



NORTH SHORE COUNTRY CLUB AND RESIDENTS ASSOCIATION [Inc]

Constitution 2017

RULES AND GUIDANCE NOTES

This document includes additional summaries of the obligations arising from the Associations Incorporation Act 2015 and other explanatory material. These are presented in the form of 'Guidance Notes' and 'Act Requirements'. These summaries do not form part of the rules. They have been included to assist us adopting and adapting the model rules or modifying them to create a set of our own rules to understand each of the various requirements.

Part	Division	Rule	Subject	Page
Part 1 Preliminary				4
		1	Name of Association	4
		2	Definitions Terms used	4
		3	Financial year	5
Part 2 Association to be not for Profit Body				
		4	Objects of Association	6
		5	Powers of Association	6
		6	Supply of liquor	6
		7	Not for Profit Body	7
Part 3 Members				
	Division 1 Membership			
		8	Eligibility for Membership	8
		9	Applying for Membership	8
		10	Dealing with membership Applications	8
		11	Becoming a Member	10
		12	Classes of Membership	10
		13	When Membership ceases	11
		14	Resignation	12
		15	Rights not Transferrable	12
	Division 2 Membership Fees			
		16	Membership Fees	12
	Division 3 Register of Members			
		17	Register of Members	13
Part 4 Disciplinary Action, Disputes and Mediation				
	Division 1 Term Used	18	Term used Member	14
	Division 2 Disciplinary Action			
		19	Suspension or Expulsion	14
		20	Consequences of Suspension	15
	Division 3 resolving Disputes			
		21	Terms Used	16
		22	Application of Division	16
		23	Parties to Attempt to Resolve Dispute	16
		24	How grievance Procedure is started	16
		25	Determination of Dispute by Committee	17
	Division 4			

	Mediation			
		26	Application of Division	18
		27	Appointment of Mediator	18
		28	Mediation Process	18
		29	If Mediation results in Decision to Suspend or Expel being revoked	19
Part 5 Committee				
	Division 1 Powers of Committee			
		30	Committee	19
	Division2 Composition of Committee and duties of Committee Members			
		31	Committee Members	19
		32	President	21
		33	Secretary	21
		34	Treasurer	22
	Division 3 Election of Committee Members and Tenure of Office			
		35	How Members become Committee Members	22
		36	Nomination of Committee Members	22
		37	Election of Office Holders	23
		38	Election of Ordinary Committee Members	23
		39	Term of Office	24
		40	Resignation and Removal from Office	24
		41	When Membership of Committee ceases	24
		42	Filling Casual Vacancies of Committee	25
		43	Validity of Acts by Committee	25
		44	Payments to Committee Members	25
	Division 4 Committee meetings			
		45	Committee Meetings	25
		46	Notice of Committee Meetings	26
		47	Procedure and Order of Business	26
		48	Use of technology to be present at Committee Meetings	27
		49	Quorum for Committee Meetings	27
		50	Voting at Committee Meetings	27
		51	Minutes of Committee Meetings	28
	Division 5 Subcommittees and Subsidiary Offices			
		52	Subcommittees and Subsidiary Offices	28
		53	Delegation to Subcommittees and holders of Subsidiary Offices	29

Part 6 General Meetings of Association				
		54	Annual General Meeting [AGM]	29
		55	Special General Meeting	30
		56	Notice of General Meetings	31
		57	Proxies	31
		58	Use of Technology to be present at General Meetings	32
		59	Presiding Member and Quorum for General Meetings	32
		60	Adjournment of General Meeting	33
		61	Voting at General Meeting	33
		62	When Special Resolutions are required	34
		63	Determining whether Resolution carried	34
		64	Minutes of General Meeting	35
Part 7 Financial Matters				
		65	Source of Funds	35
		66	Control of Funds	35
		67	Financial Statements and Financial Reports	36
Part 8 General Matters				
		68	BY-Laws	36
		69	Executing Documents and Common Seal	37
		70	Giving Notices to Members	37
		71	Custody of Books and Securities	38
		72	Record of Office Holders	38
		73	Inspection of Records and Documents	38
		74	Publication by NSCCRA Committee members of statements about the Association Business prohibited	39
		75	Distribution of surplus property on cancellation of incorporation or winding up	39
		76	Alteration of Rules	40

PART 1 — PRELIMINARY

1. Name of Association

NORTH SHORE COUNTRY CLUB AND RESIDENTS ASSOCIATION [Inc]

2. Definitions Terms used

In these rules, unless the contrary intention appears —

Act means the *Associations Incorporation Act 2015*;

Associate Member means a member with the rights referred to in rule 12(9);

Association means the incorporated association to which these rules apply being **North Shore Country Club and Residents Association Inc**;

Books, of the Association, includes the following —

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

By laws means by-laws made by the Association under rule 68;

President means the Committee member holding office as the President of the Association;

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

Committee means the management committee of the Association;

Committee meeting means a meeting of the committee;

Committee member means a member of the committee;

Financial records includes —

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

Financial report, of a Tier 1 or Tier 2 or a Tier 3 Association, has the meaning given in section 63 of the Act;

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

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

Gold Certificate, means a certificate issued by NSCCRA given in rule 16 and sub-rules 7, 8, and 9

General Meeting, of the Association, means a meeting of the Association that all members are entitled to receive notice of and to attend normally held annually [AGM];

Member means a person (including a body corporate) who is an Ordinary member or an Associate member of the Association;

Ordinary Committee member means a Committee member who is not an office holder of the Association under rule 31(3);

Ordinary member means a member with the rights referred to in rule 12(7);

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

Rules mean these 'rules of the Association', as in force for the time being;

Secretary means the Committee member holding office as the Secretary of the Association;

Special General Meeting means a general meeting of the Association other than the Annual General Meeting [AGM];

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

Subcommittee means a subcommittee appointed by the committee under rule 52(1)(a);

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

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

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

Treasurer means the committee member holding office as the treasurer of the Association.

3. Financial year

- (1) The first financial year of the Association is to be the period notified to the Commissioner under section 7(4)(e) or, if relevant, section 29(5)(e) of the Act and operates from **July the 1st to 30th June each year**
- (2) Each subsequent financial year of the Association is the period of 12 months commencing at the termination of the first financial year or the anniversary of that termination.

PART 2 — ASSOCIATION TO BE NOT FOR PROFIT BODY

4. Objects of the Association

- (1) The objects of the Association are –
 - (a) to provide social, sporting and other facilities for its members and their guests;
 - (b) to operate and manage Club premises providing eating and drinking facilities for members and their guests, and
 - (c) to co-operate with all private, local, state and commonwealth government bodies, departments, instrumentalities, agencies and officers on matters of interest to members of the Association.
 - (d) To provide and maintain a club house and sporting amenities for the use of the members
- (2) The property and income of the Association shall be applied solely towards the promotion of the objects of the Association and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to members, except in good faith in the promotion of those objects.

