

Constitution of the Australian Swim Schools Association Limited

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Corporations Act 2001

Company limited by guarantee

Constitution

of the

Australian Swim Schools Association Limited

Introduction

1 Replaceable rules excluded

1.1 The replaceable rules contained in the Act do not apply to the Company.

2 Definitions and interpretation

2.1 Definitions

In this constitution:

- (1) Act means the Corporations Act 2001 and includes any amendment or re-enactment of it or any legislation passed in substitution for it;
- (2) Auditor means any person appointed for the time being to perform the duties of an auditor of the Company;
- (3) Business day means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in the place where the Company has its registered office;
- (4) Company means Australian Swim Schools Association Limited;
- (5) Corporate member means a member which is a body corporate;
- (6) Directors means the directors for the time being of the Company or the directors assembled as a board;
- (7) Establishment Director members means the persons who consent to be members on the registration of the Company;
- (8) Nominee means a person nominated by the Swim School member to receive notices and represent that member at applicable meetings – including voting;
- (8) Register means the register of members to be kept pursuant to the Act;
- (9) representative means a person authorised to act as a representative of a body corporate pursuant to section 250D of the Act;
- (10) Secretary means any person appointed to perform the duties of secretary of the Company and any person appointed to act temporarily as secretary;
- (11) Swim School means a single site operation organized for the primary purpose of teaching swimming and water safety, and may be part of a larger centre and or part of a corporate group of swim schools and or centres; and

- (12) Unincorporated Association means the unincorporated body known as the Australian Swim Schools Association whose funds, assets and liabilities the Company is authorised to take over by rule 3.1(1).

2.2 Interpretation

- (13) Reference to:
- (a) one gender includes the others;
 - (b) the singular includes the plural and the plural includes the singular; and
 - (c) a person includes a body corporate.
- (14) Except so far as the contrary intention appears in this constitution:
- (a) an expression has in this constitution the same meaning as in the Act; and
 - (b) if an expression is given different meanings for the purposes of different provisions of the Act, the expression has, in a provision of this constitution that deals with a matter dealt with by a particular provision of the Act, the same meaning as in that provision of the Act.
- (15) “Including” and similar expressions are not words of limitation.
- (16) Headings and any table of contents or index are for convenience only and do not form part of this constitution or affect its interpretation.

3 Objects

3.1 The objects for which the Company is established are:

- (1) to take over the funds and other assets and liabilities of the Unincorporated Association;
- (2) to promote the benefits of learning swimming and water safety skills, raise standards in the Swim School industry,
- (3) to facilitate access to the learning of swimming and water safety skills,
- (4) to educate on water safety and drowning prevention,
- (5) to raise standards in the Swim School industry,
- (6) to assist Swim School members enhance their operations,
- (7) to advocate to relevant parties on industry matters, and
- (8) to work with other organisations with similar objects and purposes.

3.2 The Company must pursue these Objectives only and must only apply its income in promoting those purposes.

4 Powers

4.1 The Company has all the powers of an individual and a body corporate but does not have the power to issue shares.

4.2 Without further limiting 4.1, the Company has the power to:

(a) deal with other bodies and as such to:

- (i) subscribe to, become a member of, co-operate with, amalgamate or form a union or alliance with any other company, club, association or organisation, whether incorporated or not, whose objects are altogether or in part similar to those of the Company;
- (ii) purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, clubs, associations or organisations with which the Company is authorised to amalgamate; and
- (iii) transfer all or any part of the property, assets, liabilities and engagements of the Company to any one or more of the companies, clubs, associations or organisations with which the Company is authorised to amalgamate, but the Company may only subscribe to and support with its funds or amalgamate with any company, club, association or organisation which prohibits the distribution of its income and property amongst its Members to an extent at least as great as that imposed on the Company under or by virtue of rule 121;

(b) to co-ordinate, initiate and undertake efforts for the raising of funds for its objects including without limitation take such steps by personal or written appeals, public meetings or otherwise, as may from time to time be deemed expedient for the purpose of procuring contributions to the Company by way of donations, sponsorships, annual subscriptions, levies or otherwise;

(c) in furtherance of the objects of the Company to buy, sell and deal in all kinds of commodities and provisions, both liquid and solid, for or to the Members or persons entering, visiting or using the Company's premises;

(d) to fairly impose and collect membership fees and affiliation fees from Members and fees from Members and other persons for use by the Company in furtherance of its objects;

(e) to appoint such honorary staff, paid administrators and professional advisers as may be appropriate from time to time;

(f) to appoint, employ, remove or suspend such managers, clerks, secretaries, servants, workmen and other person as may be necessary or convenient for the purposes of the Company;

(g) to remunerate any person or body corporate for services rendered or to be rendered, and whether by way of brokerage or otherwise in placing or assisting to place or guaranteeing the placing of any unsecured notes, debentures or other securities of the Company or promotion of the Company or in furtherance of its objects;

(h) to promote and hold either alone or together with any other company, club, association or organisation meetings and displays and, without limitation, take any action considered necessary to further the objects and be in the interests of the Company;

(i) to make regulations and by-laws for the better carrying out of its objects, for the proper conduct of Members and for regulating and determining their membership and to equitably enforce such regulations and by-laws;

(j) to expend money received from Members or from any other source for any purpose which, in the opinion of the Company, may further the objects of the Company;

(k) to suspend, terminate, disqualify or otherwise cause to be dealt with any Member who has committed a breach of the Constitution of the Company, or of any of its rules or bylaws or for any action considered to be unfair, unbecoming or contrary to the interests, ideals or objects of the Company;

(l) to form subcommittees or organisational sections or units to assist in the execution of the Company's objects;

(m) to purchase, take on lease, or in exchange, hire and otherwise acquire any land, buildings, easements or property, real and personal, and any rights or privileges which may be requisite for the purpose of, or capable of being conveniently used in connection with, any of the objects of the Company;

(n) as far as the law, applicable from time to time, may allow improve, develop, sell, mortgage, transfer, lease, let, exchange, hypothecate and (without limiting the effect of the foregoing general words) in any manner dispose of or deal with or use any land, buildings, easements or property, whether real or personal, or rights or any of them or any part thereof;

(o) where the Company takes or holds any property subject to a trust, to only deal with it in such manner as is allowed by law having regard to the trust;

(p) to enter into any arrangements with any government or authority that are incidental or conducive to the attainment of the objects and any rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions;

(q) to construct, improve, maintain, develop, work, manage, carry out, alter or control any houses, buildings, grounds, works or conveniences which seem calculated directly or indirectly to advance the Company's interests and to contribute to subsidise or otherwise assist and take part in the construction, improvement, maintenance, development, working, management, carrying out, alteration or control of them;

(r) to invest and deal with the money of the Company not immediately required upon such securities and in such manner as may from time to time be required including the purchase of shares in any corporation and whether or not any such investment shall be one authorised by law for the investment of trust funds;

(s) to undertake and execute any trusts the undertaking whereof may seem desirable whether gratuitously or otherwise;

(t) to take or otherwise acquire and hold shares, debentures or other securities of any company or body corporate;

(u) to lend and advance money or give credit to any person or body corporate, to guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or body corporate and otherwise to assist any person or body corporate in furtherance of the objects of the Company;

(v) to borrow or raise money either alone or jointly with any other person or legal entity in such manner as the Company thinks fit and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the Company in any way and in particular by the issue of debenture perpetual or otherwise charged upon all or any of the Company's property (both present and future), and to purchase, redeem and pay off such securities and pay interest on such borrowed money;

(w) to make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;

(x) to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company in furtherance of the objects of the Company;

(y) to take or hold mortgages, liens or charges, to secure payment of the purchase price, or any unpaid balance of the purchase price of any kind of the Company's property of whatever

kind sold by the Company or any money due to the Company from purchasers and others;

(z) to take any gift of property, including but not limited to money, whether subject to any special trust or not, for any one or more of the objects of the Company;

(aa) to solicit and/or receive donations and legacies (whether subject to any special trusts or not) for the purpose of applying the same to any of the objects of the Company;

(bb) to insure against all risks, liabilities and eventualities as may seem advisable and to apply the proceeds of any claim under any insurance in such manner and for such purpose or purposes as may be thought fit;

(cc) to print and publish any articles, releases, newspapers, periodicals, books or leaflets, signage or advertisement that the Company may think desirable for the promotion of its objects;

(dd) to give or contribute towards the giving of gifts, prizes, medals, awards or trophies and make donations in furtherance of its objects and for charitable or community purposes;

(ee) to do all things and exercise all or any of the powers contained in the Law as if the same had been set forth at length as a separate object or power as the case may be; and

(ff) to do all such things as are incidental and conducive to the attainment of the objects and the exercise of the powers of the Company.

4.3 Despite rule 4.1 and 4.2 the powers of the Company are ancillary to and exercisable only to pursue the objects of the Company set out in rule 3.

