

# DRAFT CONSTITUTION FOR PNG INTERNET EXCHANGE ASSOCIATION

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# RULES

## PART I - PRELIMINARY

### 1. NAME

Papua New Guinea Internet Exchange (PNGIX) Association

[The name of the Association is the name as stated in the application to incorporate the association submitted to the Registrar of Companies or any other name adopted by the association and approved by the Registrar of Companies.]

### 2. OBJECTS AND PURPOSES

The objects and purposes of the Association are:

- (1) Promotes, upholds and or reviews the PNG Neutral IX Charter
- (2) Own and have strategic oversight of the PNG Neutral IX
- (3) Provide advice for and or manage daily operations of the PNG Neutral IX
- (4) Take on Members and manage the Membership
- (5) Represent the Membership at relevant forums, negotiations or transactions of or for the PNG Neutral IX

### 3. INTERPRETATION

- 3.1 In these Rules, except in so far as the context or subject-matter otherwise indicates or requires:

"association" means the association incorporated under the Act referred to in Rule 1.

"IX" means Internet Exchange

"Nuetral"

"Natural Person"

"ordinary member" means a member of the committee who is not an office-bearer of the Association as referred to in Rule 15.2.

"secretary" means:

- (a) the person holding office under the Rules as a secretary of the Association; or
- (b) where no such person holds that office, the public officer of the Association.

"special general meeting" means a general meeting of the Association other than an annual general meeting.

"the Act" means the Associations Incorporation Act (Chapter No. 142).

"the Regulation" means the Associations Incorporation Regulation made under the Act.

May add other interpretations as necessary

- 3.2 The provisions of the Interpretation Act apply to and in respect of these Rules in the same manner as those provisions would so apply if these Rules were an instrument made under the Act.

## PART 2 - MEMBERSHIP

### 4 VOLUNTARY MEMBERSHIP

Membership to the Association is on voluntary basis and a natural person or corporation may join and or resign its membership subject to Clause 5 and Clause 6.

### 5. MEMBERSHIP QUALIFICATIONS

A natural person or corporation is qualified to be a member of the Association who:

- (a) signs-up to the PNG Neutral IX Charter (Appendix X); and or
- (b) has the ability to make a connection to the IX.

### ~~5. NOMINATION FOR MEMBERSHIP~~

~~5.1 A nomination of a person for membership of the Association:~~

~~(a) shall be made in writing by a member of the Association and seconded by a member of the association in the form set out in Appendix 1 to these Rules; and~~

~~(b) shall be lodged with the secretary of the Association.~~

~~5.2 As soon as practicable after receiving a nomination for membership, the secretary shall refer the nomination to the committee which shall determine whether to approve or to reject the nomination.~~

~~5.3 Where the committee determines to approve a nomination for membership, the secretary shall, as soon as practicable after that determination, notify the nominee of that approval and request the nominee to pay within the period of one month after receipt by the nominee of the notification the sum payable under these Rules by a member as entrance fee and annual subscription.~~

~~5.4 The secretary shall, on payment by the nominee of the amounts referred to in Clause 5.3 within the period referred to in that clause, enter the nominee's name in the register of members and upon the name being so entered, the nominee becomes a member of the Association.]~~

### 6. CESSATION OF MEMBERSHIP

6.1 A natural person or corporation ceases to be a member of the Association if the person or corporation:

- (a) dies or is deregistered;
- (b) resigns that membership; or
- (c) is expelled from the Association.??

### **Maintaining a legal minimum number of Members**

6.2 In such an event of Cessation of Membership, the member that has a connection to the IXP shall have their connection severed.

## **7. MEMBERSHIP ENTITLEMENTS NOT TRANSFERABLE (ok)**

A right, privilege or obligation which a person has by reason of being a member of the Association:

- (a) is not capable of being transferred or transmitted to another person; and
- (b) terminates upon cessation of the person's membership.

## **8. RESIGNATION OF MEMBERSHIP (ok)**

8.1 A member of the Association is not entitled to resign that membership except in accordance with this Rule.

8.2 A member of the Association who has paid all amounts payable by the member to the Association in respect of the member's membership may resign from membership of the Association by giving notice (being not less than 1 month or not less than such other period as the committee may determine) in writing to the secretary of the member's intention to resign and upon the expiration of the period of notice, the member ceases to be a member.

