

New South Wales
Corporate Affairs Commission

No. of Company
194605-32
New South Wales
Corporate Affairs
Commission
Stamp Duty
\$6

Certificate of Incorporation
of Public Company

Companies Act, 1961 - Section 16 (3)

This is to certify that
The Australian Stock Horse Society Limited
is, on and from the twenty-eighth day of April, 1977, incorporated under the
Companies Act, 1961, and that the company is a company limited by guarantee.

Given under the seal of the Corporate Affairs Commission at Sydney, this twenty-
eighth day of April, 1977.

F.J.O. RYAN
Commissioner,
Corporate Affairs Commission,
New South Wales

**Constitution of
Australian Stock Horse Society Limited**

A.C.N. 001 440 437

Table of Contents

1.	Interpretation	2
2.	Nature of the Society	3
3.	Directors	5
4.	Election of Directors	8
5.	Management of Business by Directors.....	9
6.	Directors' Meetings (Board Meetings)	10
7.	Meetings of Members and Annual General Meeting	11
8.	Directors' and Members' Minutes	14
9.	Chief Executive Officer or General Manager and Secretary	14
10.	Members	14
11.	Horse Registration.....	17
12.	Stud Book.....	18
13.	General Register.....	18
14.	Branch	19
15.	Management Councils	20
16.	Disciplinary Action	21
17.	Accounts and Audit.....	24
18.	Winding Up.....	25
19.	Indemnity	25

Corporations Act 2001

A public company limited by guarantee

Constitution of Australian Stock Horse Society Limited

A.C.N 001 440 437

1. Interpretation

1.1. This Constitution

- (a) This Constitution contains clauses setting out the manner in which the Members of the Company (in this Constitution Company is described as "Society") have agreed to conduct the internal administration of the Society.
- (b) This Constitution takes the place of the replaceable rules contained in the Act.

1.2. Definitions

- (a) In this Constitution, unless the context otherwise requires:
 - Accounting Standards** has the meaning ascribed to it in the Act;
 - Act** means the Corporations Act 2001 or any statutory modification, amendment or re-enactment in force and any reference to any section, part or division is to that provision as so modified, amended or re-enacted;
 - ASIC** means the Australian Securities and Investments Commission;
 - Auditor** means the auditor for the time being of the Society;
 - Board** means the Board of Directors of the Society as established under clause 3.1;
 - Branch** means a branch previously formed and recognized by the Society and/or a branch to be formed in accordance with clause 14 of this Constitution;
 - Chairman and/or Chair** means the Director appointed to be Chairman pursuant to clause 3.1;
 - Chief Executive Officer** or **General Manager** means the Chief Executive Officer or General Manager appointed by the Board pursuant to clause 9 hereof and, where the context reasonably permits, shall include any Acting Chief Executive Officer or Acting General Manager or Assistant Chief Executive Officer or Assistant General Manager appointed by the Board;
 - Constitution** means this constitution and any supplementary, substituted or amended constitution being in force from time to time;
 - Corporations Regulations** means the Corporations Regulations 2001 or any statutory modification, amendment or re-enactment in force and any reference to any section, part or division is to that provision as so modified, amended or re-enacted;
 - Director** means any person formally and lawfully appointed as a director of the Society including an alternate director;
 - Directors** means all or any number of the Directors for the time being;
 - Financial Member** means an Honorary Life Member, Life Member, Honorary Member, Full Member, Youth Member, Participant Member, Subscriber Member or Member of any additional class created pursuant to clause 10 who has paid his Membership subscription (if any) and all fines, penalties and other moneys that may

from time to time be or have become payable by him pursuant to the provisions of this Constitution at the relevant date for determination whether such Member is financial or not. A certificate to that effect signed by the Chief Executive Officer or General Manager of the Society shall be conclusive proof that a Member is financial.

Financial Year means the period from 1st January to 31st December;

Guarantee means the maximum amount each Member agrees to pay to the Society in accordance with clause 2.3;

Management Council means a management council previously formed and recognised by the Society and/or a management council to be formed in accordance with clause 15 of this Constitution;

Member means a person admitted as a Member of the Society pursuant to clause 10;

Person means any natural person, a company, a partnership, a trust or any government instrumentality;

Register of Members means the register of Members to be kept by the Society pursuant to this Constitution;

Regulations means the regulations, rules and/or by-laws (if any) of the Society made in accordance with this Constitution and in force for the time being;

Secretary means any person formally and lawfully appointed as a secretary of the Society including any assistant or acting secretary or any substitute for the time being for the secretary;

Society means the Australian Stock Horse Society Limited referred to in this Constitution as Society and/or Company as the context requires; and

Subscription means the subscription fee payable by a Member pursuant to clause 10.2(d).

- (b) Words importing:
 - (i) persons include companies and corporations and vice versa;
 - (ii) the masculine gender include the feminine gender and vice versa; and
 - (iii) the singular number include the plural number and vice versa.
- (c) Division 8 of Part 1.2 (other than section 109X) of the Act applies in relation to this Constitution, so far as it is capable of application.
- (d) Sections 4 and 29, Parts III, IV, V, VII and VIII (other than sections 25A, 33 (4)(b) and 34AB(b)) of the Acts Interpretation Act 1901 apply in relation to this Constitution, so far as they are capable of application.
- (e) Unless the context otherwise requires, an expression used in this Constitution that has a particular meaning in the Act has the same meaning in this Constitution.
- (f) This Constitution is subject to the Act and where there is any inconsistency between a clause of this Constitution and the Act, the Act shall prevail to the extent of the inconsistency.

2. Nature of the Society

2.1. Public Company

The Society is a Public Company limited by guarantee.

2.2. Limitation of Society

- (a) The Society must not be operated for the purpose of the profit or gain of any Member.
- (b) The Society does not have the power to:

- (i) issue shares of any kind; or
- (ii) apply, pay or transfer, whether directly or indirectly, any portion of the income and property of the Society for the benefit of, or to a, Member, other than as provided in clauses 3.8 and 3.9.

2.3. Guarantee of Members

- (a) Each Member undertakes to contribute a maximum of \$20.00 to the Society for payment of:
 - (i) the debts and liabilities of the Society;
 - (ii) the costs, charges and expenses of any winding up; and
 - (iii) the adjustment of the rights of Members among themselves, in the event that the Society is wound up:
 - (iv) while the Member is a Member; or
 - (v) within one (1) year after the Member ceases to be a Member.