5 Application of income and property

5.1 The income and property of the Company, from wherever it is derived, must be applied solely towards the promotion of the objects of the Company set out in rule 3.

6 No distribution to members

6.1 No portion of the income or property of the Company may be paid directly or indirectly, by way of dividend, bonus or otherwise to the members of the Company.

7 Limited liability

7.1 The liability of the members is limited.

8 Guarantee

8.1 Every member of the Company undertakes to contribute an amount not exceeding \$100 to the property of the Company in the event of its being wound up while the member is a member or within 1 year after the member ceases to be a member, if required for payment:

- (1) of the debts and liabilities of the Company (contracted before the member ceases to be a member);
- (2) of the costs, charges and expenses of winding up; and
- (3) for the adjustment of the rights of the contributories among themselves.

Membership

9 Number of members

9.1 The members of the Company are:

- (1) the Swim School members;
- (2) the Establishment Director members; and
- (3) any other persons the directors admit to membership in accordance with this constitution.

10 Categories of membership

10.1 The categories of membership are:

- (1) swim school members;
- (2) associate members;
- (3) life members;
- (4) honorary members; and
- (5) establishment director members

10.2 Additional categories of members, if recommended by the directors, may be created from time to time by the members in general meetings.

11 Application for swim school membership

11.1 If a Swim School meets the requirements, as determined by the directors from time to time, that Swim School may become a Swim School member of the Company.

11.2 A Swim School nominated under rule 11.1 becomes a Swim School member of the Company on the later to occur of:

The nominee of the Swim School consenting in writing for the Swim School to be a Swim School member; and

The nomination being approved by the directors.

11.3 A Swim School member has the right of one vote at general meetings and privileges of membership bestowed by the directors from time to time, and is otherwise subject to this constitution.

12 Application for associate membership

12.1 Any individual who:

- (1) is not less than 17 years of age at the date of application; and
- (2) is known to a member may apply for associate membership of the Company.

- 12.2 Despite anything in this constitution to the contrary, an associate member:
- (1) has the right to receive notices of and to attend and be heard at any general meeting; but
 - (2) has no right to vote at any general meeting.

13 Form of application

- 13.1 An application for membership must be:
- (1) in writing in a form approved by the directors;
 - (2) signed by the applicant or their representative; and
 - (3) accompanied by any other documents or evidence as to qualification for the type of membership applied for which the directors require.
- 13.2 An application form must be accompanied by:
- (1) an application fee, if any, determined in accordance with rule 20.1; and
 - (2) the annual subscription, determined in accordance with rule 21.

14 Admission to membership

- 14.1 The directors must consider an application for membership as soon as practicable after its receipt and determine, in their discretion, the admission or rejection of the applicant.
- 14.2 The directors need not give any reason for the rejection of an application.
- 14.3 If an application for membership is rejected, the application fee, if any, and the annual subscription must be refunded to the applicant.
- 14.4 If an applicant is accepted for membership:
- (1) the secretary must notify the applicant of admission in the form of a receipt for the application fee, if any, and annual subscription or in any other form the directors determine; and
 - (2) the name and details of the member must be entered in the Register.

15 Notification by members

- 15.1 Each member must promptly notify the secretary in writing of any change in their qualification to be a member of the Company.

16 Life Membership

- 16.1 *Honorary Life Membership*
- 16.1.1 If, in the opinion of the directors, a member has made over a period of years a significant contribution to the Company or to the Unincorporated Association, or the Swim School Industry, the directors may nominate the member as an Honorary Life Member of the Company.
- 16.1.2 A member nominated under rule 16.1 becomes an Honorary Life Member of the Company

on the nomination being approved by an ordinary resolution of members at a general meeting.

16.1.3 An Honorary Life Member has the same rights and privileges as an Honorary Member (Clause 17) and will also be provided with complementary attendance at the ASSA Annual Conference and complementary attendance at the ASSA Annual Awards Dinner / Presentation.

16.2 Paid Life Membership

16.2.1 The Company in general meeting, on the recommendation of the directors, may make provision for the granting to members of paid life membership on payment of an amount recommended by the directors, and approved by the Company in general meeting, as a reasonable equivalent of payment in advance of an annual subscription over a period of years.

16.2.2 If the Company provides for paid life membership it is open to any member, and the amount to be paid is the same for any member, whatever the member's age.

16.2.3 A paid life member has all the rights and privileges of membership, and is otherwise subject to this constitution.

16.2.4 The Company in a general meeting may, on the recommendation of the directors, remove the provision of paid life membership, or change the amount to be paid for it, but this does not affect the rights of members who were granted paid life membership while the provision was in force.

17 Honorary membership

17.1 If, in the opinion of the directors, a person, not being a member of the Company, has made over a period of years a significant contribution to the Company or to the Unincorporated Association, the directors may nominate that person as an honorary member of the Company,

17.2 A person nominated under rule 17.1 becomes an honorary member of the Company on the later to occur of:

- (1) The person consenting in writing to be an honorary member; and
- (2) The nomination being approved by an ordinary resolution of members at a general meeting.

17.3 An honorary member has no rights and privileges of membership, other than the right to receive notices of and attend and be heard at any general meeting, and is otherwise subject to this constitution.

18 Establishment Director members

18.1 Establishment Director members are those who have signed this constitution before the Company is registered.

18.2 Establishment Director members are not required:

- (1) To have any qualifications for membership;
- (2) To pay any application fee; or
- (3) To pay an annual subscription.

18.3 Establishment Directors members have no voting rights, in this capacity of membership, at general meetings.

18.4 Establishment Director members must otherwise comply with this constitution.

19 Register of members

- 19.1 The Company must keep a Register in accordance with the Act.
- 19.2 The following must be entered in the Register in respect of each member:
- (1) the full name of the member;
 - (2) the residential address, facsimile number and electronic mail address, if any, of the member;
 - (3) the category of membership;
 - (4) the date of admission to and cessation of membership;
 - (5) the date of last payment of the member's annual subscription;
 - (6) in the case of a corporate member, the full name, address, facsimile number and electronic mail address, if any, of its nominated representative; and
 - (7) such other information as the directors require.
- 19.3 Each member and nominated representative must notify the secretary in writing of any change in that person's name, address, facsimile number or electronic mail address within 1 month after the change.

Application fee and annual subscription

20 Application fee

- 20.1 The application fee payable by each applicant for membership is the sum the directors determine for each category of membership.
- 20.2 No application fee is payable by any honorary member.

21 Annual subscription

- 21.1 The annual subscription payable by a member of the Company is the sum the directors determine from time to time and the Company approves in general meeting.
- 21.2 The categories of membership of the company will be the categories reviewed and determined by the Directors from time to time and the Company approves in a general meeting.
- 21.3 All annual subscriptions are due and payable 12 months from the date of registration, or the anniversary of the date of registration.
- 21.4 No annual subscription is payable by any life member or honorary member.

22 Unpaid annual subscriptions

- 22.1 If:
- (1) the annual subscription of a member remains unpaid for 2 months after it becomes payable; and
 - (2) a notice of default is given to the member following a resolution of the directors to do this;

the member ceases to be entitled to any of the rights or privileges of membership but these may be reinstated on payment of all arrears if the directors see fit.

Cessation of membership

23 Resignation

- 23.1 A member may resign from membership of the Company by giving written notice to the secretary.
- 23.2 The resignation of a member takes effect on the date of receipt of the notice of resignation or any later date provided in the notice.

24 Failure to pay

- 24.1 If a member has not paid all arrears of annual subscriptions under rule 21 or, if paid, the member's rights and privileges are not reinstated.
- (1) the member remains liable for all the obligations and liabilities of membership until the expiration of 6 months after the date of notification under rule 22.1(2); and
- (2) the member ceases to be a member and member's name must be removed from the register at the expiration of the 6 month period.

25 Cessation of membership

- 25.1 A member ceases to be a member:
- on the death of the member; or
- (2) if the member is expelled under rule 26.
- 25.2 A life member or an honorary member ceases to be a member:
- if the member is an individual, in accordance with rule 25.1; or
- (2) if the directors, for any reason, request in writing the resignation of the member and the member does not resign within 2 months after the request is sent.

