

NSW Incorporated Association EXAMPLE

Association Rules

Date Approved:

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Part I - Introduction

1. Purpose

These set of rules provide a framework by which EXAMPLE Inc. is to be operated.

2. Definitions

(1) In these rules:

Director-General means the Director-General of the NSW Department of Fair Trading.

Ordinary member means a member of the committee who is not an office-bearer, as referred to in rule 16(2).

Secretary means:

- (a) the person holding office under these rules as secretary of the association, or
- (b) if no such person holds office of the secretary, 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 1984*.

The regulation means the *Association Incorporation Regulation 1999*.

(2) In these rules:

- (a) a reference to a function includes a reference to a power, authority and duty, and
- (b) a reference to the exercise of a function, includes, if the function is a duty, a reference to performance of the duty.

(3) The provisions of the *Interpretation Act 1987* 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.

3. References

The organisation's constitution may be of interest in addition to these rules.

Part II - Membership

4. Qualification for Membership

A person is qualified to be a member of the association if, but only if:

- (a) If the person has been nominated for membership of the association as provided by rule 5, and
- (b) who has been approved for membership of the association by the committee of the association.

5. Nomination for Membership

A nomination of a person for membership of the association:

- (a) must be made by a member of the association in writing in the form set out in Appendix 1 to these rules, and
- (b) must be lodged with the secretary of the association.

(2) As soon as practicable after receiving a nomination for membership, the secretary must refer the nomination to the committee which is to determine whether to approve or reject the nomination.

- (3) As soon as practicable after the committee makes that determination, the secretary must notify the nominee in writing, that the committee approved or rejected the nomination (whichever is applicable).
- (4) The secretary must, enter the approved nominee's name in the register of members, and on the name being so entered the nominee becomes a member of the association.

6. Cessation of Membership

A person ceases to be a member of the association if the person:

- (a) dies, or
- (b) resigns membership, or
- (c) the committee expels the member from the association.

7. Membership entitlements not transferable

A right, privilege or obligation 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 on cessation of the person's membership

8. Resignation of Membership

- (1) A member of the association is not entitled to resign that membership except in accordance with this rule.
- (2) A member of the association may resign from membership by first giving to the secretary written notice of at least one month of the member's intention to resign, and, on the expiration of the period of notice the member ceases to be a member.
- (3) If the member of the association ceases to be a member under clause (2), and in every other case where a member ceases to hold membership, the secretary must 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

- (1) The secretary of the organisation must establish and maintain a register of members of the association specifying the name and address of each person who is a member of the association along with the date on which the person a member.
- (2) The register of members must be kept at either the principal place of administration of the association or the address of the secretary and must be open for inspection, free of charge, by any member of the association at any reasonable hour.
- (3) A member of the association may obtain a copy of any part of the register upon request to the secretary.

10. Fees and subscriptions

Members of the association are not required to pay an admission or annual subscription fee.

11. Members' liabilities

No member of the association is liable to contribute towards the payment of the debts and liabilities of the association or the costs, charges and expenses of winding up the association.

12. Resolution of Internal Disputes

- (1) Disputes between members (in their capacity as members) of the association, and disputes between members and the association, will be referred to a mediation session with a mediator, which is external to the association to attempt to resolve the dispute.
- (2) At least 7 days before a mediation session is to commence, the parties are to exchange statements of the issues that are in dispute between them and supply copies to the mediator.
- (3) At the mediation session, the parties agree to co-operate with the mediator.

