



Co-operation HOUSING

Constitution

February 2010

(as submitted for registration with
the Australian Securities and Investments Commission)

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1 Definitions

In this Constitution, unless the context otherwise requires:

- 1.1 **Act** means the *Corporations Act 2001* (Cth).
- 1.2 **Company** means Co-operation Housing.
- 1.3 **Board** or **Directors** means directors numbering not less than the required quorum acting together as the board of directors of the Company.
- 1.4 **Elected Director** has the meaning given in Rule 11.3(a).
- 1.5 **Technical Director** has the meaning given in Rule 11.3(b).
- 1.6 **Initial Director** means one of those named in the registration of the company with the Australian Securities and Investments Commission (ASIC).
- 1.7 **Full Member** and **Associate Member** mean a Member admitted to membership of the Company in accordance with Rule 8.
- 1.8 **Founding Member** means one of those named in the registration of the company with ASIC.
- 1.9 **Member** means a Full Member or an Associate Member or a Founding Member.
- 1.10 **Member** at a meeting of the Company means the nominated person of a Member.
- 1.11 **Association** means any association incorporated under to the *Association Incorporation Act 1987* (WA).
- 1.12 **Corporation** means any company incorporated under to the Act.
- 1.13 **Co-operative** means a co-operative incorporated under *Co-operatives Act 2009* (WA).
- 1.14 **Objects** means those objects of the Company as referred to in Rule 3.2.
- 1.15 [Deleted]
- 1.16 **Special resolution** in the case of a general meeting of the Full Members has the meaning given in section 9 of the Act; in the case of a Board meeting it means a resolution passed by at least 75 per cent of the votes cast by those Directors entitled to vote.
- 1.17 A resolution or poll with an **equality of votes** is not passed.
- 1.18 **Month** means calendar month.
- 1.19 **In writing** means written, printed or typed, or partly written or partly typed, and includes lithographic, electronic and all other substitutes for writing.
- 1.20 Words importing the singular number include the plural number, and vice versa.
- 1.21 Words importing the masculine gender include the feminine gender.
- 1.22 Words importing persons include corporations.

2 Name

2.1 The name of the Company is **Co-operation Housing**.

3 Purpose and Objects

3.1 The Company:

- (a) is a company limited by guarantee;
- (b) is not carried on for the purpose of providing any profit or financial gain to its individual Members, nor making any distribution to its Members of any kind whatsoever, nor paying any fees to its Directors;
- (c) will operate to pursue charitable-purpose objects only; and
- (d) will only apply any operating surplus or other income in promoting its Objects.

3.2 Objects

The principal Object of the Company shall be to strengthen and expand the co-operative housing sector in Western Australia in order to provide housing assistance.

The Company will further this Object by, within the context of co-operative housing initiatives:

- (a) providing property and tenancy management support and services;
- (b) seeking investment and grants;
- (c) encouraging socially, economically and environmentally sustainable principles and practices;
- (d) promoting tenant participation in housing management;
- (e) taking action either itself or in conjunction with other persons to increase the number of residential properties under co-operative housing management, including by owning or leasing residential properties;
- (f) providing education on co-operative housing principles to households;
- (g) promoting principles of co-operation (see Appendix 1) and co-operative housing; and
- (h) doing anything that it is reasonably convenient to do in order to give effect to the principal Object.

Effect of Constitution

3.3 This Constitution has the effect of a contract between:

- (a) the Company and each Member;
- (b) the Company and each Director; and
- (c) each Member and each other Member.

- 3.4 The Replaceable Rules shall apply to the extent that such rules are not inconsistent with the Rules set out in this Constitution, in which case the Rules set out in this Constitution shall prevail.

4 Powers

- 4.1 The Company has the legal capacity and powers of a person and all the powers of a body corporate.

5 By-laws and policies

- 5.1 The Directors shall establish and publish from time to time by-laws and policies to guide the operation and decision making of the Company and to provide direction to Members and employees in areas not otherwise covered by the Act or this Constitution.
- 5.2 Should any by-law or policy be inconsistent with the Act or with this Constitution, the Act or this Constitution shall prevail.