8.3 A member of the Association who has not paid all fees and subscriptions due under Rule 10.2 by the date specified in Rule 10.2(a) is deemed to have resigned one month after the date specified in Rule 10.2(a).

8.4 Where a member of the Association ceases to be a member pursuant to Clause 8.2 or 8.3, and in every other case where a member ceases to hold membership, the secretary shall make an appropriate entry in the register of members recording the date on which the member ceased to be a member.

## **9. REGISTER OF MEMBERS (ok)**

9.1 The public officer of the Association shall establish and maintain a register of members of the Association specifying the name and address of each person or entity that is a member of the Association together with the date on which the person or entity became a member.

9.2 The register of members shall be kept at the principal place of administration of the Association and shall be open for inspection, free of charge, by any member of the Association at any reasonable hour.

## **10. FEES AND SUBSCRIPTIONS (ok)**

- 10.1 A member of the Association shall, upon **admission** to membership, pay to the Association a fee **as** determined by the Committee or, where some other amount is determined from time to time by the committee, **it is** that other amount.
- 10.2 In addition to any amount payable by the member under Clause 10.1, a member of the Association shall pay to the Association an **annual membership fee** determined by the committee or, where some other amount is determined from time to time by the committee, **it is** that other amount:
- (a) except as provided by paragraph (b), before 1 March in each calendar year; or
  - (b) where the member becomes a member on or after 1 March in any calendar year, upon becoming a member and before 1 March in each succeeding calendar year.

## 11. MEMBERS' LIABILITIES (ok)

The liability of a member of the Association to contribute towards the payment of the debts and liabilities of the Association or the cost, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the member in respect of membership of the Association as required by Rule 10.

## 12. DISCIPLINING OF MEMBERS (ok) (big question though; is do we want to "kick" members out, or make all attempts to keep them in?)

- 12.1 Where the committee is of the opinion that a member of the Association:
- (a) has persistently refused or neglected to comply with a provision or provisions of these Rules; or
  - (b) has persistently and wilfully acted in a manner prejudicial to the interests of the Association,
- the committee may, by resolution:
- (c) **expel the member from the Association; or**
  - (d) suspend the member from ~~membership~~/service of the Association for a specified period.
- 12.2 A resolution of the committee under Clause 12.1 is of no effect unless the committee, at a meeting held not earlier than 14 days and not later than one month after service on the member of a notice under Clause 12.3, confirms the resolution in accordance with this Rule.
- 12.3 Where the committee passes a resolution under Clause 12.1, the secretary shall, as soon as practicable, cause a notice in writing to be served on the member:
- (a) setting out the resolution of the committee and the grounds on which it is based;

- (b) stating that the member may address the committee at a meeting to be held not earlier than 14 days and not later than one month after service of the notice;
- (c) stating the date, place and time of that meeting; and
- (d) informing the member that the member may do either or both of the following:
  - (i) attend and speak at that meeting;
  - (ii) submit to the committee at or prior to the date of that meeting written representations relating to the resolution.

12.4 At a meeting of the committee held as referred to in Clause 12.3, the committee shall:

- (a) give to the member an opportunity to make oral representations;
- (b) give due consideration to any written representations submitted to the committee by the member at or prior to that meeting; and
- (c) by resolution determine whether to confirm or to revoke the resolution.

12.5 Where the committee confirms a resolution under Clause 12.4, the secretary shall, within 7 days after that confirmation, by notice in writing inform the member of the fact and of the member's right of appeal under Rule 13.

12.6 A resolution confirmed by the committee under Clause 12.4 does not take effect:

- (a) until the expiration of the period within which the member is entitled to appeal against the resolution where the member does not exercise the right of appeal within that period; or
- (b) where, within that period, the member exercises the right of appeal unless and until the Association confirms the resolution pursuant to Rule 13.4.

### **13. RIGHT OF APPEAL OF DISCIPLINED MEMBER (ok) (however, time periods have to be consistent with current industry or civil practices)**

13.1 A member may appeal to the Association in general meeting against a resolution of the committee which is confirmed under Rule 12.4 within **7/3 days** after notice of the resolution is served on the member by lodging with the secretary a notice to that effect.

