

**North Ringwood  
Community House Inc  
2020**

**RULES FOR THE INCOPRATED  
ASSOCIATION**

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## **RULES FOR AN INCORPORATED ASSOCIATION**

### **Note**

The persons who from time to time are members of the Association are an incorporated association by the name given in rule 1 of these Rules.

Under section 46 of the Associations Incorporation Reform Act 2012 (AIR Act) "The Act", these Rules are taken to constitute the terms of a contract between the Association and its members.

### **PART 1—PRELIMINARY**

#### **1 Name**

The name of the incorporated association is "North Ringwood Community House Incorporated".

##### **Note**

Under section 23 of the Act, the name of the Association and its registration number must appear on all its business documents.

#### **2 Purposes**

The purposes of the Association are—

To promote community development by providing opportunities for affordable quality education and training, and informal social and recreational pursuits to the local community.

#### **3 Financial year**

The financial year of the Association is each period of 12 months ending on 31st December.

#### **4 Definitions**

In these Rules—

***Absolute majority*** of the Board, means a majority of the Board members currently holding office and entitled to vote at the time (as distinct from a majority of Board members present at a Board meeting);

***Administrative staff*** means, people employed using a recruitment process to undertake administrative roles within the Association, including the CEO. Due to potential conflicts of interest, administrative staff are unable to be members of the Association, but can be Associate members;

***Associate member*** means, a member referred to in rule 14(1);

***Board of Governance*** means, people appointed to oversee the business of the Association. Also known as 'The Board';

***Board meeting*** means, a meeting of the Board of Governance in accordance with these Rules;

***Board member*** means, a member of the Board of Governance elected or appointed under Division 3 of Part 5;

***Chief Executive Officer (CEO)*** means, a staff member employed by and accountable to the Board of Governance and responsible for administering the operational components of the Association;

***Chairperson*** means, a person holding the position of Chairperson on the Board of Governance, responsible for chairing Board and General meetings as required under rule 44;

***Contact details*** means, the name, address, phone number and email address of a person registered with the Association. This includes members, staff, volunteers and patrons of the Association;

***Disciplinary meeting*** means, a meeting of the Board convened for the purposes of rule 22;

***Disciplinary subBoard*** means, the subBoard appointed under rule 20;

***Financial Officer*** means, a staff member appointed to manage the day to day financial transactions of the Association. This includes staff wages, accounts payable and receivable, financial compliance and funding reconciliation as well as preparing financial reports and statements to be presented at Board meetings and general meetings of the Association;

***Financial year*** means, the 12 month period specified in rule 3;

***General meeting*** means, a general meeting of the members of the Association convened in accordance with Part 4 and includes annual general meetings, and special general meetings;

***General Board member*** means, a member of the Board of Governance who does not hold an executive role on the Board of Governance;

***Manager*** means, a staff member charged with the day-to-day management of departments conducting the business of the Association;

***Member*** means, a member of the Association;

***Member entitled to vote*** means, a member who under rule 13(2) is entitled to vote at a general meeting;

***Other staff*** means, people employed using a recruitment process to undertake tasks within the Association. This includes cleaners, gardeners, maintenance people, trainers, IT technicians, tutors, facilitators, guest speakers and other casual or part time staff members. ‘Other staff’ are entitled to be members of the Association;

***Permanent administrative volunteer*** means, a volunteer who regularly works for and is directly involved with the day to day operations of the Association. Due to potential conflicts of interest, permanent administrative volunteers are unable to be members of the Association, but can be Associate members;

***Secretary*** means, a person holding the position of Secretary on the Board of Governance; responsible for lodging documents of the Association with the Registrar and other duties as per rule 45;

***Special resolution*** means, a resolution that requires not less than three-quarters of the members voting at a general meeting, whether in person or by proxy, to vote in favour of the resolution;

***The Act*** means, the **Associations Incorporation Reform Act 2012** and includes any regulations made under that Act;

***The Registrar*** means, the Registrar of Incorporated Associations;

***Treasurer*** means, a person holding the position of Treasurer on the Board of Governance, responsible for overseeing financial operations of the Association as per rule 46;

**Volunteer** means, a person freely giving of their time and expertise to contribute to the operations and maintenance of the Association. Involvement can be regular or irregular. Can be a member of the Association, unless they are permanent administrative volunteers (see definition);

**Written** means, handwritten, typed and printed out, or emailed.

## **PART 2—POWERS OF ASSOCIATION**

### **5 Powers of Association**

- (1) Subject to the Act, the Association has power to do all things incidental or conducive to achieve its purposes.
- (2) Without limiting sub rule (1), the Association may—
  - (a) acquire, hold and dispose of real or personal property;
  - (b) open and operate accounts with financial institutions;
  - (c) Invest its money in any security in which trust monies may lawfully be invested;
  - (d) raise and borrow money on any terms and in any manner as it thinks fit;
  - (e) secure the repayment of money raised or borrowed, or the payment of a debt or liability;
  - (f) appoint agents to transact business on its behalf;
  - (g) enter into any other contract it considers necessary or desirable.
- (3) The Association may only exercise its powers and use its income and assets (including any surplus) for its purposes.

### **6 Not for profit organisation**

- (1) The Association must not distribute any surplus, income or assets directly or indirectly to its members.
- (2) Sub rule (1) does not prevent the Association from paying a member—
  - (a) reimbursement for expenses properly incurred by the member; or
  - (b) for goods or services provided by the member—

If this is done in good faith on terms no more favourable than if the member was not a member.