26 Disciplining members

- 26.1 If any member:
- (1) willfully refuses or neglects to comply with the provisions of this constitution; or
- (2) is guilty of any conduct which, in the opinion of the directors, is unbecoming of a member or prejudicial to the interest of the Company;
- the directors may resolve to censure, fine, suspend or expel the member from the Company and, in the case of expulsion, to remove the member's name from the Register.
- 26.2 In exercising their powers under rule 26.1 the directors must not fine a member an amount exceeding the annual subscription of an ordinary member, being an individual (whether or not the member is an individual or a body corporate, or is liable to pay an annual subscription).
- 26.3 At least 1 week before the meeting of the directors at which a resolution of the nature referred to in rule 26.1 is passed the directors must give to the member notice of:

- (1) the meeting;
 - (2) what is alleged against the member; and
 - (3) the intended resolution.
- 26.4 At the meeting and before the passing of the resolution, the member must have an opportunity of giving orally or in writing any explanation or defense the member sees fit.
- 26.5 A member may, by notice in writing lodged with the secretary at least 24 hours before the time for holding the meeting at which the resolution is to be considered by the directors, elect to have the question dealt with by the Company in general meeting and in that event, a general meeting of the Company must be called for that purpose.
- 26.6 If at the meeting a resolution to the same effect as the resolution which was to be considered by the directors is passed by a majority of 2/3 of those present and voting (and the vote must be taken by secret ballot), the member concerned must be punished in the manner resolved and in the case of a resolution for expulsion the member is expelled and the member's name must be removed from the Register.
- 26.7 If any member ceases to be a member under rule 26.6, the directors may reinstate the member and restore the name of that member to the Register upon and subject to any terms and conditions they see fit.
- 26.8 If any member, in the opinion of the President or CEO:
- (1) may of willfully refused or neglected to comply with the provisions of this constitution; or
 - (2) may be guilty of any conduct which is unbecoming of a member or prejudicial to the interest of the Company;

the President or CEO may resolve to suspend the member from the Company, until such time as the directors resolve to proceed, or not, with the preceding clauses of item 26 Discipling members.

27 Effect of cessation of membership

- 27.1 If any member ceases to be a member under this constitution, the member remains liable to pay to the Company for any money which, at the time of the member ceasing to be a member, the member owes to the Company on any account and for any sum not exceeding \$100 for which the member is liable under rule 8 of this constitution.

Meetings of members

28 Circulating resolutions

- 28.1 This rule 28 applies to resolutions which the Act, or this constitution, requires or permits to be passed at a general meeting, except a resolution under section 329 of the Act to remove an auditor.
- 28.2 The Company may pass a resolution without a general meeting being held if all the members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.
- 28.3 Separate copies of a document may be used for signing by members if the wording of the resolution and statement is identical in each copy.

- 28.4 The resolution is passed when the last member signs.
- 28.5 If the Company receives by facsimile transmission a copy of a document referred to in this rule 28 it is entitled to assume that the copy is a true copy.

29 Calling of general meeting

- 29.1 A majority of directors may call a general meeting whenever they see fit.
- 29.2 Except as permitted by law, a general meeting, to be called the **annual general meeting**, must be held at least once in every calendar year.
- 29.3 Except as provided in the Act, no member or members may call a general meeting.

30 Amount of notice of meeting

- 30.1 Subject to the provisions of the Act as to short notice, at least 21 days' notice of a general meeting must be given in writing to those persons who are entitled to receive notices from the Company.

31 Persons entitled to notice of general meeting

- 31.1 Written notice of a meeting of the Company's members must be given individually to:
- (1) each member entitled to vote at the meeting;
 - (2) each director; and
 - (3) the Company's auditor.
- 31.2 The Company is only required to give notice of general meetings to those persons entitled to receive notice under this constitution and the Act.

32 How notice is given

- 32.1 The Company may give the notice of meeting to a member:
- (1) personally;
 - (2) by sending it by post to the address for the member in the Register or the alternative address (if any) nominated by the member;
 - (3) by sending it to the facsimile number or electronic address (if any) nominated by the member;
 - (4) by sending it by other electronic means (if any) nominated by the member; or
 - (5) by notifying the member in accordance with rule 32.2.
- 32.2 If the member nominates:
- (1) an electronic means (**nominated notification means**) by which the member may be notified that notices of meeting are available; and
 - (2) an electronic means (**nominated access means**) the member may use to access notices of meeting;

the Company may give the member notice of the meeting by notifying the member (using the nominated notification means):

- (3) that the notice of meeting is available; and
- (4) how the member may use the nominated access means to access the notice of meeting.

33 When notice is given

- 33.1 A notice of meeting sent by post is taken to be given 3 days after it is posted.
- 33.2 Except as provided by rule 33.3, a notice of meeting given to a member under rule 32.1(3) is taken to be given on the business day after it is sent.
- 33.3 A notice of meeting given to a member under rule 32.1(3) is not effective if:
 - (1) in the case of service by facsimile, the Company's facsimile machine issues a transmission report that the transmission was unsuccessful;
 - (2) in the case of service by electronic mail, the Company's computer reports that delivery has failed; or
 - (3) in either case the addressee notifies the Company immediately that the notice was not fully received in a legible form.
- 33.4 A notice of meeting given to a member under rule 32.1(5) is taken to be given on the business day after the day on which the member is notified that the notice of meeting is available.
- 33.5 A certificate signed by a manager, secretary or other officer of the Company that the notice was posted or given in accordance with this rule 33 is conclusive evidence of the matter.

34 Period of notice

- 34.1 Subject to the Act and this constitution where a specified number of days' notice or notice extending over any period is required to be given, the day of service is excluded, and the day upon which the notice expires is included.

35 Contents of notice

- 35.1 A notice of a general meeting must:
 - (1) set out the place, date and time for the meeting (and, if the meeting is to be held in 2 or more places, the technology that will be used);
 - (2) state the general nature of the meeting's business;
 - (3) if a special resolution is to be proposed at the meeting, set out an intention to propose the special resolution and state the resolution;
 - (4) be worded and presented in a clear, concise and effective manner; and
 - (5) contain a statement setting out the following information:
 - (a) that the member has a right to appoint a proxy; and
 - (b) that the proxy need not be a member of the Company.

36 Notice of adjourned meeting

- 36.1 When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for 1 month or more.

37 Accidental omission to give notice

- 37.1 The accidental omission to give notice of any general meeting to or the non-receipt of the notice by any person entitled to receive notice of a general meeting under this constitution does not invalidate the proceedings at or any resolution passed at the meeting.

38 Postponement of general meeting

- 38.1 The directors may postpone the holding of any general meeting whenever they see fit (other than a meeting requisitioned by members as provided by the Act) for not more than 42 days after the date for which it was originally called.
- 38.2 Whenever any meeting is postponed (as distinct from being adjourned under rule 40.3 or rule 41.3) the same period of notice of the meeting must be given to persons entitled to receive notice of a meeting as if a new meeting were being called for the date to which the original meeting is postponed.

39 Technology

- 39.1 The Company may hold a meeting of its members at 2 or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.

40 Quorum

- 40.1 The quorum for a meeting of the Company's members is 10 members and the quorum must be present at all times during the meeting.
- 40.2 In determining whether a quorum is present, individuals attending as proxies or attorneys are counted. However, if a member has appointed more than 1 proxy or attorney only 1 of them is counted. If an individual is attending both as a member and as a proxy or attorney the individual is counted only once.
- 40.3 If a quorum is not present within 30 minutes after the time for the meeting set out in the notice of meeting:
- (1) where the meeting was called by the members or upon the requisition of members, the meeting is dissolved; or
 - (2) in any other case, the meeting is adjourned to the date, time and place the directors specify. If the directors do not specify 1 or more of those things, the meeting is adjourned to:
 - (a) if the date is not specified – the same day in the next week; (b) if the time is not specified – the same time; and
 - (c) if the place is not specified – the same place.
- 40.4 If no quorum is present at the resumed meeting within 30 minutes after the time for the meeting, the meeting is dissolved.

41 Chair at general meetings

- 41.1 The president of the Company, if present, presides as chair at every general meeting.
- 41.2 Where a general meeting is held and:
- (1) there is no president of the Company; or
 - (2) the president is not present within 30 minutes after the time appointed for the holding of the meeting or is unwilling to act;
- the vice-president of the Company if present presides as chair of the meeting or, if the vice-president is not present or is unwilling to act, the directors present may appoint 1 of their number to be chair of the meeting and in default of their doing so the members present may appoint any 1 of their number to be chair of the meeting.
- 41.3 The chair may, at any time during the meeting, adjourn the meeting or any business, motion, question, resolution, debate or discussion being considered or remaining to be considered by the meeting either to a later time at the same meeting or to an adjourned meeting at any time and any place. In exercising this discretion, the chair may, but need not, seek the approval of the members present. Unless required by the chair, no vote may be taken or demanded by the members present in respect of any adjournment.
- 41.4 The chair of the meeting is responsible for the general conduct of the meeting and for the procedures to be adopted at that meeting. The rulings of the chair of a meeting on all matters relating to the procedure and conduct of the meeting are final and no motion of dissent from those rulings may be accepted.
- 41.5 The chair of the meeting may in his or her absolute discretion refuse admission to, or require to leave and remain out of the meeting, any person who is not a member, director or auditor of the Company.
- 41.6 A director who is not a member is entitled to be present and to speak to any general meeting.
- (2) A secretary who is not a member is entitled to be present and to speak at any general meeting.
 - (3) The auditor of the Company from time to time and any assistant of the auditor who is not a member is entitled to be present and to speak at any general meeting on any part of the meeting's business that concerns the auditor in the capacity as auditor of the Company.
 - (4) Any professional adviser of the Company (including, without limitation, a solicitor or financial adviser), at the request of any director, is entitled to be present and, at the request of the chair, to speak at any general meeting. However, subject to the Act and this constitution, the Company is not obliged to send a notice of meeting to any professional adviser.