6 Income and property of Company

- 6.1 The profits (if any), income and property of the Company, however derived, will be applied solely towards the promotion of the purposes of the Company and its Objects.
- 6.2 No part of the profits, income or property of the Company may be paid, transferred or distributed to any Member, either directly or indirectly by way of dividend, bonus or otherwise.
- 6.3 Subject to Rule 6.4, Rule 6.2 does not prevent:
- (a) payment in good faith to an officer, an employee or a Member of the Company, as remuneration for services provided by that officer, employee or Member to the Company, provided that such payment has first been approved by the Board;
 - (b) payment of interest at a rate not exceeding interest at the rate for the time being charged by the Company's banker for overdrawn accounts on money borrowed from a Member; or
 - (c) payment of reasonable and proper rent for premises demised or let by any Member to the Company.
- 6.4 No Director shall be entitled to be paid any fee for acting as a Director of the Company.

7 [Deleted]

8 Membership

Admission

- 8.1 The number of Full Members and Associate Members is unlimited.
- 8.2 Full Members of the Company are:
- (a) the Founding Members; and
 - (b) other co-operatives, associations and corporations endorsed by the Board subject to having:
 - (i) sought membership in the prescribed manner;
 - (ii) co-operative housing management;
 - (iii) objectives consistent with the Objects of the Company;
 - (iv) a valid and current lease of land and buildings; and
 - (v) agreed to pay the annual Full Member fee.
- 8.3 Associate Members of the Company are co-operatives, associations and corporations endorsed by the Board subject to having:
- (a) sought membership in the prescribed manner;
 - (b) objectives consistent with those of the Company; and
 - (c) agreed to pay the annual Associate Member fee.
- 8.4 Membership commences at a date determined by the Board.
- 8.5 The rights and privileges of each Member will not be transferable by the Member's own act or by operation of law.

Membership rights

- 8.6 Each Full Member has the right to one vote at all general meetings and to receive those membership benefits from the Company as determined at a general meeting from time to time.
- 8.7 Associate Members have no vote at the Annual General Meeting or at general meetings but may participate at general meetings and may be invited by the Board to participate in the activities of the Company.
- 8.7.1 The Board of Directors shall in their entire discretion resolve what associate membership benefits will be made available from time to time.

Membership fees

- 8.8 The Board may resolve that any applicant applying to become a Full Member or Associate Member must pay an application fee and determine such amount.
- 8.9 The Company may decide in a general meeting the amount of an annual membership fee.

- 8.10 Details of any such application or of annual membership fees will be provided, with the form of application, to any co-operative, association or company applying to become a Full Member or Associate Member.
- 8.11 Should the Board reject an application for membership, the application fee shall be refunded to the applicant less such reasonable administrative cost as may be determined by the Board.
- 8.12 Any annual membership fee shall become due and payable at such time or times as determined by the Board.

Register of Members

- 8.13 The Secretary of the Company shall establish and maintain a register of Members of the Company specifying the name and address of each Member together with the date on which the Member became a Member and any other information required under the Act.
- 8.14 The register may be kept in electronic form.
- 8.15 The register shall be kept at the principal place of administration of the Company and shall be open for inspection, free of charge, by any Member of the Company at any reasonable hour. This sub-Rule does not give a Member the right to copy the register or membership database except in accordance with section 173(3) of the Act.
- 8.16 The register of Members will include the name of the person nominated to represent each Member.
- 8.17 A Member must promptly notify the Company of any change in the details relating to that Member that are recorded in the register, including the nominated person.