#### **Note**

Section 33 of the Act provides that an incorporated Association must not secure pecuniary profit for its members. Section 4 of the Act sets out in more detail the circumstances under which an incorporated Association is not taken to secure pecuniary profit for its members.

## **PART 3—MEMBERS, DISCIPLINARY PROCEDURES AND GRIEVANCES**

### **Division 1—Membership**

#### **7 Minimum number of members**

The Association must have at least 5 members not including Board of Governance members

## **8 Member eligibility**

Any person who supports the purposes of the Association and who is:

- a) not employed as an Administrative staff member (see definition) of the Association, or related to an Administrative staff member; or
- b) not a permanent administrative volunteer with the Association (see definition) or related to a permanent administrative volunteer; or
- c) classed as 'other staff' (see definition)

is eligible for membership.

## **9 Application for membership**

- (1) To apply to become a member of the Association, a person must submit a written application to a Board member stating that they—
  - (a) wish to become a member of the Association; and
  - (b) support the purposes of the Association; and
  - (c) agree to comply with these Rules.
- (2) The application—
  - (a) must be signed by the applicant;
  - (b) must include the person's contact details (see definition); and
  - (c) may be accompanied by the joining fee.

### **Note**

The joining fee is the fee (if any) determined by the Association under rule 12(1).

## **10 Consideration of application**

- (1) As soon as practicable after an application for membership is received, the Board must decide by resolution whether to accept or reject the application.
- (2) The Board must notify the applicant in writing of its decision as soon as practicable after the decision is made.
- (3) If the Board rejects the application, it must return any money accompanying the application to the applicant.
- (4) No reason need be given for the rejection of an application.

## **11 New membership**

- (1) If an application for membership is approved by the Board—
  - (a) the resolution to accept the membership must be recorded in the minutes of the Board meeting; and
  - (b) the Secretary must ensure that, as soon as practicable, the contact details of the new member, and the date of becoming a member, are entered in the register of members.
- (2) A person becomes a member of the Association and, subject to rule 13(2), is entitled to exercise his or her rights of membership from the date, whichever is the later, on which the Board approves the person's membership;

## **12 Annual subscription and fee on joining**

- (1) At each annual general meeting, the Association must determine—
  - (a) the amount of the annual subscription (if any) for the following financial year; and

- (b) the date for payment of the annual subscription.
- (2) The Association may determine that a lower annual subscription is payable by associate members.
- (3) The Association may determine that any new member who joins after the start of a financial year must, for that financial year, pay a fee equal to—
  - (a) the full annual subscription; or
  - (b) a pro rata annual subscription based on the remaining part of the financial year; or
  - (c) a fixed amount determined from time to time by the Association.
- (4) The rights of a member (including the right to vote) who has not paid the annual subscription by the due date are suspended until the subscription is paid.
- (5) Where there is no joining or subscription fee set, members choosing to renew their membership do so annually by completing a renewal of membership form.

### **13 General rights of members**

- (1) A member of the Association who is entitled to vote has the right—
  - (a) to receive notice of general meetings and of proposed special resolutions in the manner and time prescribed by these Rules; and
  - (b) to submit items of business for consideration at general meetings; and
  - (c) to attend and be heard at general meetings; and
  - (d) to vote at a general meetings; and
  - (e) to inspect and copy the rules and minutes of general meetings (including financial statements submitted at a general meeting), of the Association; and

**Note**

Under 53(2) of the Association Incorporations Act 2012, Associations must provide copies of these documents to a member who makes a written request within 14 days of the request. Associations can charge a fee if they wish to.

- (f) to inspect the register of members.

**Note**

Information from the register of members may be used to give notice to members of general meetings of the Association or to distribute newsletters of the Association.

- (2) A member is entitled to vote if—
  - (a) the member is a member other than an associate member; and
  - (b) more than 5 business days have passed since he or she became a member of the Association; and
  - (c) the member's membership rights are not suspended for any reason.

## **14 Associate members**

- (1) Associate members of the Association include—
  - (a) any members under the age of 15 years; and
  - (b) the CEO of the Association; and
  - (c) administrative staff; and
  - (d) permanent administrative volunteers (see definition)
- (2) An associate member must not vote, but may have other rights as determined by the Board or by resolution at a general meeting.

## **15 Rights not transferable**

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

## **16 Ceasing membership**

- (1) The membership of a person ceases on resignation or death.
- (2) If a person ceases to be a member of the Association, the Secretary must ensure that;
  - (a) the date the person ceased to be a member is entered in the register of members and; that
  - (b) information about a person who is no longer a member of the Association, other than the name of the person and the date on which the person ceased to be a member of the Association, is removed from the register of members within 14 days after the person ceases to be a member of the Association.

## **17 Resigning as a member**

- (1) A member may resign by notice in writing given to the Association.

### **Note**

Rule 72(3) sets out how notice may be given to the Association. It includes by post, email or by handing the notice to a member of the Board.

- (2) A member is taken to have resigned if—
  - (a) the member's annual subscription is more than 12 months in arrears; or
  - (b) Where no annual subscription is payable—
    - (i) the member has resigned in writing; or
    - (ii) the member has not completed and submitted a membership renewal form (sent annually), within 2 months of it being sent out; or
    - (iii) after being contacted in writing, the member has communicated that they no longer wish to be a member of the Association;

## **18 Register of members**

- (1) The Secretary must ensure that a register of members is kept and maintained that includes—
  - (a) for each current member—
    - (i) the member's name; and
    - (ii) the contact details of the member; and
    - (iii) the date of becoming a member; and
    - (iv) if the member is an Associate member, a note to that effect; and
    - (v) any other information determined by the Board; and
  - (b) for each former member, the date of ceasing to be a member.