42 Business at adjourned meetings

- 42.1 Only unfinished business is to be transacted at a meeting resumed after an adjournment.

Proxies and body corporate representatives

43 Who can appoint a proxy

- 43.1 A member who is entitled to attend and cast a vote at a meeting of the Company's members may appoint an individual or a body corporate as the member's proxy to attend and vote for

the member at the meeting. The proxy need not be a member.

44 Rights of proxies

- 44.1 A proxy appointed to attend and vote for a member has the same rights as the member:
- (1) to speak at the meeting;
 - (2) to vote (but only to the extent allowed by the appointment); and
 - (3) to join in a demand for a poll.
- 44.2 If a proxy is only for a single meeting it may be used at any postponement or adjournment of that meeting, unless the proxy states otherwise.
- 44.3 A proxy's authority to speak and vote for a member at a meeting is suspended while the member is present at the meeting.
- 44.4 A proxy may be revoked at any time by notice in writing to the Company.

45 When proxy form must be sent to all members

- 45.1 If the Company sends a member a proxy appointment form for a meeting or a list of persons willing to act as proxies at a meeting:
- (1) if the member requested the form or list – the Company must send the form or list to all members who ask for it and who are entitled to appoint a proxy to attend and vote at the meeting; or
 - (2) otherwise – the Company must send the form or list to all its members entitled to appoint a proxy to attend and vote at the meeting.

46 Appointing a proxy

- 46.1 An appointment of a proxy is valid if it is signed or otherwise electronically authenticated (as referred to in regulation 2G.2.01 of the *Corporations Regulations 2001* and in rules 46.2 and 46.3) by the member making the appointment and contains the following information:
- (1) the member's name and address;
 - (2) the Company's name;
 - (3) the proxy's name or the name of the office held by the proxy; and
 - (4) the meetings at which the appointment may be used.

An appointment may be a standing one.

- 46.2 An electronically authenticated appointment of a proxy must in addition to rule 50.1:
- (1) include a method of identifying the member; and
 - (2) include an indication of the member's approval of the information communicated.
- 46.3 If the electronically authenticated appointment of a proxy is done through either email or internet-based voting:
- (1) the member must be identified by personal details such as the member's name, personal address and date of birth; and
 - (2) the member's approval must be communicated by a form of security protection (for example,

the entering of a confidential identification number such as a shareholder registration number or holder identification number).

46.4 An undated appointment is taken to have been dated on the day it is given to the Company.

46.5 An appointment may specify the way the proxy is to vote on a particular resolution. If it does:

- (1) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- (2) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (3) if the proxy is the chair – the proxy must vote on a poll, and must vote that way; and
- (4) if the proxy is not the chair – the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a member, this rule 46.5 does not affect the way that the person can cast any votes the person holds as a member.

46.6 An appointment does not have to be witnessed.

46.7 A later appointment revokes an earlier one if both appointments could not be validly exercised at the meeting.

47 Form of proxy sent out by Company

47.1 A form of proxy sent out by the Company may be in a form determined by the directors but must:

- (1) enable the member to specify the manner in which the proxy must vote in respect of a particular resolution; and
- (2) leave a blank for the member to fill in the name of the person primarily appointed as proxy.

47.2 The form may provide that if the member leaves it blank as to the person primarily appointed as proxy or if the person or persons named as proxy fails or fail to attend, the chair of the meeting is appointed proxy.

47.3 Despite rule 47.1 an instrument appointing a proxy may be in the following form or in a form that is as similar to the following form as the circumstances allow:

Company name # ACN.....

I/We, _____ of _____, being a member/members of
 the Company, appoint _____ of _____ or, in his or her
 absence, _____ of _____ as my/our proxy to vote for
 me/us on my/our behalf at the *annual general/*general meeting of the
 company to be held on _____ and at any adjournment of that meeting.

† This form is to be used *in favour of/*against the resolution.

Signed on _____ .

* Strike out whichever is not desired.

† To be inserted if desired.

48 Receipt of proxy documents

48.1 For an appointment of a proxy for a meeting of the Company's members to be effective, the following documents must be received by the Company at least 48 hours before the meeting:

- (1) the proxy's appointment; and
- (2) if the appointment is signed or otherwise authenticated by the appointor's attorney – the authority under which the appointment was signed or authenticated or a certified copy of the authority.

48.2 If a meeting of the Company's members has been adjourned, an appointment and any authority received by the Company at least 48 hours before the resumption of the meeting are effective for the resumed part of the meeting.

48.3 The Company receives an appointment or authority:

- (1) when it is received at any of the following:
 - (a) the Company's registered office;
 - (b) a facsimile number at the Company's registered office; or
 - (c) a place, facsimile number or electronic mail address specified for the purpose in the notice of meeting; or
- (2) if the notice of meeting specifies other electronic means by which a member may give the document – when the document given by those means is received by the Company and complies with rules 46.2 and 46.3.

48.4 An appointment of a proxy is ineffective if:

- (1) the Company receives either or both the appointment or authority at a fax number or electronic address; and
- (2) a requirement (if any) in the notice of meeting that:
 - (a) the transmission be verified in a way specified in the notice; or
 - (b) the proxy produce the appointment and authority (if any) at the meeting;
 is not complied with.

49 Validity of proxy vote

49.1 A proxy who is not entitled to vote on a resolution as a member may vote as a proxy for another member who can vote if the appointment specifies the way the proxy is to vote on the resolution and the proxy votes that way.

49.2 Unless the Company receives written notice of one of the following matters before the start or resumption of the meeting at which the proxy votes, a vote cast by the proxy will be valid even if:

- (1) the appointing member dies;
- (2) the member is mentally incapacitated;

- (3) the member revokes the proxy's appointment; or
 - (4) the member revokes the authority under which the proxy was appointed by a third party; before the proxy votes.
- 49.3 A proxy is not revoked by the member attending and taking part in the meeting unless the member actually votes at the meeting on a resolution for which the proxy is proposed to be used.

50 Attorney of member

- 50.1 An attorney for a member may do whatever the member could do personally as a member, but if the attorney is to vote at a meeting of members or a class of members the instrument conferring the power of attorney or a certified copy of it must be produced to the Company at least 48 hours before the meeting, in the same way as the appointment of a proxy.

Voting at meetings of members

51 How vote may be exercised

- 51.1 Subject to rules 52 and 53 at any general meeting of members, each ordinary member and each life member present has 1 vote on a show of hands and on a poll.
- 51.2 The vote may be exercised in person or by proxy, body corporate representative or attorney.

52 Voting disqualification

- 52.1 A member is not entitled to vote at a general meeting if:
- the annual subscription of the member; or
 - (2) in the case of a person who is a nominated representative, the annual subscription of the corporate member for which he or she is the nominated representative;
- is more than 1 month in arrears at the date of the meeting or the postponed or adjourned meeting.

53 Objections to right to vote

- 53.1 A challenge to a right to vote at a meeting of members:
- (1) may only be made at the meeting; and
 - (2) must be determined by the chair, whose decision is final.
- 53.2 A vote not disallowed following the challenge is valid for all purposes.

54 How voting is carried out

- 54.1 A resolution put to the vote at a meeting of the Company's members must be decided on a show of hands unless a poll is demanded.
- 54.2 On a show of hands, a declaration by the chair is conclusive evidence of the result. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against.

- 54.3 Unless otherwise required by this constitution or the Act, all resolutions of the Company are ordinary resolutions which are resolutions passed by more than 50% of the votes cast by members entitled to vote on the resolutions.

55 Matters on which a poll may be demanded

- 55.1 A poll may be demanded on any resolution.
- 55.2 A demand for a poll may be withdrawn.

56 When a poll is effectively demanded

- 56.1 At a meeting of the Company's members, a poll may be demanded by:
- (1) at least 3 members entitled to vote on the resolution;
 - (2) a member or members with at least 5% of the votes that may be cast on the resolution on a poll; or
 - (3) the chair.
- 56.2 The poll may be demanded:
- (1) before a vote is taken;
 - (2) before the voting results on a show of hands are declared; or
 - (3) Immediately after the voting results on a show of hands are declared.

57 When and how polls must be taken

- 57.1 A poll demanded on a matter other than the election of a chair or the question of an adjournment must be taken when and in the manner the chair directs.
- 57.2 A poll on the election of a chair or on the question of an adjournment must be taken immediately.
- 57.3 The demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 57.4 The result of the poll is the resolution of the meeting at which the poll was demanded.

58 Chair's casting vote

- 58.1 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting has a casting vote in addition to any vote he or she may have in his or her capacity as a member or proxy.
- 58.2 The chair has discretion both as to use of the casting vote and as to the way in which it is used.