5. Powers of the Association

In addition to the powers conferred on the Association by the Act, it may –

- (a) investigate, consider, make representations and take action upon all such matters as are felt by the Committee to relate to the interests of the Association, and
- (b) Co-operate with other bodies having similar objects to the Association
- (c) To borrow, raise or secure the payment of money for the purpose of the Club in such manner as the membership think fit in pursuit of its objects of Association
- (d) To maintain a club license under the current Liquor Act

6. Supply of liquor – Liquor Act to be Observed

- (a) The Club will appoint and maintain an Approved manager for the purposes of observing and complying with liquor licensing requirements and regulations.
- (b) The Club will be open for sale of liquor during such hours as the Committee determines and permitted under the Liquor Act.
- (c) The club will ensure no liquor shall be sold or supplied to any juvenile [person under 18yrs old], and that no unattended juvenile will be allowed to be on the premises whilst the bar is open.
- (d) The club will ensure that any consumption of liquor by the guests of a member outside of attending a function or ancillary to a meal will be limited to no more than 5 guest's maximum per member per day on any occasion.
- (e) Members may introduce guests at any time provided that
 - I. A guest may not be supplied with liquor in the club premises except on **invitation** and in the company of that member

- II. A guest shall be supplied with liquor to be consumed on the club premises only
- III. The member introducing the guest shall be responsible for the proper conduct of that guest whilst on the club premises
- IV. Any person who has been refused membership of the club, or who is under the suspension or expulsion from the club shall be admitted as a guest of any member of the club
- V. A member may, at their expense, and with approval of the committee, supply liquor to guests, without limitation as to a number, at a function held by or on behalf of that member, at the club premises.

7. Not-for-Profit Body

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

Note for this rule-

Section 5(1) of the Act provides that an association **is not** eligible to be incorporated under the Act if it is formed or carried on for the purpose of securing **pecuniary** profit for its members from its transactions, and section 5(3) of the Act provides details about when an association is not ineligible under section 5(1) of the Act.

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

PART 3 — MEMBERS

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

Act Requirements – Liabilities of the association - Under section 19 of the Act a member of the management committee, trustee or a member of the association is not liable in respect of the liabilities of the association.

This does not apply to liabilities incurred by or on behalf of the association prior to incorporation.

Guidance Note – Liability of Members - A member is only liable for their own outstanding membership fees (if any) payable under rule 12.

- The management committee has a **duty of care** to ensure that its activities and the activities of the association are conducted with reasonable care, skill and **due diligence**.

Division 1 — Membership

8. Eligibility for Membership

- (1) Any person who supports the objects or purposes of NSCCRA is eligible to apply to become a member.
- (2) An individual who has not reached the age of 15 years is not eligible for a class of membership that confers full voting rights.

Guidance Note – Eligibility for membership

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

9. Applying for Membership

- (1) A person who wants to become a member must apply in writing to NSCCRA.
- (2) The application must include a member's nomination of the applicant for membership.
- (3) The application must be signed by the applicant and the member nominating the applicant who has been a member of the club for a minimum of 12 months.
- (4) The applicant must specify in the application the class of membership, to which the application relates, their address and in the case of an application for Family Membership, the names and ages of all nominated members of the family
- (5) In the case of an existing Family Membership to which a further person is sought to be added, that person shall be treated as a new applicant for membership and shall fulfil the relevant requirements for membership and their application shall be so processed pursuant to these Rules
- (6) All applications shall be posted on the noticeboard of the club for a period of not less than 7 days before election. Further to this, a period of not less than 14 days shall elapse between election and nomination.

10. Dealing with Membership Applications

- (1) The Committee will consider each application for membership of NSCCRA and decide whether to accept or reject the application as election of membership.
- (2) Subject to sub-rule (3), the committee will consider applications in the order in which they are received by the Association.

- (3) The Committee when considering each application for membership on acceptance or rejection, if two votes are cast against acceptance that application will be rejected and the applicant shall not be entitled to apply or re-apply for any class of membership for a period of [1] year from date of rejection of the application.
- (4) The committee may delay its consideration of an application if the committee considers that any matter relating to the application needs to be clarified by the applicant or that the applicant needs to provide further information in support of the application.
- (5) The committee must not accept an application unless the applicant —
 - (a) is eligible under rule 8; and
 - (b) Has applied under rule 9.
 - (c) Fulfils eligibility as determined in sub-rule 8 below;
- (6) The committee may reject an application even if the applicant —
 - (a) is eligible under rule 8; and
 - (b) Has applied under rule 9.
- (7) The committee must notify the applicant of the committee's decision to accept or reject the application as soon as practicable after making the decision.
- (8) If the committee rejects the application, the committee is not required to give the applicant its reasons for doing so in writing.
- (9) In each case, subject to due compliance with these Rules:
 - a) Single Membership is open to an individual of good reputation and character, as agreed when determining the application by the Committee, and will be taken as such unless other relevant information is presented to the Committee during their deliberations.
 - b) Family Membership is open to all the nominated members of one family ordinarily residing at the same address, provided that each such nominated member shall be of same good reputation and character.
 - c) Full Membership is open to persons wishing to participate in all or any of the sporting, social and ratepayer activities of the Association and entitles such person to so participate except that the member shall not be entitled to voting rights unless he is also an Ordinary Member.
 - d) Social Membership is open to persons wishing to participate in all or any of the social and ratepayer activities of the Association and entitles such person to so participate except that the member shall not be entitled to voting rights unless he is also an Ordinary Member.
 - e) Associate Junior Sporting Membership is open to persons under the age of 21 years wishing to participate in all junior sporting activities of the Association but shall not be entitled to vote at any meetings of the Association.
- (10) The Committee may determine the maximum numbers of members to be permitted in any class of membership and limit or restrict applications to any class of membership as it deems appropriate from time to time.

11. Becoming a Member

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

- (a) the committee accepts the application; and
- (b) the applicant pays any membership fees payable to NSCCRA under rule 12.

Guidance Note – Becoming a member - *The applicant immediately becomes a member of NSCCRA, when rule 7 has been fulfilled, and is entitled to exercise all the rights and privileges of such membership, including the right to vote (if applicable), and must comply with all of the obligations of membership under these rules.*

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

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

12. Classes of membership

- (1) NSCCRA consists of Ordinary members and Associate members provided for under sub-rule (2).
- (2) NSCCRA classes of membership are as follows:
 - a) Ordinary Tennis Full Single Membership
 - b) Ordinary Tennis Full Family Membership
 - c) Ordinary Social Single Membership
 - d) Ordinary Social Family Membership
 - e) Associate Junior Membership
 - f) Associate Affiliated Club Membership
 - g) Associate Resident Rate Payer
- (3) NSCCRA Ordinary Full Family type memberships refer to the resident members of the family in a single residency with registered children under the age of **21 years old** that will be defined as Ordinary members each with full rights associated with that membership unless they are aged as regards to sub-rule 5.
- (4) NSCCRA may amend or alter any class of associate membership approved by resolution at a general meeting, including junior membership, senior membership, honorary membership and life membership as it requires.
- (5) An individual who has not reached the age of 21 years is only eligible to be an associate member.
- (6) A person can only be an ordinary member or belong to one class of associate membership.
- (7) An ordinary member has full voting rights and any other rights conferred on members by these rules or approved by resolution at a general meeting or determined by the committee.
- (8) An associate member has the rights referred to in sub-rule (7) other than full voting rights.