- (2) Any member may, at a reasonable time and free of charge, inspect the register of members.

**Note**

Under section 59 of the Act, access to the personal information of a person recorded in the register of members may be restricted in certain circumstances. Section 58 of the Act provides that it is an offence to make improper use of information about a person obtained from the Register of Members.

Information from the register of members may be used to give notice to members of general meetings of the Association or to distribute newsletters of the Association.

## **Division 2—Disciplinary action**

### **19 Grounds for taking disciplinary action**

The Association may take disciplinary action against a member in accordance with this Division if it is determined that the member—

- (a) has failed to comply with these Rules; or
- (b) refuses to support the purposes of the Association; or
- (c) has engaged in conduct prejudicial to the Association.

### **20 Disciplinary subBoard**

- (1) If the Board is satisfied that there are sufficient grounds for taking disciplinary action against a member, the Board must, as soon as is reasonably practicable, appoint a disciplinary subBoard to hear the matter and determine what action, if any, to take against the member.
- (2) The members of the disciplinary subBoard—
  - (a) may be Board members, members of the Association or anyone else; but
  - (b) must not be biased against, or in favour of, the member concerned.

### **21 Notice to member**

- (1) Before disciplinary action is taken against a member, the Secretary must ensure that written notice is sent to the member—
  - (a) stating that the Association proposes to take disciplinary action against the member; and
  - (b) stating the grounds for the proposed disciplinary action; and
  - (c) specifying the date, place and time of the meeting at which the disciplinary subBoard intends to consider the disciplinary action (the *disciplinary meeting*); and
  - (d) advising the member that he or she may do one, or both of the following—
    - (i) attend the disciplinary meeting and address the disciplinary subBoard at that meeting;
    - (ii) give a written statement to the disciplinary subBoard at any time before the disciplinary meeting;
- (2) The notice must be given no earlier than 28 days, and no later than 14 days, before the disciplinary meeting is held.

## **22 Decision of subBoard**

- (1) At the disciplinary meeting, the disciplinary subBoard must—
  - (a) give the member an opportunity to be heard; and
  - (b) consider any written statement submitted by the member.
- (2) After complying with subrule (1), the disciplinary subBoard may—
  - (a) take no further action against the member; or
  - (b) subject to subrule (3)—
    - (i) suspend the membership rights of the member for a specified period;  
or
    - (ii) expel the member from the Association.
- (3) The disciplinary subBoard may not fine the member.
- (4) The suspension of membership rights or the expulsion of a member by the disciplinary subBoard under this rule takes effect immediately after the vote is passed. The decision of the subBoard is final.

### **Division 3—Grievance procedure**

## **23 Application**

- (1) The grievance procedure set out in this Division applies to disputes under these Rules between—
  - (a) a member and another member;
  - (b) a member and the Association.
- (2) A member must not initiate a grievance procedure in relation to a matter that is the subject of a disciplinary procedure until the disciplinary procedure has been completed.
- (3) A member may appoint any person to act on their behalf in the grievance procedure.

## **24 Parties must attempt to resolve the dispute**

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

## **25 Appointment of mediator**

- (1) If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 24, the parties must within 10 days—
  - (a) notify the Board of the dispute; and
  - (b) agree to, or request the appointment of, a mediator; and
  - (c) attempt in good faith to settle the dispute by mediation.
- (2) The mediator must be—
  - (a) a person chosen by agreement between the parties; or
  - (b) in the absence of agreement—
    - (i) if the dispute is between a member and another member—a person appointed by the Board; or
    - (ii) if the dispute is between a member and Association—a person appointed or employed by the Dispute Settlement Centre of Victoria.

- (3) A mediator appointed by the Board may be a member or former member of the Association, but in any case, must not be a person who—
  - (a) has a personal interest in the dispute; or
  - (b) is biased in favour of or against any party.

## **26 Mediation process**

- (1) The mediator to the dispute, in conducting the mediation, must—
  - (a) give each party every opportunity to be heard; and
  - (b) allow due consideration by all parties of any written statement submitted by any party; and
  - (c) ensure that natural justice is accorded to the parties throughout the mediation process.
- (2) The mediator must not determine the dispute.

## **27 Failure to resolve dispute by mediation**

If the mediation process does not resolve the dispute, the parties may seek to resolve the dispute in accordance with the Act or otherwise at law.

# **PART 4—GENERAL MEETINGS OF THE ASSOCIATION**

## **28 Annual general meetings**

- (1) The Board must convene an annual general meeting of the Association to be held within 3 months after the end of each financial year.
- (2) The Board may determine the date, time and place of the annual general meeting.
- (3) The ordinary business of the annual general meeting is as follows—
  - (a) to confirm the minutes of the previous annual general meeting and of any special general meeting held since then;
  - (b) to receive and consider—
    - (i) the annual report of the Board on the activities of the Association during the preceding financial year; and
    - (ii) the financial statements of the Association for the preceding financial year submitted by the Board in accordance with Part 7 of the Act;
  - (c) to elect the members of the Board;
- (4) The annual general meeting may also conduct any other business of which notice has been given in accordance with these Rules.