Annual general meeting

59 Business of an annual general meeting

59.1 The business of an annual general meeting may include any of the following, even if not referred to in the notice of meeting:

- (1) the consideration of the annual financial report, directors' report and auditor's report;
- (2) the election of directors;
- (3) the appointment of the auditor; and
- (4) the fixing of the auditor's remuneration.

All other business transacted at an annual general meeting and all business transacted at any other general meeting is special business.

59.2 The business of the annual general meeting also includes any other business which under this constitution or the Act ought to be transacted at an annual general meeting.

59.3 The chair of the annual general meeting must allow a reasonable opportunity for the members as a whole at the meeting to ask questions about or make comments on the management of the Company.

59.4 If the Company's auditor or the auditor's representative is at the meeting, the chair of an annual general meeting must:

- (1) allow a reasonable opportunity for the members as a whole at the meeting to ask the auditor or that representative questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit; and
- (2) allow a reasonable opportunity for the auditor or their representative to answer written questions submitted to the auditor under section 250PA of the Act.

60 Resolutions proposed by members

60.1 A member may not at any meeting move any resolution relating to special business unless:

- (1) members with at least 5% of the votes that may be cast on the resolution have given the Company notice of the resolution or the requirements of section 249N of the Act have otherwise been satisfied, and 2 months' notice has elapsed since the notice was given; or
- (2) the resolution has previously been approved by the directors.

Appointment of directors

61 Number of directors

61.1 The number of the directors must be not less than 3 nor more than 11.

61.2 The number of elected directors must not be more than 9.

61.3 The directors may appoint not more than 2 non-elected directors to fulfil an identified skill set.

- 61.4 The Company in general meeting may by resolution increase or reduce the number of directors referred to in rule 61.1 but the number may not be reduced below 3.

62 Directors' qualifications

- 62.1 No person may be a director unless that person is a Swim School member's nominee, or a life member (which includes a paid life member) of the Company or has been appointed to be a director (62.3).

63 First directors

- 63.1 The first directors are those named in the application for registration of the Company.
- 63.2 The first directors hold office until the termination of the first annual general meeting of the Company but, subject to this constitution, are eligible for election at that meeting. If they resign before the first annual general meeting, they may be replaced at a general meeting before the first annual general meeting, and their replacements hold office until the termination of the first annual general meeting.

64 Election of directors

- 64.1 The directors are elected at each annual general meeting of the Company.
- 64.2 The directors are elected under a rotating system whereby 3 Directors are elected each year to serve a three-year term of office. Directors may be re-elected to successive terms.
- 64.3 The director serving as President may hold that office for no more than 6 consecutive years.
- 64.4 Any adjustment to the term of Director(s) to ensure rotational terms in accordance with this Constitution must be determined by the Board and in the event of the Board failing to agree, by lot.
- 64.5 Elections to, and vacancies on, subsequent Boards must then proceed in accordance with the procedures in this Constitution

65 Nomination for election

- 65.1 Each candidate for election as a director must be a Swim School member's nominee or a Life Member; and:
- (1) be proposed by a Swim School member, or a life member, or the nominated representative of a life member; and
 - (2) be seconded by another Swim School member, or another life member, or the nominated representative of another life member; both of which members must be current financial members of the Company at the time of nomination.
- 65.2 No Swim School member or life member may propose more than 1 person as a candidate but may second more than 1 nomination.
- 65.3 A nomination of a candidate for election must:
- (1) be in writing;
 - (2) be signed by the candidate; and
 - (3) be signed by the proposer and seconder.
- 65.4 A nomination of a candidate for election must be received at the registered office of the Company not later than 5pm on the day which is 30 days prior to the annual general

meeting at which the candidate seeks election.

- 65.5 A list of the candidates' names in alphabetical order together with the proposers' and seconders' names must be sent to members with the notice of the annual general meeting.

66 Election procedure – directors

- 66.1 If the number of candidates for election as directors is equal to or less than the number of vacancies on the board, the chair of the annual general meeting must declare those candidates to be duly elected as directors.
- 66.2 If the number of candidates for election as directors is greater than the number of vacancies on the board, a ballot must be held for the election of the candidates.
- 66.3 If a ballot is required, balloting lists must be prepared listing the names of the candidates only in alphabetical order.
- 66.4 At the annual general meeting each person entitled to vote and voting on the ballot may vote for a number of candidates equal to the number of vacancies.
- 66.5 The candidates receiving the greatest number of votes cast in their favour must be declared by the chair of the meeting to be elected as directors.
- 66.6 If an equality of votes would otherwise prevent the successful candidate for a vacancy from being determined, the chair, prior to the declaration of the result of the ballot, in addition to his or her deliberative vote (if any) is entitled to a casting vote, except that if the chair:
- (1) does not exercise a casting vote; or
 - (2) is one of the candidates who received the same number of votes;
- then the names of the candidates who received the same number of votes must be put to a further ballot immediately.
- 66.7 There is not a vacancy for the purpose of this rule 66 (or rules 72 or 73) because the number of directors is less than the maximum allowed under rule 61.1. There is a vacancy only if the number of directors is less than the number elected at the previous annual general meeting (adjusted for any increase under clause 72.1).

67 Time appointment or retirement takes effect

- 67.1 Directors who are appointed at a meeting of members take office immediately after the end of the meeting.
- 67.2 Directors who retire at a meeting of members continue to hold office until the end of the meeting.

68 Office bearers

- 68.1 The office bearers of the Company are:
- (1) the president;
 - (2) the vice-president;
 - (3) the secretary.

69 First office bearers and subsequent election at board meeting

- 69.1 The first office bearers of the Company are elected by the first directors appointed under rule 64. They hold office until the end of the first meeting of the directors held after the first annual general meeting of the Company.
- 69.2 Subsequent office bearers are elected by the directors at the first meeting of the directors held after the immediately preceding annual general meeting and hold office until the end of the first meeting of the directors held after the next annual general meeting.
- 69.3 The directors present must appoint 1 of their number to act as chair of the meeting for the purpose of the election.

70 Eligibility and nomination

- 70.1 Except for the secretary, only directors may be office bearers. Any director is eligible for election to any office bearer position.
- 70.2 Each director standing for election as an office bearer must be proposed by another director.
- 70.3 If a director stands for election for more than 1 position as an office bearer, separate nominations must be received in respect of each position.
- 70.4 A nomination may be:
- (1) in writing, received by the secretary not less than 24 hours prior to the board meeting at which the election is to take place and signed by the candidate and the proposer; or
 - (2) made orally at the meeting, provided that the candidate is present and consents to the nomination.

71 Election procedure – office bearers

- 71.1 The election of the office bearers is held in the order in which the positions are listed in rule 68.1.
- 71.2 If there is only 1 candidate for election to any office bearer position that person is declared elected to that position.
- 71.3 If there is more than 1 candidate for election to any office bearer position a ballot must be held among the candidates. The candidate receiving the greatest number of votes cast in his or her favour is declared elected to that position.
- 71.4 In the case of an equality of votes in respect of any position a further ballot must be held immediately but if there is still an equality of votes the successful candidate must be determined by lot.
- 71.5 If a director is elected to a position as office bearer then his or her nomination, if any, for any other position must be treated as withdrawn before the election is held in respect of the other position or positions.
- 71.6 Subject to this rule 71 a ballot is conducted in the manner the directors determine.

Appointment of directors between AGMs

72 Casual vacancies and additional directors

- 72.1 The Company in general meeting may by resolution and the directors may at any time appoint a person qualified to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors does not at any time exceed the number fixed in accordance with this constitution.
- 72.2 Any director appointed under rule 72.1 holds office until the termination of the next annual general meeting of the Company and is then eligible for re-election at that annual general meeting.

73 Insufficient directors

- 73.1 In the event of a vacancy or vacancies in the office of a director, the remaining directors may act, but if the number of remaining directors is not sufficient to constitute a quorum at a meeting of directors, they may act only for the purpose of increasing the number of directors to a number sufficient to constitute a quorum or convening a general meeting of the Company.

Alternate directors

74 Appointment

- 74.1 A director may appoint any person who is qualified to be a director and who is approved by a majority of the other directors to act as an alternate director in place of the appointing director for a meeting or for a specified period.
- 74.2 An alternate director is not taken into account for the purpose of rule 61.

75 Rights and powers of alternate director

- 75.1 An alternate director is entitled to notice of meetings of the directors and, if the appointor is not present at a meeting, is entitled to attend and vote in his or her stead.
- 75.2 Subject to the requirements of the Act, an alternate director is entitled to a separate vote for each director that the alternate director represents in addition to any vote the alternate director may have as a director in his or her own right.
- 75.3 An alternate director, when acting as a director, is responsible to the Company for his or her own acts and defaults and is not to be taken as the agent of the director by whom he or she was appointed.