- (9) The number of members of any class is not limited unless otherwise approved by resolution at a general meeting.
- (10) Resident Rate Payer membership is restricted to those who are able to define their residency within the previous area as classed North-Shore as determined by the Committee and approved by the membership at the AGM.

Guidance Note - Voting rights of Members

- *Each ordinary member of the Association has one vote at a special or general meeting of the Association.*

13. When Membership ceases

- (1) A person ceases to be a member when any of the following takes place —
 - (a) for a member who is an individual, the individual dies;
 - (b) for a member who is a body corporate, the body corporate is wound up;
 - (c) the person resigns from NSCCRA under rule 14;
 - (d) the person is expelled from NSCCRA under rule 19;
 - (e) the person ceases to be a member under rule 16(6).
- (2) The Secretary must keep a record, for at least one year after a person ceases to be a member, of —
 - (a) the date on which the person ceased to be a member; and
 - (b) the reason why the person ceased to be a member.
- (3) For the purpose of Sub-rule (2) hereof, in the case of Family Membership;
 - (a) Where the member who dies is the holder of a Gold Certificate within the group of nominated Family Members, the Committee of Management shall permit the transfer of that Gold Certificate to another of those nominated Family Members.
 - (b) In the case falling within paragraph (a) hereof, the remaining Family Members shall be entitled to continue as members without change to their rights and privileges subject to compliance with these Rules.

14. Resignation

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

(3) A person who has resigned from membership of NSCCRA remains **liable for any fees** that are owed to the Association (the **owed amount**) at the time of resignation.

(4) The owed amount may be recovered by NSCCRA in a court of competent jurisdiction as a debt due to the Association if it chooses.

15. Rights not Transferable

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

Division 2 — Membership Fees

16. Membership Fees

- (1) NSCCRA committee will determine the entrance fee (if any) and the annual membership fee (if any) to be paid for membership of NSCCRA and will refer these annually to the membership at each year's AGM.
- (2) The fees determined under sub-rule (1) will be different for different classes of membership and will be published by the Secretary each year 4 weeks prior to the start of the financial year and as noted or amended by the membership following the AGM.
- (3) All fees are due on the 1st of July in each year and are payable in advance, on or before the date and notice of relevant fees and subscriptions shall be given to members, via the notice board, newsletter or club website, or direct communication.
- (4) A member must pay the annual membership fee to the treasurer, or another person authorised by the committee to accept payments, by the date (the **due date**) determined by the committee normally July 1st of each financial year.
- (5) New member's Subscription are to be paid within two weeks of acceptance of membership by the Committee and shall be paid as follows:
 - (a) If accepted between 1st July and 30th September – Full annual Fees
 - (b) If accepted between 1 October and 31st December – 75% Annual Fees
 - (c) If accepted between 1st January and 31st March - 50% Fees
 - (d) If accepted between 1st April and 30th June – 25% Fees
- (6) If a member has not paid the annual membership fee within the period of **3 months** after the due date, without acceptable mitigating reasons as accepted by the Committee the member ceases to be a member on the expiry of that period.
- (7) Where a member owns a Gold Certificate as previously or newly issued by NSCCRA they will be entitled to a discount on any relevant annual membership fee as determined by the Committee and approved by the membership at the AGM, for as such time determined.
- (8) NSCCRA will not acknowledge any transfer of registered ownership of current Gold Certificates between members or any other party or person as to the applied discounts for annual membership fees except for Section 12 sub-rule 3b.
- (9) NSCCRA will continue to issue with their associate fee any Gold certificates to members of NSCCRA as to the agreed fee set by the Committee and noted by the membership at the AGM.

- (10) The Secretary will keep a record of previously and newly issued Gold Certificates regarding the ownership of such certificates in order to ensure effective management of applied discounts on NSCCRA fees to classes of membership.
- (11) If a person who has ceased to be a member under sub-rule (6) offers to pay the annual membership fee after the period referred to in that sub-rule has expired —
- (a) the committee may, at its discretion, accept that payment; and
 - (b) if the payment is accepted, the person's membership is reinstated from the date the payment is accepted.

Division 3 — Register of Members

17. Register of Members

Act Requirements – Register of members

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

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

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

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

A copy of the register is also required to be kept on the premises and available for inspection as part of the Liquor licence if so required by any officer of the regulator.

- (1) NSCCRA Secretary, or another person as authorised by the committee, is responsible for the requirements imposed on NSCCRA under section 53 of the Act to maintain the register of members and record in that register any change in the membership of the Association.
- (2) In addition to the matters referred to in section 53(2) of the Act, the register of members must include the class of membership (as applicable) to which each member belongs and the date on which each member becomes a member.
- (3) The register of members should be kept at the secretary's place of residence, or at another place determined by the committee.
- (4) A copy of the register will be kept on the premises in a secure manner to maintain compliance with conditions as per the Liquor Licence
- (5) A member who wishes to inspect the register of members must contact the Secretary to make the necessary arrangements.
- (6) If —
 - (a) a member inspecting the register of members wishes to make a copy of, or take an extract from, the register under section 54(2) of the Act; or
 - (b) a member makes a written request under section 56(1) of the Act to be provided with a copy of the register of members,

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

PART 4 — DISCIPLINARY ACTION, DISPUTES AND MEDIATION

Division 1 — Term used

18. Term used: Member

In this Part —

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

Division 2 — Disciplinary action

19. Suspension or Expulsion

- (1) The committee may decide to suspend a member's membership or to expel a member from the Association if —
 - (a) the member contravenes any of these rules; or
 - (b) the member acts detrimentally to the interests of the Association.
- (2) The secretary must give the member written notice of the proposed suspension or expulsion at least 28 days before the committee meeting at which the proposal is to be considered by the committee.
- (3) The notice given to the member must state —
 - (a) when and where the committee meeting is to be held; and
 - (b) the grounds on which the proposed suspension or expulsion is based; and
 - (c) that the member, or the member's representative, may attend the meeting and will be given a reasonable opportunity to make written or oral (or both written and oral) submissions to the committee about the proposed suspension or expulsion;
- (4) At the committee meeting, the committee must —
 - (a) give the member, or the member's representative, a reasonable opportunity to make written or oral (or both written and oral) submissions to the committee about the proposed suspension or expulsion; and
 - (b) give due consideration to any submissions so made; and
 - (c) decide —
 - (i) whether or not to suspend the member's membership and, if the decision is to suspend the membership, the period of suspension; or
 - (ii) whether or not to expel the member from the Association.