13. Disciplining of members

- (1) A complaint may be made to the committee by any person 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.
- (2) On receiving such a complaint, the committee:
 - (a) must cause notice of the complaint to be served on the member concerned, and
 - (b) must give the member at least 7 days notice from the time the notice is served within which to make submissions to the committee in connection with the complaint, and
 - (c) must take into consideration any submissions made by the member in connection with the complaint.
- (3) The committee may, by resolution, expel the member from the association or suspend the member from membership of the association if, after considering the complaint and any submissions made in connection with the complaint, it is satisfied that the facts alleged in the complaint have been proved.
- (4) If the committee expels or suspends a member, the secretary must, within 7 days after the action is taken, cause written notice to be given to the member of the action taken, of the reasons given by the committee for having taken that action and the member's right of appeal under section 14 of these rules.
- (5) The expulsion or suspension does not take effect:
 - (a) until the expiration of the period within which the member is entitled to appeal against the resolution concerned, or
 - (b) if within that period the member exercises the right of appeal, unless and until the association confirms the resolution under rule 14(5), whichever is the later.

14. Right of appeal of disciplined member

- (1) A member may appeal to the association in general meeting against a resolution of the committee under rule 13, within 7 days after notice of the resolution is served on the member, by lodging with the secretary a notice to that effect.

- (2) The notice may, but need not, be accompanied by a statement on the grounds on which the member wishes to rely for the purposes of the appeal.
- (3) On receipt of notice from a member under clause (1), the secretary must notify the committee which is to convene a general meeting of the association to be held within 28 days after the date on which the secretary received the notice.
- (4) At a general meeting of the association convened under clause (3):
 - (a) no business other than the question of the appeal is to be transacted, and
 - (b) the committee and the member must be given the opportunity to state their respective cases orally or in writing or both, and
 - (c) the members present are to vote by secret ballot on the question of whether the resolution should be confirmed or revoked.
- (5) If at the general meeting the association passes a special resolution in favour of the confirmation of the resolution, the resolution is confirmed.
- (6) Any decision made under this rule is final and is not subject to any further appeal.

Part III - The Committee

15. Powers of the committee

The committee is to be called the committee of management of the association and, subject to the *Act*, the Regulation and these rules and to any resolution passed by the association in general meeting:

- (a) is to control and manage the affairs of the association, and
- (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 the members of the association, and
- (c) has power to perform all such acts and do all such things as appear to the committee to be necessary or desirable for the proper management of the affairs of the association.

16. Constitution and membership

- (1) Subject in the case of the first members of the committee to section 21 of the *Act*, the committee is to consist of:
 - (a) the office-bearers of the association, and
 - (b) 2 ordinary members, each to be elected at the annual general meeting of the association under rule 17.
- (2) The office-bearers of the association are to be:
 - (a) 2 executives,
 - (b) the treasurer or treasurers (maximum of 2), and
 - (c) the secretary.
- (3) A member is allowed to bear more than one office.
- (4) Each member of the committee is, subject to these rules, to hold office until the conclusion of the annual general meeting following the date of the member's election, but is eligible for re-election.

- (5) 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 is so appointed to office, subject to these rules, until the conclusion of the annual general meeting next following the date of appointment.

17. Election of members

- (1) Nominations of candidates for election as office-bearers of the association or as ordinary members of the committee:
 - (a) must 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 the nomination), and
 - (b) state the office for which the member is being nominated, and
 - (c) must be delivered to the secretary of the association at least 7 days before the date fixed for the holding of the annual general meeting at which the election is to take place.
- (2) If insufficient nominations are received to fill all vacancies on the committee, the candidates nominated are taken to be elected and further nominations are to be received at the annual general meeting.
- (3) If insufficient further nominations are received, any vacant positions remaining on the committee are taken to be casual vacancies.
- (4) If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated are taken to be elected.
- (5) If the number of nominations received exceeds the number of vacancies to be filled, a ballot is to be held.
- (6) The ballot for the election of office-bearers and ordinary members of the committee is to be conducted at the annual general meeting in such usual and proper manner as the committee may direct.

18. Secretary

- (1) The Secretary of the association must, as soon as practicable after being appointed as secretary, lodge notice with the association of his or her address.
- (2) It is the duty of the secretary to keep minutes of:
 - (a) the names of members of the committee present at a committee meeting or a general meeting, and
 - (b) all proceedings at committee meetings and general meetings.
- (3) Minutes of proceedings at a meeting must be signed by the chairperson of the meeting or by the chairperson of the next succeeding meeting.