13.2 Upon receipt of a notice from a member under Clause 13.1, the secretary shall notify the committee which shall convene a general meeting of the Association to be held within **21 days/14** after the date on which the secretary received the notice.

13.3 At a general meeting of the Association convened under Clause 13.2:

- (a) no business other than the question of the appeal shall be transacted;

- (b) the committee and the member shall be given the opportunity to state their respective cases orally or in writing or both; and
- (c) the members present shall vote by secret ballot on the question of whether the resolution should be confirmed or revoked.

13.4 If at the general meeting the Association passes a special resolution in favour of the confirmation of the resolution, the resolution is confirmed.

### PART 3 - THE COMMITTEE

#### 14. POWERS, ETC OF THE COMMITTEE (ok)

The committee shall be called the committee of management of the Association and, subject to the Act, the Regulation, **the IXP Charter** and these Rules and to any resolution passed by the Association in general meeting:

- (a) shall control and manage the affairs of the Association;
- (b) may exercise all such functions as may be exercised by the Association other than those functions that are required by these Rules to be exercised by a general meeting of members of the Association; and
- (c) has power to perform all such acts and do all such things as **it appears** to the committee to be necessary or desirable for the proper management of the affairs of the Association.

#### 15. CONSTITUTION AND MEMBERSHIP (ok)

15.1 The committee shall consist of:

- (a) the office-bearers of the Association; and
- ~~(b) three ordinary members,~~
- (b) **ordinary members nominated from each corporation member to be their representative on the Committee,**

each of whom shall be elected at the annual general meeting of the Association pursuant to Rule 16.

15.2 The office-bearers of the Association shall be:

- (a) the president;
- (b) the vice-president;
- (c) the treasurer; and
- (d) the secretary.

15.3 Each member of the committee shall, subject to these Rules, hold office until the conclusion of the annual general meeting in the **subsequent** year following the date of the member's election, but is eligible for re-election. **(Consider sharing presidency for each term)**



15.4 In the event of a casual vacancy occurring in the membership of the committee, the committee may appoint a member of the Association to fill the vacancy and the member so appointed shall hold office, subject to these Rules, until the conclusion of the annual general meeting next following the date of the appointment.

## **16. ELECTION OF MEMBERS (ok)**

16.1 Nominations of candidates for election as office-bearers of the Association or as ordinary members of the committee:

(a) shall be made in writing, signed by **2 members** of the Association and accompanied by the written consent of the candidate (which may be endorsed on the form of nomination); and

(b) shall be delivered to the secretary of the Association not **less than 7 days** before the date fixed for the holding of the annual general meeting at which the election is to take place.

16.2 If insufficient nominations are received to fill all vacancies on the committee, the candidates nominated shall be deemed to be elected with effect from the conclusion of the annual general meeting and further nominations in respect of the unfilled vacancies shall be received at the annual general meeting.

16.3 If insufficient further nominations are received, any vacant positions remaining on the committee after the conclusion of the annual general meeting shall be deemed to be casual vacancies.

16.4 If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated shall be deemed to be elected with effect from the conclusion of the annual general meeting.

16.5 If the number of nominations received exceeds the number of vacancies to be filled, a ballot shall be held.

16.6 The ballot for the election of office-bearers and ordinary members of the committee shall be conducted at the annual general meeting in such usual and proper manner as the committee may direct.

16.7 A nomination of a candidate for election under this clause is not valid if that candidate has been nominated for election to another office at the same election.

## **17. SECRETARY (ok)**

17.1 The secretary of the Association shall, as soon as practicable after being appointed as secretary, lodge notice with the Association of his or her address.

17.2 It is the duty of the secretary to keep minutes of:

(a) all appointments of office-bearers and members of the committee;

(b) the names of members of the committee present at a committee meeting or a general meeting; and

(c) all proceedings at committee meetings and general meetings.

17.3 Minutes of proceedings at a meeting shall be signed by the chairperson of the meeting or by the chairperson of the next succeeding meeting.