- (5) A decision of the committee to suspend the member's membership or to expel the member from the Association takes immediate effect.
 - (a) In addition if the member is expelled the member is not entitled to a refund, rebate, relief or credit for membership fees paid, or payable, to the Association.
- (6) The committee must give the member written notice of the committee's decision, and the reasons for the decision, within 7 days after the committee meeting at which the decision is made.
- (7) A member whose membership is suspended or who is expelled from the Association may, within 14 days after receiving notice of the Committee's decision under sub-rule (6), give written notice to the secretary requesting the appointment of a mediator under rule 23.
- (8) If notice is given under sub-rule (7), the member who gives the notice and the committee are the parties to the mediation.

Guidance Note – Suspension or expulsion of a Member - Once the committee has decided to suspend or expel a member under rule 19(5) the member is immediately suspended or expelled.

20. Consequences of Suspension

- (2) During the period a member's membership is suspended, the member —
 - (a) loses any rights (including voting rights) arising as a result of membership; and
 - (b) is not entitled to a refund, rebate, relief or credit for membership fees paid, or payable, to the Association.
- (3) When a member's membership is suspended, the secretary must record in the register of members —
 - (a) that the member's membership is suspended; and
 - (b) the date on which the suspension takes effect; and
 - (c) the period of the suspension.
- (4) When the period of the suspension ends, the secretary must record in the register of members that the member's membership is no longer suspended.

Division 3 — Resolving Disputes

21. Terms used

In this Division —

Grievance procedure means the procedures set out in this Division;

Party to a dispute includes a person —

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

Guidance Note - Resolving disputes

- For the purposes of rules 17 and 18, the term **this Division** relates to rules 19 – 21.

22. Application of Division

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

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

23. Parties to attempt to resolve Dispute

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

24. How Grievance Procedure is started

- (1) If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 19, any party to the dispute may start the grievance procedure by giving written notice to the NSCCRA secretary of —
 - (a) the parties to the dispute; and
 - (b) the matters that are the subject of the dispute.
- (2) Within **28 days** after the secretary is given the notice, a committee meeting must be convened to consider and determine the dispute.
- (3) The secretary must give each party to the dispute written notice of the committee meeting at which the dispute is to be considered and determined at **least 7 days** before the meeting is held.
- (4) The notice given to each party to the dispute must state —
 - (a) when and where the committee meeting is to be held; and
 - (b) that the party, or the party's representative, may attend the meeting and will be given a reasonable opportunity to make written or oral (or both written and oral) submissions to the committee about the dispute.
- (5) If —
 - (a) the dispute is between one or more members and the Association; and
 - (b) any party to the dispute gives written notice to the NSCCRA secretary stating that the party —
 - (i) does not agree to the dispute being determined by the committee; and
 - (ii) requests the appointment of a mediator under rule 23,

The committee must not determine the dispute.

25. Determination of Dispute by Committee

- (1) At the committee meeting at which a dispute is to be considered and determined, the committee must —
 - (a) give each party to the dispute, or the party's representative, a reasonable opportunity to make written or oral (or both written and oral) submissions to the committee about the dispute; and
 - (b) give due consideration to any submissions so made; and
 - (c) determine the dispute.
- (2) The committee must give each party to the dispute written notice of the committee's determination, and the reasons for the determination, **within 7 days** after the committee meeting at which the determination is made.
- (3) A party to the dispute may, within 14 days after receiving notice of the committee's determination under sub-rule (1)(c), give written notice to the secretary requesting the appointment of a mediator under rule 23.
- (4) If notice is given under sub-rule (3), each party to the dispute is a party to the mediation.

Division 4 — Mediation

Guidance Note - Mediation

- For the purposes of rule 22, the term **this Division** relates to rules 22-25.

26. Application of Division

- (1) This Division applies if written notice has been given to the Secretary requesting the appointment of a mediator —
 - (a) by a member under rule 15(7); or
 - (b) by a party to a dispute under rule 20(5)(b)(ii) or 21(3).
- (2) If this Division applies, a mediator must be chosen or appointed under rule 23.

27. Appointment of Mediator

- (1) The mediator must be a person chosen —
 - (a) if the appointment of a mediator was requested by a member under rule 15(7) — by agreement between the Member and the committee; or
 - (b) if the appointment of a mediator was requested by a party to a dispute under rule 20(5)(b)(ii) or 21(3) — by agreement between the parties to the dispute.
- (2) If there is no agreement for the purposes of sub-rule (1)(a) or (b), then, subject to sub-rules (3) and (4), the committee must appoint the mediator.
- (3) The person appointed as mediator by the committee must be a person who acts as a mediator for another not-for-profit body, such as a community legal centre, if the appointment of a mediator was requested by —
 - (a) a member under rule 15(7); or
 - (b) a party to a dispute under rule 20(5)(b)(ii); or
 - (c) a party to a dispute under rule 21(3) and the dispute is between one or more members and the Association.
- (4) The person appointed as mediator by the committee may be a member or former member of the Association but must not —
 - (a) have a personal interest in the matter that is the subject of the mediation; or
 - (b) be biased in favour of or against any party to the mediation.

28. Mediation Process

- (1) The parties to the mediation must attempt in good faith to settle the matter that is the subject of the mediation.
- (2) Each party to the mediation must give the mediator a written statement of the issues that need to be considered at the mediation at least 5 days before the mediation takes place.
- (3) In conducting the mediation, the mediator must —
 - (a) give each party to the mediation every opportunity to be heard; and
 - (b) allow each party to the mediation to give due consideration to any written statement given by another party; and
 - (c) ensure that natural justice is given to the parties to the mediation throughout the mediation process.

- (4) The mediator cannot determine the matter that is the subject of the mediation.
- (5) The mediation must be confidential, and any information given at the mediation cannot be used in any other proceedings that take place in relation to the matter that is the subject of the mediation.
- (6) The **costs** of the mediation are to be **paid by the party or parties** to the mediation that requested the appointment of the mediator.

Note for this rule:

Section 182(1) of the Act provides that an application may be made to the State Administrative Tribunal to have a dispute determined if the dispute has not been resolved under the procedure provided for in the incorporated association's rules.

29.If Mediation results in decision to Suspend or Expel being revoked

If —

- (a) mediation takes place because a member whose membership is suspended or who is expelled from the Association gives notice under rule 15(7); and
- (b) as the result of the mediation, the decision to suspend the member's membership or expel the member is revoked,

that revocation does not affect the validity of any decision made at a committee meeting or general meeting during the period of suspension or expulsion.