2.4. Objects, Aims & Structure of the Society

- (a) The Society shall act as the governing body for the promotion and administration of the Australian Stock Horse breed in Australia and internationally. For this purpose it has established a three tiered operation and membership structure. This structure operates at the first tier by the creation of a network of local branches; at the second tier by the creation of Management Councils each of which is comprised of delegates appointed by particular branches or in the case of the Australian Stock Horse Ladies Management Council, of delegates from the various branch ladies' committees; with the Society itself constituting the third tier. Each of the Branches and Management Councils are individually incorporated but shall each be Affiliated Licensed Members of the Society and shall operate according to the aims and objectives of and under the overall direction and control of the Society. Members of each Branch and/or Management Council must be members of the Society and the Society shall retain the right to receive membership fees paid by members. The Society shall also retain all rights in relation to members of both Branches and Management Councils as though they were solely members of the Society.
- (b)
 - (i) The income and property of the Society shall be applied solely towards the promotion of the objects of the Society and no portion shall be paid or distributed directly or indirectly to officers or members of the Society except as bona fide remuneration for services rendered.
 - (ii) For the avoidance of doubt, the Society may apply the income and property of the Society to make donations for charitable or other purposes where the Board considers such purposes to be in the promotion or furtherance of the objects of the Society.
 - (iii) Subject to clause 3.8 and 3.9, no Director shall be appointed to any salary office of the Society or any office of the Society where the Director is paid fees.
 - (iv) Notwithstanding the foregoing, the Society may pay to each member of the Board an annual fee for the discharge of the functions of such office, determined in such manner as the Board sees fit. The Society may also pay an

annual fee to the Chairman of the Board, determined in such manner as the Board sees fit.

- (v) The Society may also repay to any member of the Board expenses incurred or to be incurred by the member in discharging the functions of such office.

2.5. Scope of Powers

Provided that its capacities and powers are exercised directly or indirectly in the furtherance of its objects and this Constitution, the Society shall have the legal capacity and powers set out in section 124 of the Act.

3. Directors

3.1. Number of Directors

- (a) The Society must have ten (10) Directors to be known as the Board, unless the Society in general meeting otherwise determines.
- (b) The said ten (10) Directors shall comprise Directors as follows:
 - (i) Four (4) Directors each residing in New South Wales;
 - (ii) Two (2) Directors each residing in South Queensland;
 - (iii) Two (2) Directors residing in South Australia and/or Victoria and/or Tasmania;
 - (iv) One (1) Director residing in Northern Queensland and/or Northern Territory; and
 - (v) One (1) Director residing in Western Australia.
- (c) For the purposes of this clause 3.1(b) New South Wales shall be deemed to include the Australian Capital Territory.
- (d) The Directors shall be residents within the States/Territories they seek to represent and shall be elected by the Members within their respective States/Territories.
- (e) Notwithstanding the foregoing, a member shall be eligible to seek election to the Board in a State or Territory other than where they reside if they have been an active member of a Branch and/or Management Council within the relevant State or Territory for not less than five (5) years preceding the election. The candidate's nomination must be verified by the relevant Branch/Management Council to that effect and shall be conclusive evidence of that fact.

3.2. Chairman, Senior Vice-Chairman, Junior Vice-Chairman & Honorary Treasurer

- (a) A Chairman, Senior Vice-Chairman, Junior Vice-Chairman, Honorary Treasurer and Investigative Officer shall be elected annually by the Board from amongst the Directors present at the first Meeting of the Board after the Annual General Meeting of the Society. Nominations can be accepted in writing. The Chairman, Senior Vice-Chairman, Junior Vice-Chairman, Honorary Treasurer and Investigative Officer shall hold Office until the opening of the next Board Meeting after the Annual General Meeting.
- (b) Subject to this Constitution the functions of the Honorary Treasurer may be prescribed by the Board.
- (c) The Office of the Chairman may not be occupied by the same person for more than three (3) years in succession except in extenuating circumstances where the term may be extended for a further one (1) year.

3.3. Society may appoint a Director

- (a) Subject to section 201E of the Act, the Society may appoint a person as a Director by resolution passed in general meeting.

3.4. Directors may appoint other Directors

- (a) Notwithstanding the previous clause, the Directors may appoint a person as a Director, whether to fill a casual vacancy or to make up a quorum for a Directors' meeting, even if the total number of Directors otherwise present is not enough to make up that quorum.
- (b) If a person is appointed under clause 3.4(a) as a Director, the Society must confirm the appointment by resolution at its next annual general meeting, where the resolution will seek the appointment of that person as a Director for the balance remaining of the prior Director's three (3) year term (see clause 3.6(a)). If the appointment is not confirmed, the person ceases to be a Director at the end of the annual general meeting.

3.5. Non-eligibility of Auditor

The Auditor is ineligible to be elected or appointed as a Director or alternate Director.

3.6. Period of appointment of Directors

- (a) Each Director shall hold office for a term of three (3) years. A Director is eligible to hold office for three (3) consecutive terms, nine (9) years after which they are ineligible to hold office for one term, three (3) years. Where circumstances arise that no nominations for vacancies are received the Board shall fill the number of vacancies in accordance with clause 4.10.
- (b) Thereafter, any retiring Director, if eligible, may be reconsidered by the Society to be nominated and re-elected as a Director.

3.7. Other offices held by Directors

A Director may hold any other office or position in the Society together with the directorship on such conditions as may be agreed by the Board.

3.8. Remuneration of Directors

- (a) Notwithstanding Chapter 2E of the Act, the Directors may only be paid remuneration if a resolution is passed to that effect by the Board.
- (b) The Society may pay a Director's travelling and other expenses that the Director properly incurs:
 - (i) in attending Directors' meetings or any meetings of committees of the Directors;
 - (ii) in attending any general meeting of the Society; and
 - (iii) in connection with the Society's business
- (c) The Chairman of Directors is to be paid an emolument on an annual basis in such amount as is determined by the Board from time to time.

3.9. Remuneration of Directors for extra services

- (a) If the Board requests a Director to perform services in addition to those required by the Act or this Constitution, the Board may remunerate the Director in any manner the Board thinks fit.
- (b) Any remuneration paid as contemplated by this clause 3.9 is in addition to

remuneration paid under clause 3.8.

3.10. Director may resign

A Director may resign as a Director of the Society by giving written notice of resignation to the Society at its registered office.

3.11. Removal by Members

- (a) Subject to section 203D of the Act, the Society may, by resolution:
 - (i) remove a Director from office; and
 - (ii) appoint another person as a Director in that Director's place.
- (b) If a Director was appointed to represent the interests of particular members, their removal under clause 3.11(a) has no effect until a replacement to represent the interests of those members has been appointed.

3.12. Vacation at office

A Director vacates office if the Director:

- (a) ceases to be a Director or becomes prohibited from being a Director by virtue of any provision of the Act and/or ceases to be a Financial Member of the Society;
- (b) resigns their office by written notice to the Society;
- (c) for more than two (2) meetings is absent without permission of the other Directors;
- (d) has material personal interest in a matter that relates to the affairs of the Society (other than as a Member) and fails to disclose details of that interest in accordance with clause 3.14 or the Act; or
- (e) is removed from the office of Director by a resolution of the Society in accordance with clause 3.11.