76 Suspension or revocation of appointment

- 76.1 A director may revoke or suspend the appointment of an alternate director appointed by him or her.
- 76.2 The directors may suspend or remove an alternate director by resolution after giving the appointing director reasonable notice of their intention to do so.

77 Form of appointment, suspension or revocation

- 77.1 An appointment, suspension or revocation under rules 74 or 76 takes effect only when the Company has received notice in writing of the appointment, suspension or revocation. The notice may be given by facsimile.

78 Termination of appointment

- 78.1 The appointment of an alternate director automatically terminates:
- (1) if the appointor ceases to hold office as director;
 - (2) on the happening in respect of the alternate director any event which causes a director to vacate the office of director; or
 - (3) if the alternate director resigns from the appointment by written notice left at the registered office of the Company.

79 Power to act as alternate for more than 1 director

- 79.1 A director or any other person may act as alternate director to represent more than 1 director.
- 79.2 Subject to the Act, in determining whether a quorum is present at a meeting of directors, an alternate director who attends the meeting is to be counted as a director for each director on whose behalf the alternate director is attending the meeting.

Powers of directors

80 Validation of acts of directors and secretaries

- 80.1 An act done by a director or secretary of the Company is effective even if his or her appointment, or the continuance of his or her appointment is invalid because the Company, the director or secretary did not comply with this constitution or any provision of the Act.
- 80.2 Rule 81.1 does not deal with the question whether an effective act by a director or secretary:
- (1) binds the Company in its dealings with other people; or
 - (2) makes the Company liable to another person.
- 80.3 Where a person whose office as director of the Company is vacated under a provision of the Act purports to do an act as a director of the Company, that act is as valid, in relation to a person dealing with the Company in good faith and for value and without actual knowledge of the matter because of which the office was vacated, as if the office had not been vacated.

81 General business management

- 81.1 The business of the Company is to be managed by or under the direction of the directors.
- 81.2 The directors may exercise all the powers of the Company except any powers that the Act or this constitution requires the Company to exercise in general meeting.
- 81.3 A rule made or resolution passed by the Company in general meeting does not invalidate any prior act of the directors which would have been valid if that rule or resolution had not been made or passed.

81.4 The directors may pay all expenses incurred in promoting and forming the Company.

82 Borrowing powers

82.1 Without limiting the generality of rule 81, but subject to rule 6, the directors may exercise all the powers of the Company to borrow money, to charge any property or business of the Company and to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.

83 Appointment of attorney

83.1 The directors may appoint any person or persons to be the attorney or attorneys of the Company for the purposes, with the powers and discretions (being powers and discretions vested in or exercisable by the directors), for the period and subject to the conditions they see fit.

83.2 A power of attorney may contain the provisions for the protection and convenience of persons dealing with the attorney that the directors see fit and may also authorise the attorney to delegate all or any of the powers and discretions vested in the attorney.

84 Negotiable instruments

84.1 Any 2 directors may sign, draw, accept, endorse or otherwise execute a negotiable instrument.

84.2 The directors may determine that a negotiable instrument, including a class of negotiable instrument, may be signed, drawn, accepted, endorsed or otherwise executed in a different way.

85 Delegation to committee of directors

85.1 The directors may delegate any of their powers to a committee of directors and revoke the delegation.

85.2 A committee must exercise the powers delegated to it in accordance with any directions of the directors. The exercise of the power by the committee is as effective as if the directors had exercised it.

85.3 The meetings and proceedings of any committee of directors are governed by the provisions in this constitution regulating the meetings and proceedings of the directors.

86 Delegation generally

For managing the affairs of the Company, the Directors may

- (1) establish any local committees, boards or branches;
- (2) appoint any members of the Company or any nominated representative of a corporate member to be a member of the local committee, board or branch;
- (3) appoint any managers or agents, fix their remuneration and delegate to them any of the powers vested in the directors; and
- (4) authorise the members for the time being of the local committee, board or branch to fill any vacancies on it and to act despite vacancies.

86.2 In the exercise of delegated powers, any committee formed (including a committee of directors and a local board or branch) or person or persons appointed to the committee must

conform to any regulations that may be imposed by the directors. The committee may be authorised to sub-delegate any of the powers vested in it.

- 86.3 A local committee, board or branch may remove any person appointed under rule (3) and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation is affected by it.

Executive officer

87 Power to appoint

- 87.1 The directors may appoint any person, not being a director, to the position of executive officer for the period and on the terms (including as to remuneration) the directors see fit.

88 Not a member of the board

- 88.1 The executive officer is not a member of the board of the Company but may attend meetings of the directors except where the directors otherwise request.

89 Powers

- 89.1 The directors may, upon terms and conditions and with any restrictions they see fit, confer on an executive officer any of the powers that the directors can exercise.
- 89.2 Any powers so conferred may be concurrent with, or to the exclusion of, the powers of the directors.

90 Withdrawal of appointment or powers

- 90.1 The directors may revoke or vary:
- (1) an appointment; or
 - (2) any of the powers conferred on an executive officer.

91 Temporary appointments

- 91.1 If an executive officer becomes incapable of acting in that capacity the directors may appoint any other person, not being a director, to act temporarily as executive officer.

Removal and resignation of directors

92 Removal of directors

- 92.1 The Company may by resolution remove a director from office.

93 Resignation of director

- 93.1 A director may resign as a director of the Company by giving a written notice of resignation to the Company at its registered office.

94 Vacation of office of director

- 94.1 In addition to any other circumstances in which the office of a director becomes vacant under the Act, the office of a director becomes vacant if the director:

- (1) becomes bankrupt or suspends payment or compounds with his or her creditors;
- (2) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- (3) is not present (either personally or by an alternate director) at 3 consecutive meetings of directors without special leave of absence from the directors and the directors declare his or her seat to be vacant;
- (4) ceases to be qualified as a director under rule 62;
- (5) becomes disqualified from being a director under the Act or any order made under the Act;
- (6) is removed from office in accordance with rule 92; or
- (7) resigns from office in accordance with rule 93.

Directors' interests

95 Prohibition on being present or voting

- 95.1 Except where permitted by the Act a director who has a material personal interest in a matter that is being considered at a meeting of directors:
- (1) must not be counted in a quorum;
 - (2) must not vote on the matter; and
 - (3) must not be present while the matter is being considered at the meeting.
- 95.2 If a director who has a material personal interest in a matter that is being considered at a meeting of the directors is not prohibited by the Act from being present at the meeting and voting, the director may be present, be counted in the quorum and may be heard but may not vote on the matter.
- 95.3 A director who is interested in any matter may, despite that interest, witness the fixing of the seal to any document evidencing or otherwise connected with that matter.

96 Director to disclose interests

- 96.1 A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company must, as soon as practicable after the relevant facts have come to the director's knowledge, declare the nature of the interest at a meeting of the directors or by written notice to the secretary of the Company.
- 96.2 A director who holds any office or possesses any property by which, whether directly or indirectly, duties or interests might be created in conflict with his or her duties or interests as director must declare at a meeting of the directors of the Company or by written notice to the secretary of the Company the fact and the nature, character and extent of the conflict.
- 96.3 For the purposes of rules 96.1 and 96.2, a director's interest or any conflict must be disregarded if it arises from or relates solely to:
- (1) a guarantee to be given by the director (or by persons including the director or by a body corporate of which the director is a member or officer) in respect of a loan to the Company; or
 - (2) the position of the director as a director of a related body corporate.

97 Effect of interest in contract

97.1 Subject to the Act, if a director has an interest in a contract or proposed contract with the Company (other than as a member), or a conflicting interest or duty in relation to any other matter being considered by the directors, and the director discloses the nature and extent of the interest or duty at a meeting of the directors or by written notice to the secretary of the Company:

- (1) the contract may be entered into; and
- (2) if the disclosure is made before the contract is entered into:
 - (a) the director may retain benefits under the contract even though the director has an interest in the contract;
 - (b) the Company cannot avoid the contract merely because of the existence of the interest; and
 - (c) the director is not disqualified from the office of director.

97.2 For the purposes of rule 97.1 **contract** includes an arrangement, dealing or other transaction.

98 Standing notice of interest

98.1 A director who has an interest in a matter may give the other directors standing notice of the nature and extent of the interest in the matter. The notice may be given at any time and whether or not the matter relates to the affairs of the Company at the time the notice is given.

98.2 A notice under the above rule may be given:

- (1) at a directors' meeting (either orally or in writing); or
- (2) to the other directors individually in writing.

98.3 If the standing notice is given to the other directors individually in writing:

- (1) the notice is effective when it has been given to every director; and
- (2) the notice must be tabled at the next directors' meeting after it is given.

98.4 The director must ensure that the nature and extent of the interest is recorded in the minutes of the meeting at which the standing notice is given or tabled.