PART 5 — COMMITTEE

Division 1 — Powers of Committee

30.Committee

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

Division 2 — Composition of Committee and Duties of Committee Members

31.Committee Members

- (1) The committee members consist of —
 - (a) the office holders of NSCCRA; and
 - (b) at least six Ordinary committee members.
- (2) The committee can determine as necessary the maximum number of members who may be ordinary committee members.

- (3) The following are the office holders of the Association —
- (a) the President;
 - (b) the Vice President;
 - (c) the Secretary;
 - (d) the Treasurer.
- (4) A person may be a committee member if the person is —
- (a) an individual who has reached 18 years of age; and
 - (b) an ordinary member.
 - (c) Is an employee of the Association
- (5) A person **must not hold 2 or more of the offices** mentioned in sub-rule (3) at the same time.

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

- *Under section 39 of the Act the following persons must not, without leave of the Commissioner, accept an appointment or act as a member of a management committee of an association:*
 - *a person who is, according to the Interpretation Act 1984 section 13D, a bankrupt or person whose affairs are under insolvency laws;*
 - *a person who has been convicted, within or outside the State, of-*
 - *an indictable offence in relation to the promotion, formation or management of a body corporate; or*
 - *an offence involving fraud or dishonesty punishable by imprisonment for a period of not less than three months; or*
 - *an offence under Part 4 Division 3 or section 127 of the Act*
- Section 39 only applies to a person who has been convicted of the above offences only for a period of 5 years from the time of the person's conviction, or if the conviction results in a term of imprisonment, from the time of the person's release from custody.*

Act Requirements - Duties of Committee Members and Officers

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

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

(b) cause detriment to the Association.

- Under section 47 a person who obtains information because the person is, or has been, an officer of an association must not improperly use the information to-

(a) gain an advantage for the person or another person; or

(b) cause detriment to the Association.

32. President

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

33. Secretary

The Secretary has the following **duties** —

- (a) dealing with the Association's correspondence;
- (b) consulting with the President regarding the business to be conducted at each committee meeting and general meeting;
- (c) preparing the notices required for meetings and for the business to be conducted at meetings;
- (d) unless another member is authorised by the committee to do so, maintaining on behalf of the Association the register of members, and recording in the register any changes in the membership, as required under section 53(1) of the Act;
- (e) maintaining on behalf of the Association an up-to-date copy of these rules, as required under section 35(1) of the Act;
- (f) unless another member is authorised by the committee to do so, maintaining on behalf of the Association a record of committee members and other persons authorised to act on behalf of the Association, as required under section 58(2) of the Act;
- (g) ensuring the safe custody of the books of the Association, other than the financial records, financial statements and financial reports, as applicable to the Association;
- (h) maintaining full and accurate minutes of committee meetings and general meetings;
- (i) carrying out any other duty given to the secretary under these rules or by the committee.

Guidance note – Record of Office Holders - detailed information about what must be included in the record of office holders is included under rule 68.

34. Treasurer

The treasurer has the following **duties** —

- (a) ensuring that any amounts payable to the Association are collected and issuing receipts for those amounts in the Association's name;

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

Division 3 — Election of Committee Members and Tenure of Office

35. How members become Committee Members

A member becomes a committee member if the member —

- (a) is elected to the committee at an Annual General Meeting; or
- (b) is appointed to the committee by the committee to fill a casual vacancy under rule 38.

36. Nomination of Committee Members

- (1) At least 42 days before an annual general meeting, NSCCRA Secretary must send written notice to all the members —
 - (a) calling for nominations for election to the committee; and
 - (b) stating the date by which nominations must be received by the Secretary to comply with sub-rule (2).
- (2) A member who wishes to be considered for election to the committee at the annual general meeting must be nominated for election by sending written notice of the nomination to the NSCCRA Secretary at least 28 days before the annual general meeting.
- (3) The written notice must include a statement/nomination by another member in support of the nomination who has been a member of NSCCRA for a minimum of 12 months.
- (4) A member may be nominated for one specified position of office holder of the Association or to be an ordinary committee member.
- (5) A member whose nomination does not comply with this rule is not eligible for election to the committee unless the member is nominated under rule 37(2) or 38(2)(b).

37. Election of Office Holders

- (1) At the annual general meeting, a separate election will be held for each position of office holder of the Association.
- (2) If there is no nomination for a position, the chairperson of the meeting may call for nominations from the ordinary members at the meeting.
- (3) If only one member has nominated for a position, the President or agreed chairperson of the meeting shall declare the Member elected to the position.
- (4) If more than one member has nominated for a position, the ordinary members at the meeting shall vote in accordance with the procedure as determined by NSCCRA committee on number of votes as to decide who is to be elected to the position.
- (5) Each ordinary member present at the meeting may vote for one member who has nominated for the position.
- (6) A member who has nominated for the position may vote for himself or herself.
- (7) On the member's election, the new President of the Association may take over as the chairperson of the meeting.

38. Election of Ordinary Committee Members

- (1) At the annual general meeting, the Association will decide by resolution the six ordinary committee members (if any) to hold office for the next year.
- (2) If the number of members nominating for the position of ordinary committee member is not greater than the number to be elected, the chairperson of the meeting —
 - (a) must declare each of those members to be elected to the position; and
 - (b) may call for further nominations from the ordinary members at the meeting to fill any positions remaining unfilled after the elections under paragraph (a).
 - (c) The outgoing President will automatically be nominated and unless objected to by members be elected to the committee in addition to ordinary committee members
- (3) If —
 - (a) the number of members nominating for the position of ordinary committee member is greater than the number to be elected; or
 - (b) the number of members nominating under sub-rule (2)(b) is greater than the number of positions remaining unfilled,

the ordinary members at the meeting will vote in accordance with procedure as determined by the NSCCRA committee by number of votes per individual nomination as to decide the members who are to be elected to the position of ordinary committee member.

- (4) A member who has nominated for the position of ordinary committee member may vote in accordance with that nomination.

39. Term of Office

- (1) The term of office of a committee member begins when the member —
 - (a) is elected at an annual general meeting or under sub-rule 36(3)(b); or
 - (b) is appointed to fill a casual vacancy under rule 42.
- (2) Subject to rule 37, a committee member holds office until the positions on the committee are declared vacant at the next annual general meeting.
- (3) A committee member may be re-elected.

Guidance Note – Committee members upon incorporation - *The committee members appointed on incorporation of the association will hold office until the conclusion of the first annual general meeting of the association and will be eligible for re-election.*

40. Resignation and Removal from Office

- (1) A committee member may resign from the committee by written notice given to the NSCCRA Secretary or, if the resigning member is the secretary, given to the President.
- (2) The resignation takes effect —
 - (a) when the notice is received by the Secretary or president; or
 - (b) if a later time is stated in the notice, at the later time.
- (3) At a general meeting, the Association may by resolution —
 - (a) remove a committee member from office; and
 - (b) elect a member who is eligible under rule 27(4) to fill the vacant position.
- (4) A committee member who is the subject of a proposed resolution under sub-rule (3)(a) may make written representations (of a reasonable length) to the Secretary or President and may ask that the representations be provided to the members.
- (5) The Secretary or President may give a copy of the representations to each member or, if they are not so given, the committee member may require them to be read out at the general meeting at which the resolution is to be considered.