3.13. Material personal interest – Director's duty to disclose

- (a) Unless an exception under section 191 of the Act applies, if a Director has a material personal interest in any matter that relates to the affairs of the Society, the Director must give the other Directors notice of the interest.
- (b) The notice required by clause 3.13(a) must:
 - (i) include details of:
 - (A) the nature and extent of the interest; and
 - (B) the relation of the interest to the affairs of the Society; and
 - (ii) be given at a Directors' meeting as soon as practicable after the Director becomes aware of their interest in the matter.

3.14. Director may give standing notice about an interest

A Director with a material personal interest in a matter that relates to the affairs of the Society may give standing notice of this ongoing interest in accordance with the Act.

3.15. Voting and completion of transactions in which a Director has a material personal interest

A Director who has a material personal interest in a matter that is being considered at a Directors' meeting shall not:

- (a) Be present while the matter is being considered at the meeting; or
 - (b) vote on the matter,
- unless:
- (c) the interest does not need to be disclosed under section 191 of the Act; or

- (d) the Directors who do not have a material personal interest in the matter pass a resolution that:
 - (i) identifies the Director, the nature of their interest in the matter and its relation to the affairs of the Society; and
 - (ii) states that the Directors are satisfied that the interest should not disqualify the Director from voting or being present.

3.16. Financial Benefits to related parties

The Society shall not give a financial benefit to a related party of the Society unless it is authorized in accordance with the Act and/or this Constitution.

4. Election of Directors

- 4.1. Subject to the Act, any financial Full Member, Honorary Life Member or Life Member being a natural person over the age of eighteen (18) years, or any natural person over the age of eighteen (18) years being the nominee of a Company, partnership or trust that is a Full Member may nominate or be nominated as a candidate for election as a Director.
- 4.2. No Member of a Company, partnership or trust may hold the office of Director conjointly with another Member from the same Company, partnership or trust.
- 4.3. Nominations for election as a Director shall be by any two (2) financial Full Members, Honorary Life Members, Life Members or Honorary Members being natural persons over the age of eighteen (18) years and shall be in writing, including facsimile and email, in the manner prescribed by the Board and shall be forwarded to the Chief Executive Officer or General Manager and received no later than 4.30pm on the last business day of February preceding the election. Nominations shall be accompanied by the written consent of the Member nominated and shall contain such information as may be prescribed by the Board from time to time.
- 4.4. That all nominations for election as a Director are released for public knowledge upon receipt.
- 4.5. If the nominations for Director from any State or Territory are only as many as the number of positions allotted to that State or Territory at clause 3.1 then those candidates shall be deemed elected as Director.
- 4.6. Before the end of April the Chief Executive Officer or General Manager shall issue ballot papers for the election of as many Directors as shall retire at the following Annual General Meeting pursuant to the clause 3.6 and each ballot paper shall set out the surnames (followed by Christian names or initials) in the random order as drawn by the Chief Executive Officer or General Manager. The ballot papers and instructions for voting shall be such as is prescribed by the Board and may be conducted by an on-line ballot. The ballots shall close at 4.00pm on the last business day at least 30 days prior to the Annual General Meeting in each year.
- 4.7. The Chairman shall appoint a Returning Officer in writing. The Society's auditors for the time being shall act as scrutineers to superintend the taking of the ballot provided that any candidate may appoint his own scrutineer.

- 4.8.** The Returning Officer after counting the votes shall certify in writing to the Chairman the result of the ballot and the Chairman shall declare elected as many Directors as there are retiring Directors being the candidates elected as Director pursuant to clause 3.1.
- 4.9** If any question shall arise as to the validity or invalidity of any voting paper or whether any particular Member has or has not been elected as a Director a statement by the Returning Officer that the relative paper is or is not valid, or that a particular Member has not been elected as a director shall be conclusive.
- 4.10** If:
- (a) There has not been any nominations lodged with Chief Executive Officer or General Manager as aforesaid, or
 - (b) The number of nominations lodged be less than the number of vacancies to be filled, or
 - (c) Any Member nominated has withdrawn his nomination before the relative vacancy has been filled, then the Board shall fill the number of vacancies at a Meeting convened for that purpose.

5 Management of Business by Directors

5.1 Powers of Directors

- (a) Subject to the Act and to any provision of this Constitution, the business of the Society is to be managed by or under the direction of the Directors.
- (b) The Directors may exercise all of the powers of the Society except any powers that any provisions of the Act or this Constitution require the Society to exercise in general meeting.

5.2 Without limiting the powers referred to in clause 5.1 the Directors may:

- (a) make such Regulations from time to time for the regulation of the Society's affairs and may from time to time amend the same by addition, deletion or variation;
- (b) subject to this Constitution regulate admissions to all classes of Membership, the conduct of Members and the retirement or expulsion of Members;
- (c) compile or cause to be compiled and maintained a Stud Book and/or Register of the Society and to publish the same so often as and in such manner and containing such matter as the Board may think fit;
- (d) determine and prescribe fees from time to time payable in respect of entries or recording in the records of the Society and in particular all Registration of horses in the Stud Book and/or Register and the Registration of prefixes, brands and tattoo marks and the Registration and recording of transfers, leases and deaths of horses and the Registration of Stud names;
- (e) prescribe the conditions upon which horses will be accepted for and the circumstances in which horses will be rejected from Registration in the Stud Book and/or Register;
- (f) enter into any licence arrangement with any Branch or Management Council in relation to the use of its business name and logo on terms as it shall deem fit;
- (g) approve or reject the creation, amalgamation or alteration of the boundaries of any Branch or Management Council;
- (h) give directions and/or delegate any function to any Branch or Management Council

as it shall deem fit;

- (i) subject to this Constitution do any act matter or thing within the Objects & Aims of the Society calculated to promote the interests of the Society and/or its Members in relation to Australian Stock Horses.

Negotiable instruments

- (a) Any one of the Chairman, Honorary Treasurer or other person appointed by the Board may sign, draw, accept, endorse or otherwise execute a negotiable instrument which must be countersigned by the Chief Executive Officer or General Manager.
- (b) The Directors may determine that a negotiable instrument may be signed, draw, accepted, endorsed or otherwise executed in a different way.

5.3 Delegation to committees

- (a) The Board may delegate any of its powers to a committee consisting of such member(s) and/or Directors of the Board as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. The Chairman shall be a member of each committee.
- (b) A "Convenor" of each committee shall be approved by the Board. If at any meeting of a committee the Convenor is not present within ten (10) minutes after the time appointed for holding the meeting, the committee members present may choose one of their number to be Convenor of that meeting.
- (c) Any committee may meet and adjourn as it thinks proper. Questions arising at any committee meeting shall be determined by a majority of votes of the committee members present. In case of an equality of votes the Convenor of the committee shall have the casting vote.

6 Directors' Meetings (Board Meetings)

6.1 Circulating resolutions

- (a) The Directors may pass a resolution without a Directors' meeting being held if all of the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.
- (b) Separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy.
- (c) The resolution is passed when the last Director signs.