## 18. TREASURER (ok)

It is the duty of the treasurer of the Association to ensure that:

(a) all money due to the Association is collected and received and that all payments authorised by the Association are made; and

(b) correct books and accounts are kept showing the financial affairs of the Association including full details of all receipts and expenditure connected with the activities of the Association.

## 19. CASUAL VACANCIES (ok)

For the purposes of these Rules, a casual vacancy in the office of a member of the committee occurs if the member:

(a) dies or is deregistered;

(b) ceases to be a member of the Association;

(c) becomes an insolvent under administration within the meaning of the Insolvency Act;

(d) resigns office by notice in writing given to the secretary;

(e) is removed from office under Rule 20;

(f) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health; or

(g) is absent without the consent of the committee from all meetings of the committee held during a period of 6 months.

## 20. REMOVAL OF MEMBER (ok)

20.1 The Association in a general meeting may by resolution remove any member of the committee from office before the expiration of the member's term of office and may by resolution appoint another person to hold office until the expiration of the term of office of the member so removed.

20.2 Where a member of the committee to whom a proposed resolution referred to in Clause 20.1 relates makes representations in writing to the secretary or president (not exceeding a reasonable length) and requests that the representations be notified to the members of the Association, the secretary or the president may send a copy of the representations to each member of the Association or, if they are not so sent, the member is entitled to require that the representations be read out at the meeting at which the resolution is considered.

## 21. MEETING AND QUORUM (ok)

- 21.1 The **committee** shall meet at **least 3 times** in each period of 12 months at such place and time as the committee may determine.
- 21.2 Additional meetings of the committee may be convened by the president or by any member of the committee.
- 21.3 Oral or written notice of a meeting of the committee shall be given by the secretary to each member of the committee at least **3 days** (or such other period as may be unanimously agreed upon by the members of the committee) before the time appointed for the holding of the meeting.
- 21.4 Notice of a meeting given under Clause 21.3 shall specify the general nature of the business to be transacted at the meeting and no business other than that business shall be transacted at the meeting except business which the committee members present at the meeting unanimously agree to treat as urgent business.
- 21.5 Any **3 members (out of 7)** of the **committee** constitute a quorum for the transaction of the business of a meeting of the committee.
- 21.6 No business shall be transacted by the committee unless a quorum is present and if within half an hour of the time appointed for the meeting a quorum is not present, the meeting stands adjourned to the same place and at the same hour of the same day in the following week.
- 21.7 If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the meeting shall be dissolved.
- 21.8 At a meeting of the committee:
- (a) the president or, in the president's absence, the vice-president shall preside; or
  - (b) if the president and the vice-president are absent or unwilling to act, such one of the remaining members of the committee, as may be chosen by the members present at the meeting, shall preside.

## **22. DELEGATION BY COMMITTEE TO SUB-COMMITTEE (ok)**

- 22.1 The committee may, by instrument in writing, delegate to one or more sub-committees (consisting of such member or members of the Association as the committee thinks fit) the exercise of such of the functions of the committee as are specified in the instrument, other than:
- (a) this power of delegation; and
  - (b) a function which is a duty imposed on the committee by the Act or by any other law.
- 22.2 A function the exercise of which has been delegated to a sub-committee under this Rule may, while the delegation remains unrevoked, be exercised from time to time by the sub-committee in accordance with the terms of the delegation.

- 22.3 A delegation under this section may be made subject to such conditions or limitations as to the exercise of any function the subject thereof, or as to time or circumstances, as may be specified in the instrument of delegation.
- 22.4 Notwithstanding any delegation under this Rule, the committee may continue to exercise any function delegated.
- 22.5 Any act or thing done or suffered by a sub-committee acting in the exercise of a delegation under this Rule has the same force and effect as it would have if it had been done or suffered by the committee.
- 22.6 The committee may, by instrument in writing, revoke wholly or in part any delegation under this Rule.
- 22.7 A sub-committee may meet and adjourn as it thinks proper.