41. When Membership of Committee ceases

- A person ceases to be a committee member if the person —
- (a) dies or otherwise ceases to be a member; or
 - (b) resigns from the committee or is removed from office under rule 36; or
 - (c) becomes ineligible to accept an appointment or act as a committee member under section 39 of the Act;
 - (d) becomes permanently unable to act as a committee member because of a mental or physical disability; or
 - (e) fails to attend 3 consecutive Committee meetings, of which the person has been given notice, without having notified the Committee that the person will be unable to attend.

Note for this rule:

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

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

42. Filling casual vacancies of Committee

- (1) The NSCCRA committee may appoint a member who is eligible under rule 31(4) to fill a position on the committee that —
 - (a) has become vacant under rule 41; or

- (b) was not filled by election at the most recent annual general meeting or under rule 40(3)(b).
- (2) If the position of NSCCRA Secretary becomes vacant, the committee must appoint a member who is eligible under rule 31(4) to fill the position within 14 days after the vacancy arises.
- (3) Subject to the requirement for a quorum under rule 49, the committee may continue to act despite any vacancy in its membership.
- (4) If there are fewer committee members than required for a quorum under rule 49, the committee may act only for the purpose of —
 - (a) appointing committee members under this rule; or
 - (b) convening a general meeting.

43. Validity of Acts by Committee

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

44. Payments to Committee Members

- (1) In this rule —
 - Committee member** includes a member of a sub-committee;
 - Committee meeting** includes a meeting of a sub-committee.
- (2) A committee member is entitled to be paid out of the funds of the Association for any out-of-pocket expenses for travel and accommodation properly incurred —
 - (a) in attending a committee meeting or
 - (b) in attending a general meeting; or
 - (c) otherwise in connection with the Association's business
 - (d) Approved and validated by both the President and Secretary.

Division 4 — Committee meetings

45. Committee meetings

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

46. Notice of Committee meetings

- (1) Notice of each committee meeting must be given to each committee member at least 48 hours before the time of the meeting.
- (2) The notice must state the date, time and place of the meeting and must describe the general nature of the business to be conducted at the meeting.

- (3) Unless sub-rule (4) applies, the only business that may be conducted at the meeting is the business described in the notice.
- (4) Urgent business that has not been described in the notice may be conducted at the meeting if the committee members at the meeting unanimously agree to treat that business as urgent.

47. Procedure and Order of Business

- (1) The President or, in their absence, the deputy-President must preside as chairperson of each committee meeting.
- (2) If the President and deputy President are absent or are unwilling to act as chairperson of a meeting, the committee members at the meeting must choose one of them to act as chairperson of the meeting.
- (3) The procedure to be followed at a committee meeting must be determined from time to time by the committee.
- (4) The order of business at a committee meeting may be determined by the committee members at the meeting.
- (5) A member or other person who is not a committee member may attend a committee meeting if invited to do so by the committee.
- (6) A person invited under sub-rule (5) to attend a committee meeting —
 - (a) has no right to any agenda, minutes or other document circulated at the meeting; and
 - (b) must not comment about any matter discussed at the meeting unless invited by the committee to do so; and
 - (c) Cannot vote on any matter that is to be decided at the meeting.

Act Requirements -Material Personal Interests of Committee Members

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

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

48. Use of Technology to be present at Committee Meetings

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

49. Quorum for Committee Meetings

- (1) Subject to rule 49(4), no business is to be conducted at a committee meeting unless a quorum is present.
- (2) If a quorum is not present within 30 minutes after the notified commencement time of a committee meeting —
 - (a) in the case of a special meeting — the meeting lapses; or
 - (b) otherwise, the meeting is adjourned to the same time, day and place in the following week.
- (3) If —
 - (a) a quorum is not present within 30 minutes after the commencement time of a committee meeting held under sub-rule (2)(b); and
 - (b) at least 5 committee members are present at the meeting, then those members present are taken to constitute a quorum.

Note for this rule:

If these model rules are adopted, the quorum for a committee meeting is as notified to the Commissioner under section 7(4)(d) or 29(5)(d) of the Act.

50. Voting at Committee Meetings

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

51. Minutes of Committee Meetings

- (1) The committee must ensure that minutes are taken and kept of each committee meeting.
- (2) The minutes must record the following —
 - (a) the names of the committee members present at the meeting;
 - (b) the name of any person attending the meeting under rule 47(5);
 - (c) the business considered at the meeting;
 - (d) any motion on which a vote is taken at the meeting and the result of the vote.
- (3) The minutes of a committee meeting must be entered in the Association's minute book within 30 days after the meeting is held.
- (4) The President will ensure that the minutes of a committee meeting are reviewed and signed as correct by —
 - (a) the President or chairperson of the meeting; or
 - (b) the President or chairperson of the next committee meeting.
- (5) When the minutes of a committee meeting have been signed as correct they are, until the contrary is proved, evidence that —
 - (a) the meeting to which the minutes relate was duly convened and held; and
 - (b) the matters recorded as having taken place at the meeting took place as recorded; and
 - (c) any appointment purportedly made at the meeting was validly made.

Note for this rule:

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

Division 5 — Subcommittees and Subsidiary Offices

52. Subcommittees and Subsidiary Offices

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

53. Delegation to Subcommittees and holders of Subsidiary Offices

- (1) In this rule —

Non-delegable duty means a duty imposed on the committee by the Act or another written law.

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

PART 6 — GENERAL MEETINGS OF ASSOCIATION

54. Annual General Meeting [AGM]

- (1) The committee will determine the date, time and place of the annual general meeting within 3 months of the completion of the financial year.
- (2) If it is proposed to hold the annual general meeting more than 6 months after the end of the Association's financial year, the NSCCRA Secretary will apply to the Commissioner for permission under section 50(3)(b) of the Act within 4 months after the end of the financial year.
- (3) The ordinary business of the annual general meeting will be as follows —
 - (a) to confirm the minutes of the previous annual general meeting and of any special general meeting held since then if the minutes of that meeting have not yet been confirmed;
 - (b) to receive and consider —
 - (i) the committee's annual report on the Association's activities during the preceding financial year; and
 - (ii) if the Association remains a tier 1 association, the financial statements of the Association for the preceding financial year presented under Part 5 of the Act; and
 - (iii) if the Association is becomes a tier 2 association, the financial report of the Association for the preceding financial year presented under Part 5 of the Act;
 - (iv) if required to be presented for consideration under Part 5 of the Act, a copy of the report of the review or auditor's report on the financial statements or financial report;
 - (c) to elect the office holders of the Association and other committee members;
 - (d) if applicable, to appoint or remove a reviewer or auditor of the Association in accordance with the Act;
 - (e) to confirm or vary the membership fees, subscriptions and other amounts (if any) to be paid by members.