6.2 Calling Directors' meetings

- (a) A Directors' meeting may be called by a Director giving reasonable notice individually to every other Director.

6.3 Use of technology

- (a) A Directors' meeting may be called or held using any technology consented to by the Directors.
- (b) Any consent may be a standing consent.
- (c) A Director may only withdraw their consent within a reasonable period before the meeting.

6.4 Chairing Directors' meetings

- (a) The Chairman will chair any meeting of Directors.

6.5 Quorum at Directors' meetings

Unless the Directors determine otherwise, the quorum for a Directors' meeting is six (6) Directors and the quorum must be present at all times during the meeting.

6.6 Passing of Directors' resolutions

- (a) A resolution of the Directors must be passed by a majority of the votes cast by Directors entitled to vote on the resolution.
- (b) The Chairman, in the case of a deadlock, shall have the casting vote.

7 Meetings of Members and Annual General Meeting

- 7.1** The Annual General Meeting of the Society shall be held each calendar year within the period of five calendar months commencing at the end of the financial year at such time and place as the Board shall direct.
- 7.2** The Board may convene a meeting of the Members of the Society if, when and where it shall think is desirable to do so or if so directed by the Chairman or by a direction in writing to the Chief Executive Officer or General Manager signed by at least one hundred (100) Honorary Life, Life and Full Financial Members entitled to vote at a meeting. The direction shall specify the business to be brought before the meeting and discussion at such meeting will be strictly confined to the business specified.
- 7.3** If on receipt of a direction as set out in clause 7.2, a meeting is not called by the Chief Executive Officer or General Manager within twenty one (21) days of receipt of such direction, those directing the calling of the meeting or a majority of them may themselves convene the meeting in accordance with clause 7.2.
- 7.4** Subject to provisions of the Act any meeting whether Annual, Extraordinary or General shall be convened by not less than twenty one (21) days' notice in writing which specifies the place, date and time of meeting and in case of special business, the general nature of the business.
- 7.5** All business shall be special that is transacted at an Extraordinary General Meeting and also all that is transacted at the Annual General Meeting with the exception of the consideration of the Accounts, Balance Sheets and the Reports of the Board and Auditors, the election of Members of the Board in place of those retiring and the appointment of the Auditors.
- 7.6** Member's Resolutions:
 - (a) The following number of Members entitled to vote may give the Society notice of a resolution that they propose to move at a General Meeting:
 - (i) at least one hundred (100) Honorary Life, Life and Full Financial Members entitled to vote at the General Meeting.
 - (b) The notice must:
 - (i) be in writing to the Chief Executive Officer or General Manager and received in time to give at least the required 21 days' notice prior to the date of the General Meeting;
 - (ii) set out the wording of the proposed resolution; and

- (iii) be signed by the Members proposing to move the resolution.
 - (c) Separate copies of a document setting out the notice may be used for signing by the Members entitled to vote if the wording of the notice is identical in each copy.
- 7.7** Notice of a General Meeting shall be given to every Financial Member.
- 7.8** A Notice shall be deemed to have been given to a Member as follows:
- (a) Written notice of the meeting of Members must be given individually to each Member entitled to vote at the meeting and to each Director.
 - (b) Notice to joint Members must be given to the joint Member first named in the register of Members.
 - (c) The Society may give the notice of meeting to a Member:
 - (i) personally;
 - (ii) by sending it by post to the address of the Member in the register of Members or the alternative address (if any) nominated by the Member;
 - (iii) by sending it to the facsimile number or electronic mail address (if any) nominated by the Member;
 - (iv) by publishing it in or by insert in the "Australian Stock Horse Journal"; and
 - (v) by any other means authorised by the Act.
 - (d) A notice of meeting sent by post is taken to be given three (3) days after it is posted.
 - (e) A notice of meeting sent by facsimile or electronic mail is taken to be given on the business day after it is sent.
- 7.9** No Member shall be entitled to vote at any General Meeting unless he is a Financial Member.
- 7.10** The Chairman at any General Meeting of the Society shall be the Chairman or if not present within ten minutes of the time appointed for holding the Meeting, the Senior Vice- Chairman who is present or if similarly unavailable then the Junior Vice-Chairman or if similarly unavailable then a Director present and elected at the Meeting.
- 7.11** At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
- (a) by the Chairman; or
 - (b) by at least three Members present in person or by proxy.
- Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost, and an entry to that effect in the book containing the Minutes of the proceedings of the Society shall be conclusive evidence of that fact, without proof of the number, or, proportion of the votes recorded in favour of, or, against the resolution. The demand for a poll may be withdrawn.
- 7.12** If a poll is duly demanded it shall be taken at once or otherwise as the Chairman directs, and the result of the poll shall be the resolution of the Meeting at which the poll was demanded but a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith.

7.13 In the case of an equality of votes whether on a show of hands or on a poll the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

7.14 The demand of a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which a poll has been demanded.

7.15 Subject to the Act, the Board may consult the Members at any time by ballot in lieu of a General Meeting. Any such ballot shall be taken in such manner and in accordance with such conditions as the Board may describe.

7.16 Auditor entitled to notice and other communication

(a) The Society must give its Auditor:

- (i) notice of general meeting in the same way that a Member is entitled to receive notice; and
- (ii) any other communication relating to the general meeting that a Member is entitled to receive.

7.17 Notice of adjourned meetings

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

7.18 Technology

The Society may hold a meeting of its Members at two or more venues using any technology that gives the Members as a whole a reasonable opportunity to participate.

7.19 Quorum

- (a) A quorum for a meeting of Members shall be forty (40) Members and such quorum shall be present during the meeting at all times.
- (b) In determining whether a quorum is present, individuals attending as proxies or body corporate representatives are to be counted.
 - (i) If a Member has appointed more than one proxy or representative, only one of them is to be counted.
 - (ii) If an individual is attending both as a Member and as a proxy or representative, they are to be counted only once.
 - (iii) A meeting that does not have a quorum present within 30 minutes after the time for the meeting set out in the notice of meeting is to be adjourned to a date, time and place as the Directors specify. It may be at a later time on the same day.
 - (iv) If the Directors do not specify one or more of those requirements, the meeting is adjourned to:
 - A. if the date is not specified, the same day of the week;
 - B. if the time is not specified, the same time; or
 - C. if the place is not specified, the same place.
- (c) If no quorum is present at the resumed meeting within 30 minutes after the time for the meeting, the meeting shall be dissolved.

7.20 Auditor's rights to be heard at meetings of Members

The Auditor is entitled to attend and be heard at meetings of Members.

7.21 Proxies and body corporate representatives

- (a) A Member who is entitled to attend and cast a vote at meetings of Members may appoint a proxy or, if the Member is a body corporate, a representative, to attend and cast a vote at that meeting.
- (b) Any proxy or representative appointed under clause 7.21(a) must be appointed in accordance with Division 6 of Part 2G.2 of the Act and shall have the rights set out in that Division.