## **29 Special general meetings**

- (1) Any general meeting of the Association, other than an annual general meeting, is a special general meeting.
- (2) The Board may convene a special general meeting whenever it thinks fit.
- (3) No business other than that set out in the notice under rule 31 may be conducted at the meeting.

### **Note**

General business may be considered at the meeting if it is included as an item for consideration in the notice under rule 31 and the majority of members at the meeting agree.

### **30 Special general meeting held at request of members**

- (1) The Board must convene a special general meeting if a request to do so is made in accordance with subrule (2) by at least 10% of the total number of members.
- (2) A request for a special general meeting must—
  - (a) be in writing; and
  - (b) state the business to be considered at the meeting and any resolutions to be proposed; and
  - (c) include the names and signatures of the members requesting the meeting; and
  - (d) be given to the Secretary.
- (3) If the Board does not convene a special general meeting within one month after the date on which the request is made, the members making the request (or any of them) may convene the special general meeting.
- (4) A special general meeting convened by members under subrule (3)—
  - (a) must be held within 3 months after the date on which the original request was made; and
  - (b) may only consider the business stated in that request.
- (5) The Association must reimburse all reasonable expenses incurred by the members convening a special general meeting under subrule (3).

### **31 Notice of general meetings**

- (1) The Secretary (or, in the case of a special general meeting convened under rule 30(3), the members convening the meeting) must give to each member of the Association—
  - (a) at least 21 days' notice of a general meeting if a special resolution is to be proposed at the meeting; or
  - (b) at least 14 days' notice of a general meeting in any other case.
- (2) The notice must—
  - (a) specify the date, time and place of the meeting; and
  - (b) indicate the general nature of each item of business to be considered at the meeting; and
  - (c) if a special resolution is to be proposed—
    - (i) state in full the proposed resolution; and
    - (ii) state the intention to propose the resolution as a special resolution; and
  - (d) comply with rule 32(5).
- (3) This rule does not apply to a disciplinary appeal meeting.

**Note**

Rule 23(4) sets out the requirements for notice of a disciplinary appeal meeting.

### **32 Proxies**

- (1) A member may appoint another member as his or her proxy to vote and speak on his or her behalf at a general meeting.
- (2) The appointment of a proxy must be in writing and signed by the member making the appointment.

- (3) The member appointing the proxy may give specific directions as to how the proxy is to vote on his or her behalf, otherwise the proxy may vote on behalf of the member in any matter as he or she sees fit.
- (4) If the Board has approved a form for the appointment of a proxy, the member may use any other form that clearly identifies the person appointed as the member's proxy and that has been signed by the member.
- (5) Notice of a general meeting given to a member under rule 31 must—
  - (a) state that the member may appoint another member as a proxy for the meeting; and
  - (b) include a copy of any form that the Board has approved for the appointment of a proxy.
- (6) A form appointing a proxy must be given to the Chairperson of the meeting before or at the commencement of the meeting.
- (7) A form appointing a proxy sent by post or electronically is of no effect unless it is received by the Association no later than 24 hours before the commencement of the meeting.

### **33 Use of technology**

- (1) A member not physically present at a general meeting may be permitted to participate in the meeting by the use of technology that allows that member and the members present at the meeting to clearly and simultaneously communicate with each other.
- (2) For the purposes of this Part, a member participating in a general meeting as permitted under subrule (1) is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

### **34 Quorum at general meetings**

- (1) No business may be conducted at a general meeting unless a quorum of members is present.
- (2) The quorum for a general meeting is the presence (physically, by proxy or as allowed under rule 33) of 10% of the members entitled to vote.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a general meeting—
  - (a) in the case of a meeting convened by, or at the request of, members under rule 30—the meeting must be dissolved;  
**Note**  
If a meeting convened by, or at the request of, members is dissolved under this subrule, the business that was to have been considered at the meeting is taken to have been dealt with. If members wish to have the business reconsidered at another special meeting, the members must make a new request under rule 30.
  - (b) in any other case—
    - (i) the meeting must be adjourned to a date not more than 21 days after the adjournment; and
    - (ii) notice of the date, time and place to which the meeting is adjourned must be given at the meeting and confirmed by written notice given to all members as soon as practicable after the meeting.

- (4) If a quorum is not present within 30 minutes after the time to which a general meeting has been adjourned under subrule (3)(b), the members present at the meeting (if not fewer than 3) may proceed with the business of the meeting as if a quorum were present.

### **35 Adjournment of general meeting**

- (1) The Chairperson of a general meeting at which a quorum is present may, with the consent of a majority of members present at the meeting, adjourn the meeting to another time at the same place or at another place.
- (2) Without limiting subrule (1), a meeting may be adjourned—
  - (a) if there is insufficient time to deal with the business at hand; or
  - (b) to give the members more time to consider an item of business.

#### **Example**

The members may wish to have more time to examine the financial statements submitted by the Board at an annual general meeting.

- (3) No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- (4) Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 31.

### **36 Voting at general meeting**

- (1) On any question arising at a general meeting—
  - (a) subject to subrule (3), each member who is entitled to vote has one vote; and
  - (b) members may vote personally or by proxy; and
  - (c) except in the case of a special resolution, the question must be decided on a majority of votes.
- (2) If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- (3) If the question is whether or not to confirm the minutes of a previous meeting, only members who were present at that meeting may vote.

### **37 Special resolutions**

A special resolution is passed if not less than three quarters of the members voting at a general meeting (whether in person or by proxy) vote in favour of the resolution.