- (4) Any other business of which notice has been given in accordance with these rules may be conducted at the annual general meeting.

Note for this rule:

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

55. Special General Meetings

- (1) The NSCCRA Committee may convene a Special General Meeting.
- (2) The committee must convene a special general meeting if at least 20% of the members require a special general meeting to be convened.
- (3) The members requiring a special general meeting to be convened must —
 - (a) make the requirement by written notice given to the NSCCRA Secretary; and
 - (b) state in the notice the business to be considered at the meeting; and
 - (c) each sign the notice.
- (4) The special general meeting must be convened within 28 days after notice is given under sub-rule (3)(a).
- (5) If the committee does not convene a special general meeting within that 28 day period, the members making the requirement (or any of them) may convene the special general meeting.
- (6) A special general meeting convened by members under sub-rule (5) —
 - (a) must be held within 3 months after the date the original requirement was made; and
 - (b) may only consider the business stated in the notice by which the requirement was made.
- (7) The Association must reimburse any reasonable expenses incurred by the members convening a special general meeting under sub-rule (5).

56. Notice of General Meetings

- (1) The NSCCRA Secretary or, in the case of a Special General Meeting convened under rule 55(5), the members convening the meeting, must give to each member —
 - (a) at least 21 days' notice of a general meeting if a special resolution is to be proposed at the meeting; or
 - (b) at least 14 days' notice of a general meeting in any other case.
- (2) The notice must —
 - (a) specify the date, time and place of the meeting; and
 - (b) indicate the general nature of each item of business to be considered at the meeting; and
 - (c) if the meeting is the AGM, include the names of the members who have nominated for election to the committee under rule 36(2); and
 - (d) if a special resolution is proposed —
 - (i) set out the wording of the proposed resolution as required by section 51(4) of the Act; and
 - (ii) state that the resolution is intended to be proposed as a special resolution; and

- (iii) comply with rule 57(7).

Note for this paragraph:

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

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

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

57. Proxies

- (1) Subject to sub-rule (2), an ordinary member may appoint an individual who is an ordinary member as his or her proxy to vote and speak on his or her behalf at a general meeting.
- (2) An ordinary member may be appointed the proxy for not more than 5 other members.
- (3) The appointment of a proxy must be in writing and signed by the member making the appointment.
- (4) The member appointing the proxy may give specific directions as to how the proxy is to vote on his or her behalf.
- (5) If no instructions are given to the proxy, the proxy may vote on behalf of the member in any matter as the proxy sees fit.
- (6) If the committee has approved a form for the appointment of a proxy, the member may use that form or any other form —
 - (a) that clearly identifies the person appointed as the member's proxy; and
 - (b) that has been signed by the member.
- (7) Notice of a general meeting given to an ordinary member under rule 56 must —
 - (a) state that the member may appoint an individual who is an ordinary member as a proxy for the meeting; and
 - (b) include a copy of any form that the committee has approved for the appointment of a proxy.
- (8) A form appointing a proxy must be given to the NSCCRA Secretary before the commencement of the general meeting for which the proxy is appointed.
- (9) A form appointing a proxy sent by post or electronically is of no effect unless it is received by the Association not later than **24 hours** before the commencement of the meeting.

58. Use of Technology to be present at General Meetings

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

59. Presiding Member and Quorum for General Meetings

- (1) The President or, in their absence, the Vice-President must preside as chairperson of each general meeting.
- (2) If the President or Vice-President are absent or are unwilling to act as chairperson of a general meeting, the committee members at the meeting will choose one of them to act as chairperson of the meeting.
- (3) No business is to be conducted at a general meeting unless a quorum is present.
- (4) If a quorum is not present within 30 minutes after the notified commencement time of a general meeting —
 - (a) in the case of a Special General Meeting — the meeting lapses; or
 - (b) in the case of the Annual General Meeting — the meeting is adjourned to —
 - (i) the same time and day in the following week; and
 - (ii) the same place, unless the President or agreed chairperson specifies another place at the time of the adjournment or written notice of another place is given to the members before the day to which the meeting is adjourned.
- (5) If —
 - (a) a quorum is not present within 30 minutes after the commencement time of an AGM held under sub-rule (4)(b); and
 - (b) at least 15 ordinary members are present at the meeting,

Those Ordinary members present are taken to constitute a quorum.

Note for this rule:

If these model rules are adopted, the quorum for a general meeting is as notified to the Commissioner under section 7(4)(c) or 29(5)(c) of the Act.

60. 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 the ordinary members present at the meeting, adjourn the meeting to another time at the same place or at another place.
- (2) Without limiting sub-rule (1), a meeting may be adjourned —
 - (a) if there is insufficient time to deal with the business at hand; or
 - (b) to give the members more time to consider an item of business.
- (3) No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- (4) Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 56.

61. Voting at General Meeting

- (1) On any question arising at a general meeting —

- (a) subject to sub-rule (6), each ordinary member has one vote unless the member may also vote on behalf of a body corporate under sub-rule (2); and
 - (b) Ordinary members may vote personally or by proxy.
- (2) An ordinary member that is a body corporate may, in writing, appoint an individual, whether or not the individual is a member, to vote on behalf of the body corporate on any question at a particular general meeting or at any general meeting, as specified in the document by which the appointment is made.
- (3) A copy of the document by which the appointment is made must be given to the NSCCRA Secretary before any general meeting to which the appointment applies.
- (4) The appointment has effect until —
- (a) the end of any general meeting to which the appointment applies; or
 - (b) the appointment is revoked by the body corporate and written notice of the revocation is given to the secretary.
- (5) Except in the case of a special resolution, a motion is carried if a majority of the ordinary members present at a general meeting vote in favour of the motion.
- (6) If votes are divided equally on a question, the President or agreed chairperson of the meeting has a second or casting vote.
- (7) If the question is whether or not to confirm the minutes of a previous general meeting, only members who were present at that meeting may vote.
- (8) For a person to be eligible to vote at a general meeting as an ordinary member, or on behalf of an ordinary member that is a body corporate under sub-rule (2), the ordinary member —
- (a) must have been an ordinary member at the time notice of the meeting was given under rule 56; and
 - (b) must have paid any fee or other money payable to the Association by the member.
 - (c) Been a member for 12 months prior to the date of the meeting

62. When Special Resolutions are required

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

Note for this rule:

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

- (a) to adopt these model rules (section 29(1));
- (b) to alter its rules, including changing the name of the association (section 30(1));
- (c) to decide to apply for registration or incorporation as a prescribed body corporate (section 93(1));
- (d) to approve the terms of an amalgamation with one or more other incorporated associations (section 102(4));
- (e) to be wound up voluntarily (section 121(2)) or by the Supreme Court (section 124(a) and Schedule 4 item 9);
- (f) to cancel its incorporation (section 129).