8 Directors' and Members' Minutes

8.1 Minutes

- (a) The Society must keep minuted books in which it records;
 - (i) proceedings and resolutions of Members' meetings;
 - (ii) proceedings and resolutions of Directors' meetings, including committee meetings;
 - (iii) resolutions passed by Members without a meeting; and
 - (iv) resolutions passed by Directors without a meeting.
- (b) The Society must ensure that the minutes of a meeting are signed by the Chair of the meeting or the Chair of the next meeting within a reasonable time after the meeting.
- (c) The Society must ensure that the resolutions passed without a meeting are signed by a Director within a reasonable time after the resolution is passed.

8.2 Members' access to minutes

Members are entitled to gain access to the minute book of meetings of Members in accordance with the Act.

9 Chief Executive Officer or General Manager and Secretary

9.1 There shall be a Chief Executive Officer or General Manager of the Society who shall be appointed by the Board for such terms and at such salary and upon such conditions as the Board may from time to time think fit. The Board shall have the power at any time to revoke any such appointment and to make a fresh appointment. The Chief Executive Officer or General Manager must be ordinarily resident in Australia and shall be the Company Secretary for the purpose of the Act.

9.2 The Chief Executive Officer or General Manager shall perform such functions as he may from time to time be directed by the Board to perform.

10 Members

10.1 Membership

- (a) Number of Members
 - (i) There must be at least one Member.
 - (ii) The Directors may set a limit on the maximum number of Members.
- (b) Admission to membership
 - (i) The Directors may admit any person as a Member on the terms and conditions prescribed from time to time.

(ii) Each Member, if requested by the Society, shall sign an undertaking confirming to be bound by the Constitution.

(c) Classes of Members The Directors may:

(i) establish different classes of Members; and

(ii) prescribe the qualifications, rights and privileges of persons to become a Member of a class as follows:

(A) Honorary Life Members and Life Members

Any person who in the opinion of the Board has rendered special service to the Society, (which, for the purpose of this clause, shall include the Unincorporated Society) and the Australian Stock Horse breed of horses may by resolution of the Board carried by a majority of three-fifths of the Members of the Board be recommended for admittance as an Honorary Life Member of the Society and, upon such recommendation being confirmed by Ordinary Resolution passed at the following Annual General Meeting of the Society, such person shall be admitted as an Honorary Life Member of the Society.

Only a natural person over the age of eighteen (18) years may be admitted as an Honorary Life Member.

Every Honorary Life Member shall be entitled to all the privileges and be subject to all the duties and obligations of a Full Member but shall not be liable for any subscription or levy.

A Life Member shall be a natural person who has accepted an offer made by the Board to purchase a Life Membership on payment of a fee determined from time to time by the Board. He shall be entitled to all the privileges and be subject to all the duties and obligations of a Full Member but shall not be liable for any subscription or levy.

(B) Full Members

A Full Member shall be a natural person over the age of eighteen (18) years, a partnership, trust or corporation, admitted to Full Membership by the Board in accordance with the Constitution.

(C) Honorary Members

Honorary Membership may be granted by the Board to a person or persons who have given extended professional services at limited or no cost to the Society. Honorary Membership so granted would not be to existing Members and would be granted on an Annual basis by the Board. An Honorary Member has the right to attend all meetings of the Society but not the right to vote at any meeting.

(D) Youth Members

Any person under the age of eighteen (18) years may apply to become a Youth Member of the Society. A Youth Member shall be entitled to register or transfer any number of horses in the manner prescribed by the Regulations and shall, subject to law, have the right to attend all Meetings and functions of the Society but not the right to vote at any Meeting of the Society. N.B In the case of colts or stallions refer to ASHS Events Handbook – Youth Events Section 4.1. A Youth Member is subject to all the duties and obligations of a Full Member but shall not be liable for any levy or subscriptions other than that determined by the Board to be the annual subscription for Youth Membership of the Society. A Youth Member shall cease to be a Youth Member on the 31st

March following his/her attaining the age of eighteen (18) years or upon his/her acceptance as a Full Member of the Society, whichever is earlier.

(E) Participant Members

A Participant Member shall be a natural person of any age admitted to Participant Membership by the Board in accordance with the Constitution.

(F) Affiliated Licensed Members

Any Branch or Management Council operating under a Licence Agreement with the Society may be granted Affiliated Licensed Membership. An Affiliated Licensed Member has the right by its appointed representative to attend all meetings and functions of the Society but not the right to vote at any meeting of the Society. An Affiliated Licensed Member shall otherwise be subject to the duties and obligations set out in the Constitution.

(G) Subscriber Membership

A Subscriber Member shall be any natural person, partnership, trust and corporation admitted to Subscriber Membership by the Board in accordance with the Constitution.

(H) Such other class or classes of Members as may from time to time be determined by the Board

10.2 Admission of Members – All classes

- (a) An applicant for Full, Participant, Subscriber or Youth Membership of the Society shall apply in writing in the manner prescribed from time to time by the Board.
- (b) The Board shall consider any application made pursuant to clause 10.2(a) and either admit or not admit the applicant to Membership.
- (c) The Chief Executive Officer or General Manager shall give notification to each applicant and if the applicant is admitted as a Member shall, upon request by such new Member, provide a copy of the Constitution and any Regulations of the Society.
- (d) Every person admitted as a Member of the Society shall pay to the Society the entrance fee (if any) together with the annual subscription for Membership of the Society, other than Affiliated Licensed Members.
- (e) The entrance fee (if any) and the annual subscription shall be such amount as the Board may from time to time decide.
- (f) Any person admitted as a new Member of Society, if he/she is admitted six months after the start of any one membership year shall only be required to pay to the Society one half of the annual subscription for membership of the Society.
- (g) A Register of Members shall be kept by the Society, and the names and addresses of every Member shall be recorded in this Register. Such Register shall be kept at the Registered Office of the Society and shall be available to Members for inspection in accordance with the Act at all reasonable times. Each Member shall notify the Society forthwith in writing of any change of address and the Society shall record such change in the Register of Members.
- (h) Where any change shall be made in the name or constitution of a Company, partnership or trust which is a Member, the change shall forthwith be notified in writing by such Member to the Society which shall record such change in the Register of Members.
- (i) Subscription
 - (i) Each Member shall pay an annual subscription as determined from time to time by the Society or such other amount as the Directors determine at a date nominated by the Directors.

- (j) Address of Member
 - (i) Each Member shall provide to the Secretary details of a postal and email address in Australia.
 - (ii) If a Member fails to provide a postal address in Australia, the address of the Member is deemed to be the registered office of the Society.
 - (iii) Notwithstanding clause 10.2(j)(ii) the Society will, for each Member that has provided a postal and email address outside Australia, forward correspondence by international mail or email to that Member.