Ceasing to be a Member or change in Member status

- 8.18 Membership of the Company will cease immediately without notice if:
- (a) a liquidator is appointed in connection with the Full Member or Associate Member;
 - (b) the Full Member or Associate Member organisation is dissolved; or
 - (c) an order is made by a court for the winding up or deregistration of the Full Member or Associate Member.
- 8.19 If any Full Member or Associate Member refuses or neglects to comply with the provisions of this Constitution or, in the opinion of the Board, is guilty of conduct unbecoming of a Full Member or Associate Member or prejudicial to the interests of the Company or its Objects, the Board has the power by resolution to censure, suspend, fine or expel the Member from the Company, subject to the following:
- (a) Before such resolution may be passed, the Full Member or Associate Member must be given reasonable opportunity to give an explanation or defence orally or in writing before the Board meeting which is to be held to determine the Member's conduct.
 - (b) Any such Full Member or Associate Member may, by notice in writing lodged with the Secretary within 14 days after the Board meeting at which such a resolution is

passed by the Board, elect to have the question dealt with by the Company at a general meeting.

- (c) In the event that the Full Member or Associate Member elects to have the matter dealt with at a general meeting of the Company, the resolution of the Board will have no effect unless it is a resolution for suspension or expulsion of the Member, in which event the Member will be suspended until the next general meeting.
- (d) The Board must call a general meeting within 21 days from receipt of the notice referred to in Rule 8.19(b), and must hold such general meeting no later than two months from the date of receipt of the notice. Should the Board fail to call such meeting, then the Full Members with more than 50 per cent of the votes of all Full Members may call and arrange to hold a general meeting, in which case the provisions section 249E of the Act shall apply.
- (e) If, at such general meeting, the same resolution is passed as an ordinary resolution, the Full Member or Associate Member shall be dealt with accordingly and, in the case of a resolution for expulsion of that Full Member or Associate Member, the Full Member or Associate Member shall be expelled.
- (f) Where the membership fee of a Full Member or Associate Member expelled has been paid, the Full Member or Associate Member will be entitled to a proportional refund representing the period from the time of expulsion until the time of membership expiry.

8.20 A Full Member (including a Founding Member) will cease to be a Full Member on a date determined by the Board, consistent with any contract with the Full Member where:

- (a) the Full Member gives notice in writing to the Secretary; or
- (b) the Full Member ceases to have a valid and current lease of land and buildings.

8.21 An Associate Member may, by giving notice in writing to the Secretary, resign their membership of the Company at the date specified in the notice.

8.22 Any Full Member or Associate Member ceasing to be a Full Member or Associate Member will remain liable for and will pay to the Company any moneys that were due to the Company at the date of ceasing to be a Full Member or Associate Member, in addition to any sum arising under Rule 8.24 for which that Full Member or Associate Member may be liable.

8.22.1 A Full Member, including a Founding Member and an Associate Member, may apply in writing for reconsideration of their membership status, which consideration will be undertaken at a general meeting.

Members' obligations

8.23 The liability of Full Members is limited.

8.24 Every Full Member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up while the member is a Full Member, or within one year after ceasing to be a Full Member, for the payment of the debts and liabilities of

the Company (contracted before ceasing to be a Full Member) and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributions among themselves, such amount as may be required not to exceed \$5.00.

8.25 The liability of Associate Members is nil.

9 General meetings

Annual General Meetings

- 9.1 An Annual General Meeting of the Company will be held yearly, in accordance with the provisions of the Act, on such date and at such place and time as the Board determines.
- 9.2 The Annual General Meeting will be held within five months of the end of the financial year unless the Board requests (and ASIC approves) an extension.
- 9.3 An Annual General Meeting shall be specified as such in the notice convening it.
- 9.4 In addition to any other business that may be transacted at an Annual General Meeting, the ordinary business at an Annual General Meeting shall be:
 - (a) to receive and consider the audited financial reports and statement of financial position of the Company for the period ended 30 June, and the report of the auditor;
 - (b) to appoint an auditor for the following financial year and fix the auditor's remuneration; and
 - (c) to elect Directors to vacant Board positions.