99 Other interests

99.1 Without limiting rule 96 or rule 97 a director may to the extent permitted by the Act:

- (1) hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with the office of director;
- (2) be interested in any operation, undertaking or business undertaken or assisted by the Company or in which the Company is or may be interested.

100 Extension of meaning of “Company”

100.1 For the purposes of rules 96, 97 and 98 **Company** includes any subsidiary of the Company and any other company in which the Company or any subsidiary of the Company is or becomes a shareholder or is otherwise interested.

101 Other directorships and shareholdings

101.1 A director of the Company may be or become a director, officer, employee or member of any company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and is not accountable for any remuneration or benefits received as a director, officer, employee or member of the other company.

101.2 Subject to the Act:

- (1) the directors of the Company may exercise the voting power conferred by the shares or other interest held by the Company in another company in favour of a resolution appointing themselves or any of them as directors or other officers of the other company;
- (2) any director of the Company may vote at a meeting of directors of the Company in favour of a resolution that the Company exercises its voting power conferred by the shares or other interest held by the Company in the other company to appoint that director as a director or other officer of the other company;
- (3) any director of the Company may be appointed as representative of the Company and may vote at a general meeting of the other company in favour of a resolution appointing that director as a director or other officer of the other company; and
- (4) a director of the Company who is also a director of the other company may vote as a director of the other company in whatever manner he or she sees fit, including voting in favour of a resolution appointing the director to any other office in the other company and a resolution appointing any other directors of the Company as directors or other officers of the other company.

Directors’ meetings

102 Circulating resolutions

102.1 The directors may pass a resolution without a directors’ meeting being held if all the directors entitled to vote on the resolution (except a director absent from Australia who has not left a facsimile number or other contact details acceptable to the directors, at which he or she may be given notice) sign a document containing a statement that they are in favour of the resolution set out in the document.

102.2 Separate copies of a document may be used for signing by directors if the wording of the resolution and statement is identical in each copy.

102.3 The resolution is passed when the last director signs.

102.4 A facsimile addressed to or received by the Company and purporting to be signed or sent by a director for the purpose of this rule 103 must be treated as a document in writing signed by that director.

102.5 In this rule 102 a reference to all the directors does not include a reference to an alternate director whose appointor has signed the document, but an alternate director may sign the document in the place of his or her appointor.

103 Meetings of directors

103.1 The directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they see fit.

104 Calling directors' meetings

104.1 A director may at any time, and a secretary must on the requisition of a director, call a meeting of the directors.

105 Notice of meeting

105.1 Reasonable notice of every directors' meeting must be given to each director and alternate director except that it is not necessary to give notice of a meeting of directors to any director who:

- (1) has been given special leave of absence; or
- (2) is absent from Australia and has not left a facsimile number or other contact details acceptable to the directors at which he or she may be given notice.

105.2 Any notice of a meeting of directors may be given in writing or orally, and whether by facsimile, telephone, electronic mail or any other means of communication.

106 Waiver of notice

106.1 All resolutions of the directors passed at a meeting where a quorum is present but where notice of meeting has not been given to each director, or any act carried out under any of the resolutions, is as valid as if notice of meeting had been given to all directors if each director to whom notice was not given subsequently agrees to waive the notice.

107 Technology meeting of directors

107.1 A directors' meeting may be held using telephone or, if consented to by all directors, other technology. The consent may be a standing one. A director may only withdraw the consent within a reasonable period before the meeting.

107.2 If a directors' meeting is held using any technology and all the directors take part in the meeting, they must be treated as having consented to the use of the technology for that meeting.

107.3 The following provisions apply to a technology meeting:

- (1) each of the directors taking part in the meeting must be able to hear and be heard by each of the other directors taking part in the meeting; and
- (2) at the commencement of the meeting each director must announce his or her presence to all the other directors taking part in the meeting.

107.4 If the secretary is not present at a technology meeting 1 of the directors present or another person nominated by them present at the meeting must take minutes of the meeting.

107.5 A director may not leave a technology meeting by disconnecting his or her link to the meeting unless that director has previously notified the chair of the meeting.

107.6 A director is conclusively presumed to have been present and to have formed part of a quorum at all times during a technology meeting unless that director has previously obtained the express consent of the chair to leave the meeting.

108 Chairing directors' meetings

108.1 The president is the chair of all meetings of the directors.

108.2 At a meeting of directors if:

- (1) no president has been elected as provided by rule 71; or
- (2) the president is not present within 10 minutes after the time appointed for the holding of the meeting or is unwilling to act;

the vice-president is the chair of the meeting, but if:

- (3) no vice-president has been elected as provided by rule 71; or
- (4) the vice-president is not present within 10 minutes after the time appointed for the holding of the meeting or is unwilling to act;

the directors present must elect a director present to chair the meeting.

109 Quorum

109.1 The quorum for a directors' meeting is 3 directors entitled to vote or a greater number determined by the directors. The quorum must be present at all times during the meeting.

109.2 An alternate director is counted in a quorum at a meeting at which the director who appointed the alternate is not present (so long as the alternate is, under the Act relating to directors' interests, entitled to vote).

110 Passing of directors' resolutions

110.1 A resolution of the directors must be passed by a majority of the votes cast by directors entitled to vote on the resolution.

110.2 The chair has a casting vote if necessary in addition to any vote he or she has as a director. The chair has a discretion both as to whether or not to use the casting vote and as to the way in which it is used.

110.3 A person who is an alternate director is entitled (in addition to his or her own vote if he or she is a director) to 1 vote on behalf of each director whom he or she represents as an alternate director at the meeting and who is not present at the meeting.

Remuneration of directors

111 No directors' remuneration

111.1 No director may receive any remuneration for his or her services in his or her capacity as a director of the Company.

112 Directors' expenses

112.1 Despite rules 6 and 111 the Company may permit payments to directors in the following circumstances:

- (1) for the payment of out-of-pocket expenses incurred in carrying out the duties of a director where the payments do not exceed an amount previously approved by the board;

- (2) for any service rendered to the Company in a professional or technical capacity where the provision of that service has the prior approval of the board and the amount payable is approved by a resolution of the board and is on reasonable commercial terms; or
- (3) as an employee of the Company where the terms of employment have been approved by a resolution of the board.

112.2 The directors must approve all payments the Company makes to its directors.

113 Financial benefit

113.1 The Company must not provide any financial benefit to a director or any related party of a director, other than in accordance with rule 112.1.

113.2 The Company must not make loans to directors; or provide guarantees or security for obligations undertaken by directors other than obligations which were undertaken by the director solely in promotion of the objects of the Company.

Secretary

114 Appointment of secretary

114.1 The directors must, in accordance with the Act, appoint 1 or more secretaries.

114.2 The directors may appoint a person as an acting secretary or as a temporary substitute for a secretary.

115 Terms of office of secretary

115.1 A secretary of the Company holds office on the terms and conditions (including as to remuneration) that the directors determine.

Indemnity and insurance

116 Indemnity

116.1 To the extent permitted by the Act, the Company indemnifies:

- (1) every person who is or has been an officer of the Company; and
- (2) where the board of directors considers it appropriate to do so, any person who is or has been an officer of a related body corporate of the Company;

against all losses, liabilities, costs, charges and expenses incurred by that person in his or her capacity as an officer of the Company or of the related body corporate (as the case may be). This indemnity includes, without limitation:

- (3) a liability for negligence; and
- (4) a liability for reasonable legal costs on a solicitor client basis including in respect of civil or criminal proceedings except to the extent prohibited by section 199A (3) of the Act.

116.2 The indemnity does not extend to and is not an indemnity against any amount in respect of which the indemnity would otherwise be illegal, void or unenforceable or not permitted by law and does not operate in respect of any liability of the officer to the extent that liability is covered by insurance.

116.3 In accordance with section 199A of the Act, the Company must not indemnify a person against:

- (1) any of the following liabilities incurred as an officer of the Company:
 - (a) a liability owed to the Company or a related body corporate;
 - (b) a liability for a pecuniary penalty order under section 1317G of the Act or a compensation order under section 1317H of the Act; or
 - (c) a liability that is owed to someone other than the Company or a related body corporate and did not arise out of conduct in good faith; or
- (2) legal costs incurred in defending an action for a liability incurred as an officer of the Company if the costs are incurred:
 - (a) in defending or resisting proceedings in which the person is found to have a liability for which they could not be indemnified under rule 116.3(1);
 - (b) in defending or resisting criminal proceedings in which the person is found guilty;
 - (c) in defending or resisting proceedings brought by the Australian Securities and Investments Commission or a liquidator for a court order if the grounds for making the order are found by the Court to have been established; or
 - (d) in connection with proceedings for relief to the person under the Act in which the Court denies the relief.

Rule 116.3(2)(c) does not apply to costs incurred in responding to actions taken by the Australian Securities and Investments Commission or a liquidator as part of an investigation before commencing proceedings for a court order.

- (3) For the purposes of rule 116.3(2) the outcome of proceedings is the outcome of the proceedings and any appeal in relation to the proceedings.