10.3 Cessation of Membership

- (a) Events leading to cessation

A Member ceases to be a Member if they:

 - (i) die;
 - (ii) resign in writing;
 - (iii) become of unsound mind or become liable to be dealt with in any way under the law relating to mental health; or
 - (iv) if they are a company, have a receiver or a receiver and manager appointed to its assets or some of them, or passes a resolution or takes or any action having the effect of its winding up or has such action taken against it.
 - (v) if they have failed to pay within 30 days of being due any subscription.
- (b) Any Member convicted of an indictable offence must promptly notify the Board and the Board may require the Member to show cause as to why they should remain a Member of the Society. The Board will, at its discretion, determine whether the Member ceases to be a Member of the Society and notify the Member accordingly.
- (c) Non-payment of Subscription

If any Subscription of a Member remains unpaid, the Member will be debarred from all privileges of membership provided that the Directors may, if they think fit, reinstate the Member on payment of all arrears.
- (d) Effect of cessation

A Member who ceases to be a Member continues to be liable for:

 - (i) any Subscription and all arrears due and unpaid at the date of cessation; and
 - (ii) all other moneys due by them to the Society.
- (e) Power of Directors in respect of a Member's conduct
 - (i) If any Member:
 - (A) wilfully refuses or neglects to comply with the provisions of the Constitution; or
 - (B) is guilty of any conduct which, in the opinion of the Directors, is unbecoming of a Member or prejudicial to the interests of the Society, the Directors have the power to refer the conduct to the Disciplinary Committee for determination.

11 Horse Registration

- 11.1** The Board shall keep or cause to be kept a Stud Book Register and a General Register in which the registration records of all horses registered as Australian Stock Horses are kept. The Board may make regulations governing the keeping of the two registers and the contents thereof, the eligibility criteria for registration, registration fees and procedures. Such regulations must not be inconsistent with this Constitution.

- 11.2** Horses registered prior to 1st January 2021 will retain their registration status and category of registration and will continue to enjoy the privileges accruing to their registration status.
- 11.3** On and from 1st January 2021 horses shall be registered in one or other of the following registers:
- (a) Stud Book Register, comprising the categories of registration and the minimum criteria of registration set out in Clause 12; or
 - (b) General Register, comprising the categories of registration and the minimum criteria of registration as set out in Clause 13.

12 Stud Book

- 12.1** The Stud Book Register shall comprise the following two (2) categories:
- (a) Heritage Stud Book; and
 - (b) Stud Book.
- 12.2** The HERITAGE STUD BOOK is recognised as the highest standard of breeding of the Australian Stock Horse. A horse shall be eligible for registration in this category if it is registered in the STUD BOOK category and if in addition it exhibits a minimum of 87.5% Australian Stock Horse heritage lineage. For the purpose of this category of registration, 'heritage lineage' shall mean that the horse is a descendant either of the same breeds of horses ridden by the Australian Light Horse in World War I or of the breeds existing in Australia prior to 1945.
- 12.3** A horse shall be eligible for registration in the STUD BOOK category if it shall have either:
- (a) two Stud Book registered Australian Stock Horses as parents (and compliant with the sire registration rules); or
 - (b) one Stud Book registered Australian Stock Horse and one Second Cross registered Australian Stock Horse as parents (and compliant with the sire registration rules).

13 General Register

- 13.1** The General Register shall comprise the following four (4) categories:
- i. Second Cross (including the sub-category of Special Merit which will continue to exist until 1st August 2022);
 - ii. First Cross;
 - iii. Base Registry; and
 - iv. Breeding Purposes Only.
- 13.2** A horse shall be eligible for registration in the Second Cross category if it shall have either:
- (a) one Stud Book registered Australian Stock Horse parent and one First Cross registered Australian Stock Horse parent (and compliant with the sire registration rules); or
 - (b) two Second Cross registered Australian Stock Horse parents (and compliant with the sire registration rules).
- (The eligibility criteria for the sub-category of Special Merit is an exception to the above and is set out in the regulations).
- 13.3** A mare or gelding shall be eligible for registration in the First Cross category if it shall have either:
- (a) one Stud Book registered Australian Stock Horse parent and one Base Registry registered Australian Stock Horse, or one unregistered or non-Australian Stock Horse parent (and compliant with the sire registration rules if the sire is an Australian Stock Horse); or
 - (b) one Second Cross registered Australian Stock Horse parent and one First Cross

registered Australian Stock Horse parent (and compliant with the sire registration rules); or

- (c) two First Cross registered Australian Stock Horse parents (and compliant with the sire registration rules).

13.4 A horse shall be eligible for registration in the BASE REGISTRY category if it shall have one parent, or one grandparent, or two great grandparents registered as an Australian Stock Horse and denoted as being a Heritage Stock Horse.

13.5 A horse shall be eligible for registration in the BREEDING PURPOSES ONLY category if it shall be a Thoroughbred registered in the Thoroughbred Stud Book.

13.6 A horse registered in any of the Second Cross, First Cross or Base Registry categories of the General Register may also be denoted as a 'Heritage Stock Horse' if it exhibits a minimum of 87.5% Australian Stock Horse heritage lineage.

13.7 For the purpose of this Clause 13, 'heritage lineage' shall have the meaning attributed to that term in Clause 12.2.

14 Branch

14.1 The Board shall, subject to this clause 14, have the power to determine any application by any existing Branch or by any group of not less than ten (10) Members for the creation and incorporation of any new Branch or for the amalgamation of any one or more existing Branches of the Society or for the alteration of the boundaries of any Branch or Management Council.

14.1 If any application is made for the creation and incorporation of any Branch or where it is proposed that one or more existing Branches amalgamate or that any boundary be altered, the Board shall:

- (a) give notice to all existing Branches and Management Councils which may be affected;
- (b) allow a period which it shall deem to be sufficient for those so notified to each put forward a submission in writing as to whether or not the new Branch should be created or existing Branches amalgamated and if so where the relevant boundaries should be located; and
- (c) provide any written submission received in accordance with (b) above to the applicants in sufficient time for a response to be prepared and received from them.

14.2 In considering whether any new Branch should be created or any existing Branches be amalgamated and as to the appropriate boundaries, the Board shall take into account:

- (a) all submissions received in accordance with this clause 14.2;
- (b) the interests of the Members; and
- (c) the aims and objectives of the Society as a whole.

14.3 The duties and responsibilities of a Branch of the Society are:

- (a) To operate at all times in accordance with its objects, rules, Constitution and regulations of the Society.
- (b) To properly carry out such functions as may from time to time be delegated to it by the Board or Management Council.

- (c) Promote the interests of the Society within the area served by the Branch in such ways as from time to time are directed by the Board or Management Council (as the case may be) or as the Branch Committee shall consider appropriate.
- (d) To comply with all relevant statutes, and legal requirements and obligations including as to the keeping of accounts and the filing of returns.
- (e) To encourage the creation of a committee to represent the interests of the Australian Sock Horse Ladies Management Council at Branch level and to facilitate any activities which that committee wishes to undertake in furtherance of its objects.