### **23. VOTING AND DECISIONS (ok)**

- 23.1 Questions arising at a meeting of the committee or of any sub-committee appointed by the committee shall be determined by a majority of the votes of members of the committee or sub-committee present at the meeting.
- 23.2 Each member present at a meeting of the committee or of any sub-committee appointed by the committee (including the person presiding at the meeting) is entitled to one vote but, in the event of an equality of votes on any question, the person presiding may exercise a second or casting vote. (ok, but need closer review)
- 23.3 Subject to Rule 21.5, the committee may act notwithstanding any vacancy on the committee.
- 23.4 Any act or thing done or suffered, or purporting to have been done or suffered, by the committee or by a sub-committee appointed by the committee, is valid and effectual notwithstanding any defect that may afterwards be discovered in the appointment or qualification of any member of the committee or sub-committee.

## **PART 4 - GENERAL MEETINGS**

### **24. HOLDING OF ANNUAL GENERAL MEETINGS**

- 24.1 With the exception of the first annual general meeting of the Association, the Association shall, at least once in each calendar year and within the period of 6 months after the expiration of each financial year of the Association, convene an annual general meeting of its members.
- 24.2 The Association shall hold its first annual general meeting:
- (a) within the period of 18 months after its incorporation under the Act; and
  - (b) within the period of 6 months after the expiration of the first complete financial year of the Association.

**25. CALLING OF AND BUSINESS AT ANNUAL GENERAL MEETINGS (ok)**

- 25.1 The annual general meeting of the Association shall, subject to the Act and to Rule 24, be convened on such date and at such place and time as the committee thinks fit.
- 25.2 In addition to any other business which may be transacted at an annual general meeting, the business of an annual general meeting shall be:
- (a) to confirm the minutes of the last preceding annual general meeting and of any special general meeting held since that meeting;
  - (b) to receive from the committee reports upon the activities of the Association during the last preceding financial year;
  - (c) to elect office-bearers of the Association and ordinary members of the committee;
  - (d) to receive and consider the completed accounts of the Association; and
  - (e) to appoint an auditor of the Association.
- 25.3 An annual general meeting shall be specified as such in the notice convening it.

**26. CALLING OF SPECIAL GENERAL MEETINGS (ok)**

- 26.1 The committee may, whenever it thinks fit, convene a special general meeting of the Association.
- 26.2 The committee shall, on the requisition in writing of not less than 5% of the total number of members, convene a special general meeting of the Association.
- 26.3 A requisition of members for a special general meeting:
- (a) shall state the purpose or purposes of the meeting;
  - (b) shall be signed by the members making the requisitions;
  - (c) shall be lodged with the secretary; and
  - (d) may consist of several documents in a similar form, each signed by one or more of the members making the requisition.
- 26.4 If the committee fails to convene a special general meeting to be held within 1 month after the date on which a requisition of members for the meeting is lodged with the secretary, any one or more of the members who made the requisition may convene a special general meeting to be held not later than 3 months after that date.
- 26.5 A special general meeting convened by a member or members as referred to in Clause 26.4 shall be convened as nearly as is practicable

in the same manner as general meetings are convened by the committee and any member who thereby incurs expense is entitled to be reimbursed by the Association for any expense so incurred.

## 27. NOTICE (ok)

27.1 Except where the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the secretary shall, at least **14 days** before the date fixed for the holding of the general meeting, cause to be sent by **prepaid post (or email or fax??)** to each member at the member's **contact** address appearing in the register of members, a notice specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.

27.2 Where the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the secretary shall, at least **21 days** before the date fixed for the holding of the general meeting, cause notice to be sent to each member in the manner provided in Clause 27.1 specifying, in addition to the matter required under Clause 27.1, the intention to propose the resolution as a special resolution.

27.3 No business other than that specified in the notice convening a general meeting shall be transacted at the meeting except, in the case of an annual general meeting, business which may be transacted pursuant to Rule 25.2.

27.4 A member desiring to bring any business before a general meeting may give notice in writing of that business to the secretary who shall include that business in the next notice calling a general meeting given after receipt of the notice from the member.

## 28. PROCEDURE (ok)

28.1 No item of business shall be transacted at a general meeting unless a quorum of members entitled under these Rules to vote is present during the time the meeting is considering that item.

28.2 **Five members** present in person (being members entitled under these Rules to vote at a general meeting) constitute a quorum for the transaction of the business of a general meeting.