116.4 An officer must:

- (1) give notice to the Company promptly on becoming aware of any Claim against the officer that may give rise to a right to be indemnified by the Company;
- (2) take such action as the Company reasonably requests to avoid, dispute, resist, appeal against, compromise or defend any Claim or any adjudication of a Claim;
- (3) not make any admission of liability in respect of or settle any Claim without the prior written consent of the Company;
- (4) allow the Company or its insurers to assume the conduct, negotiation or defense of any Claim and, on request by the Company, render all reasonable assistance and co-operation to the Company or its insurers in the conduct of any Claim, including giving the Company or its insurers any document, authority or direction that the Company or its insurers may reasonably require for the prosecution or advancement of any counterclaim or cross-claim;
- (5) on request by the Company or its insurers, do everything necessary or desirable which the Company reasonably requests to enable the Company or its insurers (so far as it is possible) to be subrogated to and enjoy the benefits of the officer's rights in relation to any

counterclaim or cross-claim or any claims against any third party and render such assistance as may be reasonably requested by the Company or its insurers for that purpose; and

- (6) Notify any Claim to an insurer or any other person who may be liable to indemnify the officer in respect of that Claim and promptly take all reasonable steps to enforce all the officer's rights against the insurer or other person.

116.5 In rule 116.4 **Claim** means:

- (1) any writ, summons, cross-claim, counterclaim, application or other originating legal or arbitral process against an officer as an officer of the Company;
- (2) any hearing, complaint, inquiry, investigation, proceeding or application commenced or originating against an officer as an officer of the Company; or
- (3) any written or oral demand or threat that might result in the officer reasonably believing that any such process, hearing, complaint, inquiry, investigation, proceeding or application referred to in rule 116.5(1) or 116.5(2) may be initiated.

116.6 If an officer of the Company becomes personally liable for the payment of any sum primarily due from the Company, and the officer may be indemnified under rule 117.1, the directors may, despite the interest (if any) of the directors or any of them, execute or cause to be executed a mortgage, charge or security over or affecting the whole or any part of the assets or undertaking of the Company by way of indemnity to secure the officer so becoming liable from any loss in respect of that liability.

117 Insurance

117.1 The Company may pay or agree to pay a premium in respect of a contract insuring a person who is or has been an officer of the Company or a related body corporate of the Company against any liability incurred by the person as an officer of the Company or a related body corporate except a liability (other than one for legal costs) arising out of:

- (1) conduct involving a willful breach of duty in relation to the Company; or
- (2) a contravention of section 182 or 183 of the Act.

118 Director voting on contract of indemnity or insurance

118.1 Despite anything in this constitution, a director is not precluded from voting in respect of any contract or proposed contract of indemnity or insurance, merely because the contract indemnifies or insures or would indemnify or insure the director against a liability incurred by the director as an officer of the Company or of a related body corporate.

119 Liability

119.1 An officer of the Company is not liable for the act, neglect or default of any other officer or for joining in any act or for any other loss, expense or damage which arises in the execution of the duties of his or her office unless it arises through his or her own negligence, default, breach of duty or breach of trust.

120 Meaning of "officer"

120.1 For the purposes of rules 116, 117, 118 and 119, **officer** means a director or secretary or a member of a local committee, board or branch appointed.

Winding up

121 Winding up

- 121.1 If the Company is wound up or dissolved, the amount that remains after such winding up or dissolution and the satisfaction of all debts and liabilities will be transferred to another organisation with similar objects and purposes which is not carried on for the profit or gain of its members as determined by the members of the Company.
- 121.2 If the Company is endorsed as a deductible gift recipient by the Commissioner of Taxation under Division 30 of the *Income Tax Assessment Act 1997* and such endorsement is revoked, the Company must transfer to another organisation with similar objects, which is charitable at law, which is endorsed as a deductible gift recipient as determined by the members of the Company any surplus representing:
- (1) Gifts of money or property made for the principal purpose of the Company;
 - (2) Contributions made in relation to an eligible fundraising event held for the principal purpose of the Company; and
 - (3) Money received by the Company because of such gifts and contributions.
- 121.3 If the members do not make the necessary determination under rules 121.1 and 121.2, the Company may apply to the Supreme Court to determine the organisation or organisations to whom the transfers are to be made.

Minutes

122 Minutes to be kept

- 122.1 The directors must keep minute books in which they record within 1 month:
- (1) proceedings and resolutions of meetings of the Company's members;
 - (2) proceedings and resolutions of directors' meetings (including meetings of a committee of directors);
 - (3) resolutions passed by members without a meeting; and
 - (4) resolutions passed by directors without a meeting.
- 122.2 The directors must ensure that minutes of a meeting are signed within a reasonable time after the meeting by 1 of the following:
- (1) the chair of the meeting; or
 - (2) the chair of the next meeting.
- 122.3 The directors must ensure that minutes of the passing of a resolution without a meeting are signed by a director within a reasonable time after the resolution is passed.
- 122.4 Without limiting rule 122.1 the directors must record in the minute books:
- (1) all appointments of officers;
 - (2) the names of the directors and alternate directors present at all meetings of directors and the Company;

- (3) in the case of a technology meeting, the method by which the meeting was held;
- (4) all orders resolutions and proceedings of general meetings and of meetings of the directors and of committees formed by the directors;
- (5) proxy votes exercisable and exercised in respect of each resolution at a meeting; and
- (6) all other matters required by the Act to be recorded in the minute books, including each notice and standing notice given by a director of a material personal interest in a matter that relates to the affairs of the Company.

Inspection of records

123 Rights of inspection

- 123.1 The directors of the Company, or the Company by a resolution passed at a general meeting, may authorise a member to inspect books of the Company.
- 123.2 A member other than a director does not have the right to inspect any document of the Company, other than the minute books for the meetings of its members and for resolution of members passed without meetings, except as provided by law or authorised by the directors or by the Company in general meeting.
- 123.3 Directors have the rights of inspection and access provided by section 198F of the Act.

124 Confidential information

- 124.1 Except as provided by the Act, no member (not being a director) is entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret, secret process or other confidential information of or used by the Company.

Accounts, audit and records

125 Accounts

- 125.1 The directors must cause proper accounting and other records to be kept in accordance with the Act.
- 125.2 The directors must distribute copies of every financial statement (including every document required by law to be attached to it) as required by the Act.

126 Audit

- 126.1 Subject to the Act, a registered company auditor must be appointed.
- 126.2 The remuneration of the auditor must be fixed and the auditor's duties regulated in accordance with the Act.

Execution of documents

127 Common seal

127.1 The Company may, but need not, have a common seal.

128 Use of common seal

128.1 If the Company has a common seal the directors must provide for its safe custody.

128.2 The common seal may not be fixed to any document except by the authority of a resolution of the directors or of a committee of the directors duly authorised by the directors.

128.3 The Company executes a document with its common seal if the fixing of the seal is witnessed by:

- (1) 2 directors of the Company;
- (2) a director and a company secretary of the Company; or
- (3) a director and any other person authorised by the directors for that purpose.

129 Execution of documents without common seal

129.1 The Company may execute a document without using a common seal if the document is signed by:

- (1) 2 directors of the Company; or
- (2) a director and a company secretary of the Company.

130 Execution of document as a deed

130.1 The Company may execute a document as a deed if the document is expressed to be executed as a deed and is executed in accordance with rule 130 or rule 131.

131 Execution – general

131.1 The same person may not sign in the dual capacities of director and secretary.

131.2 A director may sign any document as director, with or without the common seal, although the document relates to a contract, arrangement, dealing or other transaction in which he or she is interested and his or her signature complies with the requirements of this constitution as to execution despite his or her interest.

131.3 Rules 130 and 131 do not limit the ways in which the directors may authorise documents (including deeds) to be executed on behalf of the Company.

Notices

132 Notices other than notices of meeting

132.1 Any notice by the Company to a member may be given in the same way as a notice of meeting may be given under rule 32, and the time the notice is taken to be given is the same as provided in the case of a notice of meeting by rule 33.

Inadvertent omissions

133 Formalities omitted

133.1 If some formality required by this constitution is inadvertently omitted or is not carried out the omission does not invalidate anything, including any resolution, which but for the omission would have been valid unless it is proved to the satisfaction of the directors that the omission has directly prejudiced any member financially. The decision of the directors is final and binding on all members.

Alterations

134 Alterations

134.1 If the Company is endorsed as an income tax exempt fund, a tax concession charity or a deductible gift recipient by the Australian Taxation Office, before making any alterations to this constitution (in particular rules 3, 5, 6, 62, 85, 86, 89, 111, 112, 113 or 121) the directors must consider:

- (1) whether those alterations may effect the entitlement of the Company to that endorsement; and
- (2) whether, as a term of the endorsement, the Company is required to notify the Australian Taxation Office or any other government authority of the alterations to this constitution.