19. Treasurer

- It is the duty of the treasurer of the association to ensure:
- (a) that all money due to the association is collected and received and that all payments authorised by the association are made, and
 - (b) that 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.

20. Casual vacancies

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
- (b) ceases to be a member of the association, or
- (c) becomes an insolvent under administration within the meaning of the *Corporations Act 2001* of the Commonwealth, or
- (d) resigns office by notice in writing given to the secretary, or
- (e) is removed from office under rule 21, or
- (f) becomes a mentally incapacitated person, or
- (g) is absent without the consent of the committee from all meetings of the committee held during a period of 6 months.

21. Removal of member

- (1) The association in general meeting may by resolution remove any member of the committee from the office of member 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.
- (2) If a member of the committee to whom a proposed resolution referred to in clause (1) relates makes representations in writing to the secretary or president (not exceeding a reasonable length) and requests that the representation 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 the representations 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.

22. Meetings and quorum

- (1) The committee must meet at once in each period of 3 months at such place and time as the committee may determine.
- (2) Additional meetings of the committee may be requested by any committee member, and will be convened on approval from an executive.
- (3) Oral or written notice of a meeting of the committee must be given by the secretary to each member of the committee 7 days before the time appointed for the holding of the meeting.
- (4) No formal agenda is required for a committee meeting. Committee members may raise any new business they wish at a meeting.
- (5) Any 3 members of the committee constitute a quorum for the transaction of the business of a meeting of the committee.
- (6) No business is to 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 is to stand adjourned to the same place and at the same hour of the same day in the following week.
- (7) If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the meeting is to be dissolved.
- (8) At a meeting of the committee:
 - (a) an executive is to preside, or

- (b) if neither executive is present or is neither is willing to act, such one of the remaining members of the committee as may be chosen by the members present at the meeting is to preside.

23. Voting and decisions

- (1) Questions arising at a meeting of the committee are to be determined by a majority of the votes of members of the committee present at the meeting.
- (2) Each member present at a meeting of the committee 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.
- (3) Subject to rule 22(5), the committee may act despite any vacancy on the committee.
- (4) Any act or thing done or suffered, or purporting to have been done or suffered, by the committee, is valid and effectual despite any defect that may afterwards be discovered in the appointment or qualification of any member of the committee.

Part IV - General meetings

24. Annual general meetings – holding of

- (1) With the exception of the first annual general meeting of the association, the association must, in July, convene an annual general meeting of its members.
- (2) The association must 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 financial year of the association.
- (3) Clauses (1) and (2) have effect subject to any extension or permission granted by the Director-General under section 26(3) of the Act.

25. Annual general meetings – calling of and business at

- (1) The annual general meeting of the association is, subject to the Act and to rule 24, to be convened on such date and at such place and time as the committee thinks fit.
- (2) In addition to any other business which may be transacted at an annual general meeting, the business of an annual general meeting is to include the following:
 - (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 on 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 statement which is required to be submitted to members under section 26(6) of the Act.
- (3) An annual general meeting must be specified as such in the notice convening it.

26. Special general meetings – calling of

- (1) The committee may, whenever it thinks fit, convene a special general meeting of the association.

- (2) The committee must, on the requisition in writing of at least 5 per cent of the total number of members, convene a special general meeting of the association.
- (3) A requisition of members for a special general meeting:
 - (a) must state the purpose or purposes of the meeting, and
 - (b) must be signed by the members making the requisition, and
 - (c) must 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.
- (4) As soon as practicable after receiving a requisition of members, the secretary will refer the requisition to the committee which will determine a date no later than 3 months after receipt of the requisition for the special general meeting.