28.3 If within half an hour (**24 hours**) after the appointed time for the commencement of a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved and in any other case shall stand adjourned to the same day in the following week at the time and (unless another place is specified at the time of the adjournment by the person presiding at the meeting or communicated by written notice to members given before the day to which the meeting is adjourned) at the same place.

28.4 If at the adjourned meeting a quorum is not present within half an hour after the time appointed for the commencement of the meeting, the members present (being not less than 3) shall constitute a quorum.

## 29. PRESIDING MEMBER (ok)

29.1 The president or, in the president's absence, the vice-president, shall preside as chairperson at each general meeting of the Association.

29.2 If the president and the vice-president are absent from a general meeting or unwilling to act, the members present shall elect one of their number to preside as chairperson at the meeting.

### 30. ADJOURNMENT (ok)

30.1 The chairperson of a general meeting at which a quorum is present may, with the consent of the majority of members present at the meeting, adjourn the meeting from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

30.2 Where a general meeting is adjourned for 14 days or more, the secretary shall give written or oral notice of the adjourned meeting to each member of the Association stating the place, date and time of the meeting and the nature of the business to be transacted at the meeting.

30.3 Except as provided in Clauses 30.1 and 30.2, notice of an adjournment of a general meeting or of the business to be transacted at an adjourned meeting is not required to be given.

### 31. MAKING OF DECISIONS (ok)

31.1 A question arising at a general meeting of the Association shall be determined on a show of hands and, unless before or on the declaration of the show of hands a poll is demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or carried by a particular majority or lost, or (and) an entry to that effect in the minute book of the Association, is evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

31.2 At a general meeting of the Association, a poll may be demanded by the chairperson or by not less than 3 members present in person or by proxy at the meeting.

31.3 Where a poll is demanded at a general meeting, the poll shall be taken:

(a) immediately in the case of a poll which relates to the election of the chairperson of the meeting or to the question of an adjournment; or

(b) in any other case, in such manner and at such time before the close of the meeting as the chairperson directs, and the resolution of the poll on the matter shall be deemed to be the resolution of the meeting on that matter.

### 32. SPECIAL RESOLUTION (review again, closely)

A resolution of the Association is a special resolution if it is passed by a majority which comprises not less than **three-quarters of such members of the Association** as, being entitled under these Rules so to do, **vote in person or by proxy at a general meeting of which not less than 21 days' written notice specifying the intention to propose the resolution as a special resolution was given in accordance with these Rules.**

### **33. VOTING (ok)**

- 33.1 Upon any question arising at a general meeting of the Association, a member has one vote only.
- 33.2 All votes shall be given personally or by proxy but no member may hold more than **5 proxies**.
- 33.3 In the case of an equality of votes on a question at a general meeting, the chairperson of the meeting is entitled to exercise a second or casting vote.
- 33.4 A member or proxy is not entitled to vote at any general meeting of the Association unless all money due and payable by the member or proxy to the Association has been paid, other than the amount of the annual subscription payable in respect of the then current year.

### **34. APPOINTMENT OF PROXIES (ok)**

- 34.1 Each member shall be entitled to appoint another member as proxy by notice given to the secretary no later than 24 hours before the time of the meeting in respect of which the proxy is appointed.
- 34.2 The notice appointing the proxy shall be in the form set out in **Appendix 2** to these Rules.

### **35. RESOLUTIONS (ok)**

A resolution of the Association may not be made by postal ballot but must be made at a meeting of the Association.

## **PART 5 - MISCELLANEOUS**

### **36. SOURCE OF FUNDS (ok)**

- 36.1 The funds of the Association shall be derived from entrance fees and annual subscriptions of members, donations and, subject to any resolution passed by the Association in general meeting, such other sources as the committee determines.
- 36.2 All money received by the Association shall be deposited as soon as practicable and without deduction to the credit of the Association's bank account.
- 36.3 The Association shall, as soon as practicable after receiving any money, issue an appropriate receipt.

### **37. MANAGEMENT OF FUNDS (ok)**

- 37.1 Subject to any resolution passed by the Association in general meeting, the funds of the Association shall be used in pursuance of the objects of the Association in such manner as the committee determines.
- 37.2 All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments shall be signed by any **2** members of the committee or employees of the Association, being members or employees authorised to do so by the committee.