General meetings

- 9.5 The Board or any Director may convene a general meeting of the Company whenever they think fit, or when required to do so under the Act.
- 9.6 Not less than 21 days' notice of each general meeting shall be given to Members, specifying the place, day and hour of the meeting and the general nature of the business to be dealt with.
- 9.7 With the consent of a majority of Full Members entitled to attend and vote at a meeting, a meeting may be convened by shorter notice than provided above.
- 9.8 Any notice of meeting sent by post shall be deemed to have been served on the third working day following posting. Any notice of meeting sent by facsimile or other electronic means shall be deemed to have been served on the day following its transmission.
- 9.9 Subject to Rule 9.11, the Directors may postpone or cancel any general meeting whenever they think fit (other than a meeting convened in accordance with the Act or a meeting convened by a court).
- 9.10 The Directors must give notice to all Members at their registered address of:
 - (a) the postponement or cancellation of a general meeting; and
 - (b) the place, date and time of any new meeting.

- 9.11 Failure or accidental omission to send notice of a general meeting (including a proxy appointment form) to any Member, or non-receipt of notice (or form) by any Member, does not invalidate the proceedings or any resolution passed at the general meeting.

10 Proceedings at general meetings

Quorum

- 10.1 A quorum is three Full Members of the Company, or 25 per cent of all Full Members of the Company, whichever is the greater.
- 10.2 A general meeting cannot start until a quorum of Full Members is present.
- 10.3 The business of the meeting proceeds until the Chairperson declares that a quorum is not present.

If a quorum is not present

- 10.4 If a quorum of Full Members is not present within 30 minutes after the time appointed for a general meeting:
- (a) the meeting is automatically dissolved if the general meeting was called on the request of Full Members; or
 - (b) in any other case, the meeting stands adjourned to the same time and place seven days after the appointed meeting, or to another day, time and place as determined by the Directors.
- 10.5 If, at the adjourned meeting, a quorum is not present within 30 minutes from the appointed time for the meeting, the meeting may proceed if three Full Members are present either in person, electronically or by proxy.

Chair

- 10.6 The Chairperson of the Board will be the Chairperson at every general meeting of the Company.
- 10.7 If the Chairperson of the Board is unable to be present, or is not present within 15 minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Full Members present shall elect one of their number to be chair of the meeting on a show of hands.

Adjournments

- 10.8 The Chairperson of any meeting at which a quorum is present may, with the consent of the majority of Full Members present at the meeting, adjourn the meeting from time to time and place to place.
- 10.9 No business shall be transacted at an adjourned meeting other than the business left unfinished at the original general meeting. Subject to Rule 10.10, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

10.10 Where a meeting is adjourned for 30 days or more, written notice of the resumed adjourned meeting shall be given, as in the case of the original meeting.

Decision making

10.11 Where required or prescribed by the Act, Rules 10.12 to 10.29 apply. Otherwise, decision making shall be by consensus principles.

10.12 Subject to the Act in relation to Special Resolutions, a resolution is carried at a general meeting if a majority of the votes cast on the resolution are in favour of the resolution.

10.13 Each Full Member entitled to vote has only one vote.

10.14 The Chairperson of a general meeting does not have a casting vote at general meetings.

10.15 Subject to Rule 11.15, a resolution put to the vote of a meeting is decided on a show of hands unless a poll is demanded.

10.16 Unless a poll is demanded, the evidence to record success or failure of a resolution is:

- (a) a declaration by the Chairperson that a resolution has been carried, carried by a specified majority, or lost; and
- (b) an entry to that effect in the minutes of the meeting.

10.17 A decision of a general meeting may not be impeached or invalidated on the grounds that a person voting at the general meeting was later determined not to be entitled to do so.

10.18 If there is a dispute at a general meeting about a question of voting or procedure, the Chairperson of the general meeting may determine the question, and his or her decision shall be final.

Polls

10.19 A poll may be demanded before a vote is taken, or before or immediately after the voting results on a show of hands are declared.

10.20 A poll may be demanded by:

- (a) at least two Full Members entitled to vote on the resolution; or
- (b) the Chairperson.