63. Determining whether Resolution carried

- (1) In this rule —

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

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

64. Minutes of General Meeting

- (1) The NSCCRA Secretary, or a person authorised by the committee from time to time, must take and keep minutes of each general meeting.
- (2) The minutes must record the business considered at the meeting, any resolution on which a vote is taken and the result of the vote.
- (3) In addition, the minutes of each annual general meeting must record —
- (a) the names of the ordinary members attending the meeting; and
 - (b) any proxy forms given to the chairperson of the meeting under rule 57(8); and
 - (c) the financial statements or financial report presented at the meeting, as referred to in rule 54(3)(b)(ii) or (iii); and
 - (d) any report of the review or auditor's report on the financial statements or financial report presented at the meeting, as referred to in rule 54(3)(b)(iv).
- (4) The minutes of a general meeting must be entered in the Association's minute book within 30 days after the meeting is held.
- (5) The President or agreed chairperson must ensure that the minutes of a general meeting are reviewed and signed as correct by —

- (a) the President or agreed chairperson of the meeting; or
 - (b) the President or agreed chairperson of the next general meeting.
- (6) When the minutes of a general meeting have been signed as correct they are, in the absence of evidence to the contrary, taken to be proof that —
- (a) the meeting to which the minutes relate was duly convened and held; and
 - (b) the matters recorded as having taken place at the meeting took place as recorded; and
 - (c) any election or appointment purportedly made at the meeting was validly made.

PART 7 — FINANCIAL MATTERS

65. Source of Funds

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

66. Control of Funds

- (1) NSCCRA will operate all accounts in the name of the Association with an agreed financial institution from which all expenditure of the Association is made and into which all funds received by the Association are deposited.
- (2) Subject to any restrictions imposed at a general meeting, the NSCCRA Committee may approve expenditure on behalf of the Association.
- (3) The NSCCRA Committee will authorise the NSCCRA Treasurer to expend funds on behalf of the Association up to a specified limit of Five Thousand Dollars without the noted approval from the NSCCRA Committee for each item on which the funds are expended.
- (4) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments of the Association must be signed by —
 - (a) Two Committee members; or
 - (b) One committee member and a person authorised by the NSCCRA Committee.
- (5) All funds of the Association must be deposited into the Association's account within 5 working days after their receipt.

67. Financial Statements and Financial Reports

- (1) For each financial year, the NSCCRA Committee must ensure that the requirements imposed on the Association under Part 5 of the Act relating to all the financial statements or financial reports of the Association are met.
- (2) Without limiting sub-rule (1), those requirements include —
 - (a) if the NSCCRA remains a tier 1 association, the preparation of the financial statements; and
 - (b) if the Association becomes a tier 2 association, the preparation of the financial report; and
 - (c) if required, the review or auditing of the financial statements or financial report, as applicable; and
 - (d) the presentation to the annual general meeting of the financial statements or financial report, as applicable; and

- (e) if required, the presentation to the AGM the copy of the report of the review or auditor's report, as applicable, on the financial statements or financial report.

Notes for this rule:

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

PART 8 — GENERAL MATTERS

68. By-Laws

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

- (1) The Association may, by resolution at a general meeting, make, amend or revoke by-laws.
- (2) By-laws may —
 - (a) provide for the rights and obligations that apply to any classes of associate membership approved under rule 12(8); and
 - (b) impose restrictions on the NSCCRA Committee's powers, including the power to dispose of NSCCRA assets; and
 - (c) impose requirements relating to the financial reporting and financial accountability of the association and the auditing of the association's accounts; and
 - (d) provide for any other matter the association considers necessary or convenient to be dealt with in the by-laws.
- (3) A by-law is of no effect to the extent that it is inconsistent with the Act, the regulations or these rules.
- (4) Without limiting sub-rule (3), a by-law made for the purposes of sub-rule (2)(c) may only impose requirements on the Association that are additional to, and do not restrict, a requirement imposed on the Association under Part 5 of the Act.
- (5) At the request of a member, the Association must make a copy of the by-laws available for inspection by the member.

69. Executing Documents and Common Seal

- (1) The Association may execute a document without using a common seal if the document is signed by —
 - (a) Two committee members; or
 - (b) one committee member and a person authorised by the committee.
- (2) If the Association has a common seal —
 - (a) the name of the Association must appear in legible characters on the common seal; and

- (b) a document may only be sealed with the common seal by the authority of the committee and in the presence of —
- (i) Two committee members; or
 - (ii) one committee member and a person authorised by the committee,
- and each of them is to sign the document to attest that the document was sealed in their presence.
- (3) The NSCCRA Secretary must make a written record of each use of the common seal.
- (4) The common seal must be kept in the custody of the NSCCRA Secretary or another committee member authorised by the committee.

70. Giving Notices to Members

- (1) In this rule —

Recorded means recorded in the register of members.

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

71. Custody of Books and Securities

- (1) Subject to sub-rule (2), the books and any securities of the Association must be kept in the NSCCRA Secretary's custody or under the NSCCRA Secretary's control.
- (2) The financial records and, as applicable, the financial statements or financial reports of the Association must be kept in the NSCCRA Treasurer's custody or under the NSCCRA Treasurer's control.
- (3) Sub-rules (1) and (2) have effect except as otherwise decided by the NSCCRA Committee.
- (4) The books of the Association will be retained for at least and no less than 7 years.

72. Record of Office Holders

Act Requirements – Record of office holders

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

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

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

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

Note for this rule

Section 58 of the Act —

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

73. Inspection of Records and Documents

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

Note for this sub-rule:

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

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

Note for this sub-rule:

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

74. Publication by NSCCRA Committee Members of statements about the Association business prohibited

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

- (a) the committee member has been authorised to do so at a committee meeting; and

- (b) the authority given to the committee member has been recorded in the minutes of the committee meeting at which it was given.

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

Act Requirements – Distribution of surplus property

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

- *an incorporated association;*
- *a company limited by guarantee that is registered as mentioned in the Corporations Act section 150;*
- *a company holding a licence that continues in force under the Corporations Act section 151;*
- *a body corporate that at the time of the distribution is the holder of a licence under the Charitable Collections Act 1946;*
- *a body corporate that —*
 - *is a member or former member of the incorporated association; and*
 - *at the time of the distribution of surplus property, has rules that prevent the distribution of property to its members;*
- *a trustee for a body corporate referred to in paragraph (e);*
- *a co-operative registered under the Co-operatives Act 2009 that, at the time of the distribution of surplus property, is a non-distributing co-operative as defined in that Act.*

- (1) In this rule —

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

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

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

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

Note for this rule:

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

76. Alteration of rules

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

As soon as is practical after the making of any proposal for a change to the constitution or rules of the club, the Secretary shall provide to the Director of Liquor Licensing, certified particulars of the change proposed. No effect will be given to the change without prior approval of the Director.

Note for this rule:

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

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

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