#### **Note**

In addition to certain matters specified in the Act, a special resolution is required—

- (a) to remove a Board member from office;
- (b) to alter these Rules, including changing the name or any of the purposes of the Association.

### **38 Determining whether resolution carried**

- (1) Subject to subsection (2), the Chairperson of a general meeting may, on the basis of a show of hands, declare that a resolution has been—
  - (a) carried; or
  - (b) carried unanimously; or

- (c) carried by a particular majority; or
- (d) lost—

and an entry to that effect in the minutes of the meeting is conclusive proof of that fact.

- (2) If a poll (where votes are cast in writing) is demanded by three or more members on any question—
  - (a) the poll must be taken at the meeting in the manner determined by the Chairperson of the meeting; and
  - (b) the Chairperson must declare the result of the resolution on the basis of the poll.
- (3) A poll demanded on the election of the Chairperson or on a question of an adjournment must be taken immediately.
- (4) A poll demanded on any other question must be taken before the close of the meeting at a time determined by the Chairperson.

### **39 Minutes of general meeting**

- (1) The Board must ensure that minutes are taken and kept of each general meeting.
- (2) The minutes must record the business considered at the meeting, any resolution on which a vote is taken and the result of the vote.
- (3) The minutes must be kept in a filing cabinet onsite at the Associations address.
- (4) The minutes of each annual general meeting must include—
  - (a) the names of the members attending the meeting; and
  - (b) proxy forms given to the Chairperson of the meeting under rule 32(6); and
  - (c) the financial statements submitted to the members in accordance with rule 28(3)(b)(ii); and
  - (d) the certificate signed by two Board members certifying that the financial statements give a true and fair view of the financial position and performance of the Association; and
  - (e) any audited accounts and auditor's report or report of a review accompanying the financial statements that are required under the Act.

## **PART 5—BOARD OF GOVERNANCE**

### **Division 1—Powers of the Board of Governance “The Board”**

#### **40 Role and powers**

- (1) The business of the Association must be managed by or under the direction of “the Board.”
- (2) “The Board” may exercise all the powers of the Association except those powers that these Rules or the Act require to be exercised by general meetings of the members of the Association.
- (3) The Board may—
  - (a) appoint and remove staff
  - (b) establish subBoards consisting of members with terms of reference it considers appropriate.

## **41 Delegation**

- (1) “The Board” may delegate to a member of the Board, a subBoard or staff member, any of its powers and functions other than—
  - (a) this power of delegation; or
  - (b) a duty imposed on “the Board” by the Act or any other law.
- (2) The delegation must be in writing and may be subject to the conditions and limitations “the Board” considers appropriate.
- (3) “The Board” may, in writing, revoke a delegation wholly or in part.

## **Division 2—Composition of the Board of Governance and duties of its members**

### **42 Composition of the Board of Governance**

- (1) The Board of Governance consists of—
  - (a) a Chairperson; and
  - (b) a Secretary; and
  - (c) a Treasurer; and
  - (d) General Board members (ideally at least 2) elected under rule 51;
- (2) These Rules allow the Board of Governance a maximum of 7 members at any one time.

### **43 General Duties**

- (1) As soon as practicable after being elected or appointed to “the Board”, each Board member must become familiar with these Rules and the Act.
- (2) “The Board” is collectively responsible for ensuring that the Association complies with the Act, and that individual members of the Board comply with these Rules.
- (3) Board members must exercise their powers and discharge their duties with reasonable care and diligence.
- (4) Board members must exercise their powers and discharge their duties—
  - (a) in good faith in the best interests of the Association; and
  - (b) for a proper purpose.
- (5) Board members and former Board members must not make improper use of—
  - (a) their position; or
  - (b) information acquired by virtue of holding their position so as to gain an advantage for themselves or any other person or to cause detriment to the Association.

#### **Note**

See also Division 3 of Part 6 of the Act which sets out the general duties of the office holders of an incorporated Association.

- (6) In addition to any duties imposed by these Rules, a Board member must perform any other duties imposed from time to time by resolution at a general meeting.

#### **44 Chairperson**

- (1) Subject to subrule (2), the Chairperson or, in the Chairperson's absence, another Board member or general member is the Chairperson for any general meetings and for any Board meetings.
- (2) If the Chairperson is absent, or unable to preside, the Chairperson of the meeting must be—
  - (a) in the case of a general meeting—a member elected by the other members present; or
  - (b) in the case of a Board meeting—a Board member elected by the other Board members present.

#### **45 Secretary**

- (1) The Secretary must perform any duty or function required under the Act to be performed by the secretary of an Incorporated Association.

##### **Example**

Under the Act, the secretary of an Incorporated Association is responsible for lodging documents of the Association with the Registrar.

- (2) The Secretary is appointed as per procedures outlined in rules 48, 49, 50 and 55;
- (3) The Secretary must—
  - (a) maintain the register of members in accordance with rule 18; and
  - (b) ensure that the common seal of the Association and, except for the financial records referred to in rule 68(3), all relevant documents, records, and securities of the Association, in accordance with rules 70 and 73; are kept in a secure location on the Association's site and only accessible by or with the authority of Executive Board members.
  - (c) subject to the Act and these Rules, provide members with access to the register of members, the minutes of general meetings and other records, and relevant documents; and
  - (d) perform any other duty or function imposed on the Secretary by these Rules.
- (4) The Secretary must give to the Registrar notice of his or her appointment within 14 days of the appointment.