10.21 When a poll is demanded:

- (a) it must be taken in the manner and at the date and time directed by the Chairperson, and the result of the poll is a resolution of the meeting at which the poll was demanded;
- (b) no poll shall be demanded on the election of a Chairperson of a meeting;
- (c) a poll demanded on any question of adjournment shall be taken immediately;
- (d) the demand may be withdrawn at anytime before the poll is held; and

- (e) the demand does not prevent the continuance of the general meeting for the transaction of any business other than the question on which the poll has been demanded.

Proxies

- 10.22 A Full Member entitled to vote may appoint a person to be their proxy.
- 10.23 A proxy need not belong to a Full Member.
- 10.24 Appointment of a proxy must be in a form and manner approved by the Board, in accordance with the Act.
- 10.25 A proxy may demand or join in demanding a poll.
- 10.26 A proxy's authority to vote is suspended while the Full Member is present at the meeting.
- 10.27 A proxy may vote or abstain as he or she chooses, except where the appointment of the proxy directs the way the proxy is to vote on a particular resolution. If a proxy votes at all, the proxy will be deemed to have voted in the manner directed.
- 10.28 A proxy's appointment is valid at an adjourned general meeting.
- 10.29 A vote cast in accordance with an appointment of a proxy is valid even if, before the vote was cast, the Full Member revoked the proxy, provided written notification of revocation was not received by the Company before the relevant general meeting or adjourned general meeting.

11 Appointment of Directors

- 11.1 All Directors, other than the Initial Directors, must, in the case of the Elected Directors, be appointed by the Full Members by election at the Annual General Meeting or, in the case of the Technical Directors, be appointed by the Board, in accordance with this Rule.
- 11.2 The number of Directors shall be no less than five and no more than nine.
- 11.3 The Directors shall comprise:
 - (a) Elected Directors, being no more than five persons, who in turn must be permanent occupants of accommodation provided by existing Full Members; each Elected Director must be nominated by any Full Member at least 14 days before the Annual General Meeting and elected by the Full Members at the Annual General Meeting;
 - (b) Technical Directors, being no more than four persons, who are not from an existing Full Member; each Technical Director is appointed by the Board and selected for the benefit of their technical expertise in law, accounting, social housing, real estate, finance, education, community development and/or similar areas.
- 11.4 A Director may serve the Company in any other capacity or hold any other office or place of profit under the Company except the office of auditor.

- 11.5 The Board may elect one of its own to act as the Managing Director of the Company, and such appointment shall continue until that person ceases to be a Director or until the Board decides otherwise by Special Resolution.

Elected Directors

- 11.6 Elections for any vacant positions of Elected Director (Rule 11.3(a)) shall be held at each Annual General Meeting.
- 11.7 At the first Annual General Meeting following the registration of the Company, all Initial Directors appointed under Rule 11.1 shall retire.
- 11.8 At the second Annual General Meeting following the registration of the Company, all but three Elected Directors shall retire by agreement.
- 11.9 Each Elected Director must retire at the second Annual General Meeting after they were appointed.
- 11.10 An Elected Director appointed to fill a casual vacancy (see Rule 11.19) must retire at the Annual General Meeting following their appointment unless the Company would not be able to give the required notice, in which case their retirement shall be at the next general meeting.
- 11.11 An Elected Director who has served three consecutive terms shall not be eligible for re-election until at least one year after the completion of their third consecutive term.
- 11.12 A written notice referring to all Elected Director vacancies must be sent to all Full Members at least 48 days before every Annual General Meeting at which an election of a Director will take place.
- 11.13 The written nomination form and any other related documentation must be lodged with the registered office of the Company at least 14 days before the Annual General Meeting at which an election of an Elected Director will take place.
- 11.14 Subject to Rule 11.13, information on each candidate for election must be sent to all Full Members at least fourteen days before the General Meeting at which an election of an Elected Director will take place.
- 11.15 Notwithstanding Rules 11.13 and 11.14, if there are insufficient nominations for the vacancies, nominations will be accepted at the meeting, providing the Full Members present agree.
- 11.16 An election for Elected Director must be conducted by a poll and will be decided by majority vote of eligible voting Full Members on a preferential basis.
- 11.17 The Full Members may resolve to postpone an election of Elected Directors until a later general meeting, and the Company may call for additional nominations prior to that later meeting.
- 11.18 The election result must be declared by the Company at the general meeting, and the appointment will take effect at the end of that meeting.
- 11.19 A casual vacancy for an Elected Director may be filled by the Board. The Board may appoint any person to fill a casual vacancy, subject only to the Board being satisfied that such person has suitable experience relevant to the Co-operative Housing sector in Western Australia.