27. Notice

- (1) Except if the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the association, the secretary must, at least 14 days before the date fixed for the holding of the general meeting, give a notice to each member specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.
- (2) If the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the association, the secretary must, at least 21 days before the date fixed for the holding of the general meeting, cause notice to be given to each member specifying, in addition to the matter required under clause (1), the intention to propose the resolution as a special resolution.
- (3) No business other than that specified in the notice convening a general meeting is to be transacted at the meeting except, in the case of an annual general meeting, business which may be transacted under rule 24(2).
- (4) A member desiring to bring any business before a general meeting may give notice in writing of that business to the secretary who must include that business in the next notice calling a general meeting given after receipt of the notice from the member.

28. Procedure

- (1) No item of business is to 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.
- (2) 3 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.
- (3) If within half an hour after the appointed time for the commencement of a general meeting a quorum is not present, the meeting:
 - (a) if convened on the requisition of members, is to be dissolved, and
 - (b) in any other case, is to stand adjourned to the same day in the following week at the same 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.

- (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 at least 2) is to constitute a quorum.

29. Presiding member

- (1) An executive is to preside as chairperson at each general meeting of the association.
- (2) If neither executive is present or is neither is unwilling to act, the members present must elect one of their number to preside as chairperson at a meeting.

30. Adjournment

- (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 is to be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.
- (2) If a general meeting is adjourned for 14 days or more, the secretary must 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.
- (3) Except as provided in clauses (1) and (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

- (1) A question arising at a general meeting of the association is to 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 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.
- (2) At a general meeting of the association, a poll may be demanded by the chairperson or by at least 2 members present in person.
- (3) If a poll is demanded at a general meeting, the poll must 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 is taken to be the resolution of the meeting on that matter.

32. Special resolution

A resolution of the association is a special resolution:

- (a) if it is passed by a majority which comprises at least 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 at least 21 days' written notice specifying the intention to propose the resolution as a special resolution was given in accordance with these rules, or

- (b) where it is made to appear to the Director-General that it is not practicable for the resolution to be passed in the manner specified in paragraph (a) if the resolution is passed in a manner specified by the Director-General.

33. Voting

- (1) On any question arising at a general meeting of the association a member has one vote only.
- (2) All votes must be given personally. Proxy voting is not allowed.
- (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.

Part V - Miscellaneous

34. Insurance

The association may effect and maintain insurance as determined by the committee

35. Funds – source

- (1) The funds of the association are to be derived from an opportunity shop, donations, fundraising activities and government grants.
- (2) All money received by the association must be deposited as soon as practicable and without deduction to the credit of the association's bank account.
- (3) The association must, as soon as practicable after receiving any money, issue an appropriate receipt.

36. Funds – management

- (1) Subject to any resolution passed by the association in general meeting, the funds of the association are to be used in pursuance of the objects of the association in such manner as the committee determines.
- (2) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments must be signed by the treasury or employees of the association, being members or employees authorised to do so by the committee.

37. Alteration of objects and rules

The statement of objects and these rules may be altered, rescinded or added to only by a special resolution of the association.

38. Common seal

- (1) The common seal of the association must be kept in the custody of the public officer.
- (2) The common seal must not be affixed to any instrument except by the authority of the committee and the affixing of the common seal must be attested by the signature of the public officer.

39. Custody of books

Except as otherwise provided by these rules, the public officer must keep in his or her custody or under his or her control all records, books and other documents relating to the association.

40. Inspection of books

The records, books and other documents of the association must be open to inspection, free of charge, by a member of the association at any reasonable hour.

**Appendix 1
(Rule 5(1))**

APPLICATION FOR MEMBERSHIP OF ASSOCIATION

EXAMPLE Incorporated
(incorporated under the *Associations Incorporation Act 1984*).

I,.....
(full name of applicant)

of.....
(address)

.....hereby apply to become a
(occupation)
member of the abovenamed 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 for 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 for the association,
(full name)

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

.....
Signature of seconder

Date.....