**38. ALTERATION OF OBJECTS AND PURPOSES AND RULES (ok)**

The objects and purposes of the association (other than those stated at Rule 2(b) and 2(c)) and these Rules may be altered, rescinded or added to only by a **special resolution of the Association**. (3/4 of membership or more must agree and not simple majority of 50% plus 1)

**39. AUDIT AND ACCOUNTS (ok)**

The financial affairs of the Association shall be audited at least once in every period of 12 months by the auditor appointed by the Annual General Meeting.

Powers and duties of the Auditor.

The Auditor shall:-

- (a) certify to the correctness of the financial statements or the profit and loss account;
- (b) have free access to all books of accounts and records of the association;
- (c) inspect and audit the accounts and records of financial transactions and draw the attention to the Committee to any irregularities;
- (d) state in his or her report in his or her opinion whether:-
  - (i) the financial statements or the profit and loss account are properly draw up so as to give a fair view of the association's financial affairs;
  - (ii) that the books of accounts and other records examined by him or her have been properly kept; and
  - (iii) that he or she has obtained all the information and explanations he or she required.

The Auditor may be removed from office by a special resolution of the association at a general meeting or at the expiration of his or her tenure of office.

**40. COMMON SEAL (ok)**

40.1 The common seal of the Association shall be kept in the custody of the public officer.

40.2 The common seal shall not be affixed to any instrument except by the authority of the committee and the affixing of the common seal shall be attested by the signatures either of 2 members of the committee or of 1 member of the committee and of the public officer or secretary.

40.3 The common seal of the Association shall:-

- (a) bear the name of the Association in full;

- (b) shall state that it is the common seal; and
- (c) subject to the Act, be in a form, size and shape as approved by the committee from time to time.

**41. CUSTODY OF BOOKS, ETC (ok, but review closely)**

Except as otherwise provided by these Rules, the **public officer** shall keep in his or her custody or under his or her control all records, books and other documents relating to the Association.

**42. INSPECTION OF BOOKS, ETC (ok) (transparency)**

The records, books and other documents of the Association shall be open to inspection, free of charge, by a member of the Association at any reasonable hour on a business day.

**43. SERVICE OF NOTICES (ok)**

43.1 For the purpose of these Rules, a notice may be served by or on behalf of the Association upon any member either personally or by sending it by post to the member at the member's address shown in the register of members.

43.2 Where a document is sent to a person by properly addressing, prepaying and posting to the person a letter containing the document, the document shall, unless the contrary is proved, be deemed for the purposes of these Rules to have been served on the person at the time at which the letter would have been delivered in the ordinary course of post.

**APPENDIX 1 (Consider further)**

(Rule 5.1)

**APPLICATION FOR MEMBERSHIP OF ASSOCIATION**

[Name of Association] Inc. (incorporated under the Associations Incorporation Act)

I,

.....  
(full name of applicant)

of

.....  
(address)

.....  
(occupation)

hereby apply to become a member of the above named incorporated Association. In the event of my admission as a member, I agree to be bound by the rules of the Association for the time being in force.

.....  
(Signature of Applicant)

Date: .....

I, ....., a member of the Association,  
(full name)

nominate the applicant, who is personally known to me, for membership of the Association.

.....  
(Signature of Proposer)

Date: .....

I, ..... a member of the Association,  
(full name)

second the nomination of the applicant, who is personally known to me, for membership of the Association.

.....  
(Signature of Secunder)

Date: .....

**APPENDIX 2 (Consider further)**

(Rule 34.2)

**FORM OF APPOINTMENT OF PROXY**

I, .....  
(full name)

of .....  
(address)

being a member of .....  
(name of incorporated Association)

hereby appoint .....  
(full name of proxy)

of .....  
(address)

being a member of that Association, as my proxy to vote for me on my behalf at the annual general meeting of the Association (annual general meeting or special general meeting, as the case may be) to be held on the ..... day of ..... 19..... and at any adjournment of that meeting.

\* My proxy is authorised to vote in favour of/against (*delete as appropriate*) the resolution (*insert details*).

\* To be inserted if desired.

.....  
Signature of member  
appointing proxy

Date: .....

NOTE: A proxy vote may not be given to a person who is not a member of the Association.