#### **46 Treasurer**

- (1) By regular communication with the Financial Officer and access to financial accounts of the Association, the Treasurer must ensure that —
  - (a) receipts are issued in the name of the Association for all moneys paid to or received by the Association; and
  - (b) all moneys received are paid into the account of the Association within 5 working days after receipt; and
  - (c) payments authorised by the Board or by a general meeting of the Association come from the Association's funds; and
  - (d) cheques are signed by the CEO and Financial Officer; and
  - (e) direct bank deposits are authorised by both the CEO and Financial Officer.
- (2) By regular communication with the Financial Officer and access to financial accounts of the Association, the Treasurer must ensure that—
  - (a) the financial records of the Association are kept in accordance with the Act;

- (b) the Financial Officer prepares the financial statements of the Association for the Board to view and ratify before their submission to the annual general meeting of the Association.

### **Division 3—Election of Board members and tenure of office**

#### **47 Eligibility to be a Board member**

A member is eligible to be elected or appointed as a Board member if the member—

- (a) is 18 years or over; and
- (b) is entitled to vote at a general meeting.

#### **48 Positions to be declared vacant**

- (1) This rule applies to—
  - (a) the first annual general meeting of the Association after its incorporation; or
  - (b) any subsequent annual general meeting of the Association, after the annual report and financial statements of the Association have been received.
- (2) The Chairperson of the meeting must declare all Board of Governance positions vacant where the appointment has been for 3 years, or any positions where the incumbent has resigned before the end of their 3 year tenure, and hold elections for those positions in accordance with rules 49 to 52.

#### **49 Nominations**

- (1) Prior to the election of each position, the Chairperson of the meeting must call for nominations to fill that position.
- (2) An eligible member of the Association may—
  - (a) nominate himself or herself; or
  - (b) with the member's consent, be nominated by another member.
- (3) A member who is nominated for a position and fails to be elected to that position may be nominated for any other position for which an election is yet to be held.

#### **50 Election of Executive positions on the Board of Governance**

- (1) Separate elections must be held for each of the following positions declared vacant at the annual general meeting —
  - (a) Chairperson;
  - (b) Secretary;
  - (c) Treasurer.
- (2) If only one member is nominated for the position, the Chairperson of the meeting must declare the member elected to the position.
- (3) If more than one member is nominated, a ballot must be held in accordance with rule 52.
- (4) On his or her election, the new Chairperson may take over as Chairperson of the general meeting.

## **51 Election of General Board members**

- (1) A single election at a general meeting may be held to fill all vacant General Board member positions.
- (2) If the number of members nominated for the position of General Board member is less than or equal to the number to be elected, the Chairperson of the meeting must declare each of those members to be elected to the position.
- (3) If the number of members nominated exceeds the number to be elected, a ballot must be held in accordance with rule 52.

## **52 Ballot**

- (1) If a ballot is required for the election for a position, the Chairperson of the meeting must appoint a member to act as returning officer to conduct the ballot.
- (2) The returning officer must not be a member nominated for the position.
- (3) Before the ballot is taken, each candidate may make a short speech in support of his or her election.
- (4) The election must be by secret ballot.
- (5) The returning officer must give a blank piece of paper to—
  - (a) each member present in person; and
  - (b) each proxy appointed by a member.

### **Example**

If a member has been appointed the proxy of 5 other members, the member must be given 6 ballot papers—one for the member and one each for the other members.

- (6) If the ballot is for a single position, the voter must write on the ballot paper the name of the candidate for whom they wish to vote.
- (7) If the ballot is for more than one position—
  - (a) the voter must write on the ballot paper the name of each candidate for whom they wish to vote, and the relevant position;
  - (b) the voter must not write the names of more candidates than the number to be elected.
- (8) Ballot papers that do not comply with sub rule (7)(b) are not to be counted.
- (9) Each ballot paper on which the name of a candidate has been written counts as one vote for that candidate.
- (10) The returning officer must declare elected the candidate or, in the case of an election for more than one position, the candidates who received the most votes.
- (11) If the returning officer is unable to declare the result of an election under sub rule (10) because two or more candidates received the same number of votes, the returning officer must—
  - (a) conduct a further election for the position in accordance with sub rules (4) to (10) to decide which of those candidates is to be elected; or
  - (b) with the agreement of those candidates, decide by lot which of them is to be elected.

### **Examples**

The choice of candidate may be decided by the toss of a coin, or drawing a name out of a hat.

### **53 Term of office**

- (1) A Board member holds office for 3 years.
- (2) After a 3 year tenure, a Board member may be re-elected and can remain on the Board for a maximum of 3 consecutive terms (9 years).
- (3) After the maximum of 9 years has been served, the Board member **MUST** resign and have at least one year off the Board, but may be renominated to join the Board after this time.
- (4) A general meeting of the Association may—
  - (a) by special resolution remove a Board member from office; and
  - (b) elect an eligible member of the Association to fill the vacant position in accordance with this Division.
- (5) A member who is the subject of a proposed special resolution under sub rule (4)(a) may make representations in writing to the Secretary or Chairperson of the Association (not exceeding a reasonable length) and may request that the representations be provided to the members of the Association.
- (6) The Secretary or the Chairperson may give a copy of the representations to each member of the Association or, if they are not so given, the member may require that they be read out at the meeting at which the special resolution is to be proposed.