14.4 Members of all Branches as well as the Branch itself must also be Members of the Society and the Branch shall remove from its Register of Members any Member expelled from the Society by Resolution in accordance with the provisions of this Constitution.

14.5 The Board shall have the right to have a nominated representative attend and/or receive upon request the minutes of meetings of the Branch and to have access at any time without notice to the books and records of the Branch.

14.6 If the Board at any time considers or becomes aware that the activities and/or operations of any Branch are being conducted in a manner which is contrary to the aims and objectives of the Society as a whole or in breach of its own rules, the Board shall, subject to the following, have the power to:

- (a) terminate any Licence Agreement in force relating to the use by the Branch of the Society's name and logo;
- (b) give notice that it is no longer an approved Branch of the Society and no longer entitled to use the Australian Stock Horse Society name or logos; and otherwise to
- (c) exercise any right it has against the Branch in relation to its use of the name and logo.

14.7 If the Board proposes to exercise the powers set out in clause 14.7, it shall:

- (a) give notice to the Branch and to the relevant Management Council of the substance of the activities and/or conduct complained of and of the wording of any proposed resolution;
- (b) allow a period as it shall deem sufficient for the Branch and Management Council to put forward a submission as to:
 - (i) whether the activities and/or conduct were taking place;
 - (ii) any explanation for the conduct;
 - (iii) any facts, matters or circumstances relevant to the Board's consideration as to whether to exercise the powers given to it; and
 - (iv) any specific matters, which the Board requires to be addressed.
- (c) take any submissions received into account.

15 Management Councils

15.1 The Board shall, subject to this clause 15, have the power to approve the creation of Management Council or Councils to properly represent the interests of Branches within their designated geographical area including but not limited to The Australian Stock Horse Ladies Association.

- 15.2** A Management Council shall have the following duties and responsibilities:
- (a) To operate at all time in accordance with its objects, rules and/or Constitution and so far as is relevant with the objects, rules, regulations and Constitution of the Society.
 - (b) To implement the Society's aim within the State or Territory.
 - (c) To make recommendations to the Board of specific matters on behalf of Branches within their designated geographical area and to liaise between the Board and Branches.
 - (d) To properly carry out any such other responsibility that may from time to time be directed by the Board.
 - (e) To comply with all relevant statutes and legal requirements and obligations including in relation to the keeping of accounts and the filing of returns.
- 15.3** The Board shall subject to clause 15.1 have power to approve the creation of a Management Council, disband or amalgamate Management Councils or designate or alter the boundaries of a Management Council if it is considered to be in the interests of the Society and the Members as a whole.
- 15.4** If an application is received or it is otherwise proposed to create a new Management Council, or disband or amalgamate existing Management Councils, the Board shall:
- (a) give notice to all Management Councils and Branches which may be affected including as to the interest of the Society said to be benefited by the creation, disbanding or amalgamation;
 - (b) allow a period which it shall deem to be sufficient for those so notified to put forward a submission in writing as to whether or not the power should be exercised by the Board, and is so as to the proposed location of any new boundaries;
 - (c) take into account all submissions put forward in accordance with sub paragraph (b) above.
- 15.5** Members of all Management Councils as well as the Branch itself must also be Members of the Society and the Management Council shall remove from its Register of Members any Member expelled from the Society by Resolution in accordance with the provisions of this Constitution.
- 15.6** The Board shall have the right to have a nominated representative attend and/or receive upon request the minutes of meetings of the Management Council and to have access at any time without notice to the books and records of the Management Council.

16 Disciplinary Action

- 16.1** For the purpose of this clause, 'disciplinary powers' means the power to do any one or more of the following in respect of a Member:
- (a) expel the Member;
 - (b) suspend the Member or any of the Member's privileges for any period;
 - (c) impose a fine on the Member;
 - (d) reprimand the Member;
 - (e) place the Member on probation for any period; or
 - (f) remove any horse of which the Member is registered as the owner or part owner from the Stud Book permanently or for any period; and includes the power to take no action if the circumstances so warrant.

- 16.2** The framework for the Society to exercise its disciplinary powers is a three-tier one, as follows:
- (a) the Chief Executive Officer or General Manager, forming the first tier;
 - (b) an Investigative Committee, comprising the Chief Executive Officer or General Manager, the Chairman and (should they deem appropriate in the circumstances another member of the Board, forming the second tier; and
 - (c) a Disciplinary Committee, comprising three (3) independent persons nominated by the Chief Executive Officer or General Manager, forming the third tier. No Board member may sit as a member of the Disciplinary Committee.
- 16.3** A complaint that a Member may have engaged in conduct which may be:
- (a) unbecoming of a Member;
 - (b) prejudicial to the interests of the Society; or
 - (c) in breach of this Constitution or other regulations of the Society;
- Shall be made in writing to the Chief Executive Officer or General Manager.
- 16.4** The Chief Executive Officer or General Manager shall consider and assess any complaint made pursuant to Clause 16.3 and may:
- (a) if the complaint is deemed to be frivolous, vexatious or otherwise without merit, dismiss the complaint; or
 - (b) if the complaint is found to be of merit, but not of sufficient gravity to refer to the second tier, reprimand the Member; or
 - (c) refer the complaint to the Investigative Committee.
- 16.5** The Investigative Committee shall consider and investigate any complaint referred to it by the Chief Executive Officer or General Manager and may exercise any of the following disciplinary powers as it shall deem appropriate:
- (a) dismiss the complaint;
 - (b) reprimand the Member;
 - (c) impose a fine on the Member, provided such fine does not exceed \$1,000.00;
 - (d) suspend the Member or any of the Member's privileges for any period not exceeding three (3) months;
 - (e) place the Member on probation for any period not exceeding six (6) months; or
 - (f) refer that conduct to the Disciplinary Committee.
- 16.6** In considering any complaint the Chief Executive Officer/General Manager or the Investigative Committee may seek such further information as may be deemed appropriate from the complainant, the Member or any other person, and shall consider any submissions in writing that any such person may wish to make.
- 16.7** The determination of the Chief Executive Officer/General Manager or the Investigative Committee shall be communicated to the Member and the complainant in writing within seven (7) days. The Chief Executive Officer/General Manager and the Investigative Committee shall report all such determinations to the Board.
- 16.8** The Disciplinary Committee shall consider and investigate any complaint referred to it by the Investigative Committee and exercise such of the disciplinary powers as the Disciplinary Committee shall determine appropriate.
- 16.9** Committee may only exercise disciplinary powers in respect of the conduct of any Member if the Member is given at least four (4) weeks prior notice of the substance of the complaint and of the date, time and place at which the question of disciplinary action is to be considered.

