because of such gifts must be credited to its bank account(s).
- (4) The Public Fund must not receive any other money or property into its account(s) and it must comply with subdivision 30-E of the Income Tax Assessment Act 1997.
- (5) Members of the public are to be invited to make gifts of money or property to the fund for the environmental purposes of the Association.
- (6) Money from the interest on donations, income derived from donated property, and money from the realisation of such property is to be deposited into the fund.
- (7) A separate bank account or multiple accounts are to be opened to deposit money donated to the fund including interest accruing thereon, and gifts to it are to be kept separate from other funds of the Association.
- (8) Receipts are to be issued in the name of the fund and proper accounting records and procedures are to be kept and used for the fund.
- (9) The fund will be operated on a not-for-profit basis.
- (10) A Public Fund Committee of Management of no fewer than three persons appointed by the Board of the Association, will administer the fund.
- (11) A majority of members of the Public Fund Committee are required to be 'responsible persons' as defined by the Guidelines to the Register of Environmental Organisations.
- (12) The Management Committee of the Public Fund will from time to time enable transfer of funds from the Public Fund to the bank account of the Association for purposes agreed by the Board of the Association.
- (13) Statistical information requested by the Department responsible for the environment on donations to the Public Fund will be provided within four months of the end of the financial year.
- (14) An audited financial statement for the Association and its Public Fund will be supplied with the annual statistical return. The statement will provide information on the expenditure of public fund monies and the management of public fund assets.
- (15) The Association must inform the Department responsible for the environment as soon as possible if:
 - it changes its name or the name of the public fund; or
 - there is any change to the membership of the Public Fund Committee of Management; or
 - there has been any departure from the model rules for public funds located in the Guidelines to the Register of Environmental Organisations.

- (16) The Association agrees to comply with any rules that the Treasurer and the Minister with responsibility for the environment may make to ensure that gifts made to the fund are only used for its principal purpose.
- (17) Any allocation of funds or property to other persons or organisations will be made in accordance with the established purposes of the Association and not be influenced by the preference of the donor.
- (18) In case of the winding-up of the Fund, any surplus assets are to be transferred to another fund with similar objectives that is on the Register of Environmental Organisations.

PART 11 — TRANSITIONAL ARRANGEMENTS

70. Transitional Arrangements

- (1) These Rules of Association apply to the association previously known as the Cape to Cape Catchments Group. It is deemed that—
 - (a) the new name of Nature Conservation Margaret River Region and these new Rules of Association shall apply from the date the Commissioner has issued its approval including issue of a certificate stating the new name and date of registration;
 - (b) from that date, the duly appointed membership of the Management Committee of the Cape to Cape Catchments Group shall continue as the Management Board of the newly named Association and shall be considered to have been appointed in conformity with these rules;
 - (c) the membership of the Cape to Cape Catchments Group shall remain that of the newly named Association, and shall be considered to have been appointed in conformity with these rules; and
 - (d) the accounts, funds, staff, contracts and other agreements previously established under the Cape to Cape Catchments Group shall remain entirety those of the newly named Association.