### **54 Vacation of office**

- (1) Subject to rule 48 (2), Board members hold office until Board positions are declared vacant at an annual general meeting.
- (2) Any Board member, (including the Secretary) may resign from “the Board” by written notice addressed to “the Board” before the end of their 3 year tenure.
- (3) A person (including the Secretary) also ceases to be a Board member if he or she—
  - (a) ceases to be a member of the Association; or
  - (b) is removed from office by special resolution of members; or
  - (c) dies; or
  - (d) becomes insolvent; or
  - (e) becomes a represented person (under the Guardianship and Administration Act 1986); or
  - (f) stops living in Australia (this particularly relates to the Secretary); or
  - (g) is a statutory manager is appointed under section 116 of the Associations Incorporation Reform Act 2012 to conduct the affairs of the Association.

### **55 Filling casual vacancies**

- (1) The Board may appoint an eligible member of the Association to fill a position on the Board that—
  - (a) has become vacant under rule 54; or
  - (b) was not filled by election at the last annual general meeting.
- (2) If the position of Secretary becomes vacant, the Board must appoint a member to the position within 14 days after the vacancy arises and;
  - (a) notify Consumer Affairs Victoria (CAV) of that appointment

- (b) in the event that a permanent Secretary cannot be appointed within 14 days, “the Board” must appoint a temporary Secretary within 14 days. The ‘interim’ Secretary only holds the position until a permanent Secretary is appointed or elected under the Associations rules
- (3) Rule 53 applies to any Board member appointed by the Board under subrule (1) or (2).
- (4) “The Board” may continue to act despite any vacancy in its membership.

#### **Division 4—Meetings of the Board of Governance**

##### **56 Meetings of the Board of Governance**

- (1) “The Board” must meet at least 8 times in each year at the dates, times and places determined by “the Board”.
- (2) The date, time and place of the first Board meeting must be determined by the members of the Board as soon as practicable after the annual general meeting of the Association at which the members of the Board were elected.
- (3) Special Board meetings may be convened by the Chairperson or by any 4 members of the Board.

##### **57 Notice of meetings**

- (1) Notice of each Board meeting must be given to each Board member no later than 4 days before the date of the meeting.
- (2) Notice may be given of more than one Board meeting at the same time.
- (3) The notice must state the date/s, time/s and place/s of the meeting/s.
- (4) If a special Board meeting is convened, the notice must include the general nature of the business to be conducted.
- (5) The only business that may be conducted at the meeting is the business for which the meeting is convened.

##### **58 Urgent meetings**

- (1) In cases of urgency, a meeting can be held without notice being given in accordance with rule 57 provided that as much notice as practicable is given to each Board member by the quickest means practicable.
- (2) Any resolution made at the meeting must be passed by an absolute majority of the Board.
- (3) The only business that may be conducted at an urgent meeting is the business for which the meeting is convened.

##### **59 Procedure and order of business**

- (1) The procedure to be followed at a meeting of a Board must be determined from time to time by the Board.
- (2) The order of business may be determined by the members present at the meeting.

## **60 Use of technology**

- (1) A Board member who is not physically present at a Board meeting may participate in the meeting by the use of technology that allows that Board member and the Board members present at the meeting to clearly and simultaneously communicate with each other.
- (2) For the purposes of this Part, a Board member participating in a Board meeting as permitted under sub rule (1) is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

## **61 Quorum**

- (1) No business may be conducted at a Board meeting unless a quorum is present.
- (2) The quorum for a Board meeting is the presence (in person or as allowed under rule 60) of at least 50% of the Board members holding office.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a Board meeting—
  - (a) in the case of a special meeting—the meeting lapses;
  - (b) in any other case—the meeting must be adjourned to a date no later than 21 days after the adjournment and notice of the time, date and place to which the meeting is adjourned must be given in accordance with rule 57.

## **62 Voting**

- (1) On any question arising at a Board meeting, each Board member present at the meeting has one vote.
- (2) A motion is carried if a majority of Board members present at the meeting vote in favour of the motion.
- (3) Sub rule (2) does not apply to any motion or question which is required by these Rules to be passed by an absolute majority of the Board.
- (4) If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- (5) Voting by proxy is not permitted.

## **63 Conflict of interest**

- (1) A Board member who has a material personal interest in a matter being considered at a Board meeting must disclose the nature and extent of that interest to the Board.
- (2) The member must not—
  - (a) be present while the matter is being considered at the meeting; and
  - (b) vote on the matter.

### **Note**

Under section 81(3) of the Act, if there are insufficient Board members to form a quorum because a member who has a material personal interest is disqualified from voting on a matter, a general meeting may be called to deal with the matter.

- (3) This rule does not apply to a material personal interest—
  - (a) that exists only because the member belongs to a class of persons for whose benefit the Association is established; or
  - (b) that the member has in common with all, or a substantial proportion of, the members of the Association.

#### **64 Minutes of meeting**

- (1) “The Board” must ensure that minutes are taken and kept of each Board meeting.
- (2) The minutes must be kept in a filing cabinet on the Associations’ premises.
- (3) The minutes must record the following—
  - (a) the names of the members in attendance at the meeting;
  - (b) the business considered at the meeting;
  - (c) any resolution on which a vote is taken and the result of the vote;
  - (d) any material personal interest disclosed under rule 63.

#### **65 Leave of absence**

- (1) The Board may grant a Board member leave of absence from Board meetings for a period not exceeding 3 months.
- (2) The Board must not grant leave of absence retrospectively unless it is satisfied that it was not feasible for the Board member to seek the leave in advance.

### **PART 6—FINANCIAL MATTERS**

#### **66 Source of funds**

The funds of the Association may be derived from joining fees, annual subscriptions, donations, fund-raising activities, grants, interest, Local, State and Federal Government funding bodies and any other sources approved by the Board.