- 16.10** Any member to whom notice is required to be sent under this clause is entitled to be heard by the Disciplinary Committee before it exercises disciplinary powers in respect of the conduct of that Member. The Disciplinary Committee shall not be bound by the rules of evidence and may consider such information and give such weight to information as it thinks fit.
- 16.11** If the Chief Executive Officer or General Manager is satisfied that a member of the Disciplinary Committee is unable from time to time to act on the Committee (through illness, misadventure, conflict of interest or otherwise) the Chief Executive Officer or General Manager may appoint a person to act in the place of that member for the period of the member's incapacity.
- 16.12** If the Investigative Committee or the Disciplinary Committee as the case may be determines to exercise disciplinary powers in respect of a Member such Member may, by notice lodged with the Chief Executive Officer or General Manager within seven (7) days after having received notice of the Disciplinary Committee's determination, require the determination to be reconsidered by the Board. The determination does not take effect until the expiration of seven (7) days from the date of receipt by the Member of the said notice and if the determination is to be reconsidered by the Board ('the appeal'), the determination will not take effect. The Board shall conduct a fresh hearing into the matter and similarly shall not be bound by the rules of evidence and may consider such information and give such weight to information as it thinks fit. The Board must notify the Member of its decision on the appeal. The decision of the Board is at its discretion and shall be final and binding on the Member.
- 16.13** Where an appeal is brought from a determination of the Investigative Committee or the Disciplinary Committee as the case may be and where the Board is of the opinion that the Member in requesting that the matter be reconsidered was acting in a vexatious or frivolous manner, then the Board may award costs incurred by the Society in the preparation and conduct of the appeal proceedings against the Member.
- 16.14** Where the Member whose conduct is brought before the Disciplinary Committee is a Director of the Society, the Disciplinary Committee shall notify the Board not less than seven (7) days in advance of the time at which the question of disciplinary action is to be brought before the Disciplinary Committee. In addition to any of the disciplinary powers conferred on the Disciplinary Committee under this clause, the Disciplinary Committee may make a recommendation to the Board for the removal of the Director from the office of Director under clause 3.11.
- 16.15** In respect of the exercise of disciplinary powers by the Chief Executive Officer or General Manager, the Investigative Committee or the Disciplinary Committee, the Board must not enquire into or be informed about any matter that is so referred until those proceedings have been concluded and a determination is made or, in the case of a determination of the Disciplinary Committee, until the time for any appeal against that determination has elapsed.

- 16.16** The Society shall be entitled in its discretion to publish lists in its Journal or other official publication of Members in respect of whom disciplinary powers have been exercised pursuant to this clause 16.

17 Accounts and Audit

17.1 Accounting records

- (a) The Directors shall cause accounting and other records kept to correctly record and explain the transactions and financial position of the Society, to enable true and fair profit and loss accounts and balance sheets to be prepared and to permit preparation of any documents required by the Act or this Constitution.
- (b) The records shall be kept:
 - (i) in such manner as to enable them to be conveniently and properly audited;
 - (ii) for seven (7) years after the completion of the transactions or operations to which they relate; and
 - (iii) at the Society's registered office or at such other place as the Directors think fit.
- (c) The records shall at all times be open to inspection by the Directors.

17.2 Accounts

- (a) Each financial year, the Society shall prepare a financial report and a Directors' report in accordance with the Act.
- (b) The financial report for each financial year shall consist of:
 - (i) the financial statements for the year;
 - (ii) the notes to the financial statements; and
 - (iii) the Directors' declaration about the statement and the notes.
- (c) The financial statements for the year will consist of:
 - (i) a profit and loss statement for the previous financial year of the Society;
 - (ii) a balance sheet at the date to which the profit and loss account is made up;
 - (iii) a statement of cash flows for the year; and
 - (iv) if required by the Accounting Standards, a consolidated profit and loss statement, balance sheet and statement of cash flows.
- (d) The notes to the financial statements shall consist of:
 - (i) disclosures required by the Corporations Regulations;
 - (ii) the notes required by the Accounting Standards (if any); and
 - (iii) if required, any other information necessary to give a true and fair view of the financial position and performance of the Society.
- (e) The Directors' declaration made pursuant to clause 15.2(b) is a declaration by the Directors:
 - (i) that the financial statement, and the notes required by the Accounting Standards, comply with the Accounting Standards;
 - (ii) that the financial statements and the attached notes give a true and fair view of the financial position and performance of the Company;
 - (iii) whether, in the Directors' opinion, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable; and
 - (iv) whether, in the Directors' opinion, the financial statement and attached notes are in accordance with the Act.

17.3 Auditor

The Society shall appoint an Auditor to audit the Society's financial statements in accordance with the Act.

18 Winding Up

18.1 Rights of Members on winding up

If the Society is wound up or dissolved, the Members have no right to participate in any distribution or payment of the assets or property of the Company.

18.2 Distribution of Assets

- (a) If the Society is wound up or dissolved, the assets and property available for distribution after satisfaction of all debts and liabilities shall be given or transferred to some other institution or institutions:
 - (i) which has objects similar to the objects of the Society; and
 - (ii) whose constitution prohibits the distribution of its income and property to an extent at least as great as that imposed by clause 2.2(b)(ii).
- (b) For the purposes of clause 16.2(a), the Directors shall identify the institution or institutions at the same time of dissolution.
- (c) If the Directors fail to identify the institution or institutions under clause 70.1, the Supreme Court of New South Wales shall make that determination.

19 Indemnity

19.1 Indemnity

Subject to Part 2D.2 of the Act, a person who is or has been an officer (as defined in the Act) or auditor of the Society is indemnified (to the maximum extent permitted by law), out of the assets of the Society against any liability incurred by the person as such as officer or auditor:

- (a) to another person (other than the Society or a related body corporate) unless the liability:
 - (i) is for a pecuniary penalty order made under section 1317G of the Act or a compensation order made under section 1317H of the Act; or
 - (ii) arises out of conduct involving a lack of good faith; and
- (b) for legal costs and expenses incurred by the person, unless the costs and expenses are incurred:
 - (i) in defending or resisting proceedings in which the person is found to have a liability for which they could not be indemnified under section 199A(2) of the Act;
 - (ii) in defending or resisting criminal proceedings in which the person is found guilty;
 - (iii) in defending or resisting proceedings brought by ASIC or a liquidator for a court order if the grounds for making the order are found by the court to have been established; or
 - (iv) in connection with proceedings for relief of the person under the Act in which the court denies the relief.

19.2 Insurance

Except to the extent precluded by the Act (including under section 199B), the Society may pay or agree to pay a premium in respect of a contract insuring the person who is or has been an officer (as defined in the Act) or auditor of the Society or of a related body corporate of the Society against any liability:

- (a) incurred by the person as such an officer or auditor which does not arise out of conduct involving a wilful breach of duty in relation to the Society or a contravention of sections 182 or 183 of the Act; or
- (b) for costs and expenses incurred by the person in defending proceedings as such an officer, whether civil or criminal or whatever their outcome.