#### **67 Management of funds**

- (1) The Association must, via the Financial Officer and CEO arrange for bank accounts with a financial institution to be opened from which all expenditure of the Association is made and into which all of the Association's revenue is deposited.
- (2) Subject to any restrictions imposed by a general meeting of the Association, the Board may approve expenditure on behalf of the Association.
- (3) The Board may authorise the Treasurer and the CEO to arrange for funds to be expended on behalf of the Association (including by electronic funds transfer) up to a specified limit without requiring approval from the Board for each item on which the funds are expended.
- (4) All cheques, drafts, bills of exchange, promissory notes, direct bank deposits and other negotiable instruments must be signed/authorised by two signatories to the accounts, as nominated by the Board.

- (5) In the event that staff signatories are unable to co-sign, the Board will delegate two Executive Board members as signatories. Appointing Executive Board members signatories' will occur at the first meeting after each annual general meeting.
- (6) All funds of the Association must be deposited into the financial account of the Association no later than 5 working days after receipt.
- (7) With the approval of the Board, the CEO may arrange for a cash float to be maintained provided that all money paid from or paid into the float is accurately recorded at the time of the transaction.

## **68 Financial records**

- (1) The Association must keep financial records that—
  - (a) correctly record and explain its transactions, financial position and performance; and
  - (b) enable financial statements to be prepared as required by the Act.
- (2) The Association must retain the financial records for 7 years after the transactions covered by the records are completed.
- (3) The Treasurer and at least one other Executive Board member must have access to—
  - (a) the financial records for the current financial year; and
  - (b) any other financial records pertaining to the financial status of the Association.

## **69 Financial statements**

- (1) For each financial year, the Board must ensure that the requirements under the Act relating to the financial statements of the Association are met.
- (2) Without limiting subrule (1), those requirements include—
  - (a) the preparation of the financial statements;
  - (b) if required, the review or auditing of the financial statements;
  - (c) the certification of the financial statements by the Board;
  - (d) the submission of the financial statements to the annual general meeting of the Association;
  - (e) the lodgement with the Registrar of the financial statements and accompanying reports, certificates, statements and fees.

## **PART 7—GENERAL MATTERS**

### **70 Common seal**

- (1) The Association may have a common seal.
- (2) If the Association has a common seal—
  - (a) the name of the Association must appear in legible characters on the common seal;
  - (b) a document may only be sealed with the common seal with the authority of the Board;
  - (c) the common seal must be kept in a secure location onsite of the Association and only be accessible by Executive Board members and authorised signatories.

## **71 Registered address**

The registered address of the Association is—

- (a) the postal address of the physical building from which the Association operates from; or
- (b) the post office box address of the Association.

## **72 Notice requirements**

- (1) Any notice required to be given to a member or a Board member under these Rules may be given—
  - (a) by handing the notice to the member personally; or
  - (b) by sending it by post to the member at the address recorded for the member on the register of members; or
  - (c) by email or facsimile transmission.
- (2) Subrule (1) does not apply to notice given under rule 58.
- (3) Any notice required to be given to the Association or the Board may be given—
  - (a) by handing the notice to a member of the Board; or
  - (b) by sending the notice by post to the registered address; or
  - (c) by leaving the notice at the registered address; or
  - (d) by email to the email address of the Association; or
  - (e) by facsimile transmission to the facsimile number of the Association.

## **73 Custody and Inspection of records, securities and other relevant documents**

- (1) Members may on request inspect and obtain copies free of charge—
  - (a) the register of members;
  - (b) the minutes of general meetings;
  - (c) subject to subrule (2), the financial records, securities, records and any other relevant document of the Association, excluding minutes of Board meetings.

### **Note**

See note following rule 18 for details of access to the register of members.

- (2) Members may not access, view or be given copies of Board of Governance meeting minutes.
- (3) The Board may refuse to permit a member to inspect records of the Association that relate to confidential, personal, employment, commercial or legal matters or where to do so may be prejudicial to the interests of the Association.
- (4) The Board must on request make copies of these rules available to members and applicants for membership free of charge.
- (5) Subject to subrule (2), a member may make a copy of any of the other records of the Association referred to in this rule and the Association may charge a reasonable fee for provision of a copy of such a record.

(6) For purposes of this rule—

***relevant documents*** means, the records and other documents (except Board of Governance meeting minutes), however compiled, recorded or stored, that relate to the incorporation and management of the Association and includes the following—

- (a) its membership records;
- (b) its financial statements;
- (c) its financial records;
- (d) records and documents relating to transactions, dealings, business or property of the Association.

#### **74 Winding up and cancellation**

- (1) The Association may be wound up voluntarily by special resolution.
- (2) In the event of the winding up or the cancellation of the incorporation of the Association, the surplus assets of the Association must not be distributed to any members or former members of the Association.
- (3) Subject to the Act and any court order made under section 133 of the Act, the surplus assets must be given to a body that has similar purposes to the Association and which is not carried on for the profit or gain of its individual members.
- (4) The body to which the surplus assets are to be given must be decided by special resolution.

#### **75 Alteration of Rules**

These Rules may only be altered by special resolution of a general meeting of the Association.

**Note**

An alteration of these Rules does not take effect unless or until it is approved by the Registrar. If these Rules (other than rule 1, 2 or 3) are altered, the Association is taken to have adopted its own rules, not the model rules.