Technical Directors

- 11.20 The Board shall fill Technical Director vacancies as required (see Rule 11.3(b)).
- 11.21 The term of a Technical Director shall expire at the Board meeting following the expiration of two years since their last appointment.
- 11.22 A Technical Director may be reappointed.
- 11.23 If a Technical Director has served four consecutive terms, reappointment must be endorsed at a general meeting.
- 11.24 The by-laws of the Company shall set the minimum criteria to be met by Technical Directors in relation to the areas of nominated expertise.

Remuneration

- 11.25 No payment will be made to any Director of the Company other than for all reasonable expenses that have been pre-approved by the Board and which are the payment of out-of-pocket expenses incurred by the Director in the performance of any duty as Director of the Company, where the amount payable does not exceed an amount previously approved by the Board.
- 11.26 Notwithstanding Rule 11.25, a Director must not be paid any remuneration for his or her services as a Director.

12 Removal of Directors

- 12.1 A Director will be removed immediately when the Director:
- (a) is prohibited by the Act or other legislation from holding office or continuing as a Director;
 - (b) is determined by a resolution of the Board to have engaged in any activity lawful or unlawful that may bring the Company into disrepute;
 - (c) is removed by a resolution of the Company at a general meeting;
 - (d) dies; or
 - (e) is incapable of managing their affairs, as demonstrated by having had a person appointed under law to administer their personal affairs because of mental incapacity.
- 12.2 A Director will be removed at a date determined by the board when the Director:
- (a) resigns by notice in writing to the Company;
 - (b) has direct or indirect interest in any contract or proposed contract with the Company and fails to declare the nature of the interest as required by the Act;
 - (c) does not, in the case of an Elected Director, belong to any of the Full Members; or
 - (d) fails to attend three consecutive meetings of the Board without an acceptable explanation to the Board.

- 12.3 If the number of continuing Directors falls below five, the Board is only empowered to fill Director vacancies and convene general meetings.

13 Directors' interests

- 13.1 The Company may enter into contracts or arrangements with other companies or bodies in which a Director has an interest, provided:
- (a) it does so according to the usual commercial terms and conditions that apply to such contracts or arrangements; and
 - (b) the remaining provisions of this Rule have been complied with.
- 13.2 A Director must disclose an interest in accordance with the Act, and the Secretary must record all declarations in the minutes of the relevant meeting.
- 13.3 A Director who has an interest in a contract or arrangement made by the Company, and has disclosed this interest to the Board (subject to compliance with the Act and related provisions), may:
- (a) if the Board has resolved to that effect:
 - (i) vote on the matter; and
 - (ii) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement;
 - (b) be counted in determining whether or not a quorum is present at any Board meeting considering that contract or arrangement or proposed contract or arrangement; and
 - (c) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement.
- 13.4 A Director's failure to make disclosure under this Rule does not render void or voidable a contract or arrangement in which the Director has a direct or indirect interest.
- 13.5 At the time a matter involving the Company and another corporation is first discussed, a Director shall disclose:
- (a) whether the Director is an officer of, a member of or otherwise interested in any specified corporation or firm; and
 - (b) the nature and extent of the Director's interest in the corporation or firm.

14 Office bearers

- 14.1 All office bearer positions will be declared vacant at the commencement of the first Board meeting following each Annual General Meeting.
- 14.2 The Directors shall elect one of their number to be Chairperson serving until the first Board meeting after the next Annual General Meeting.
- 14.3 A Director may serve more than one consecutive term as Chairperson.

- 14.4 The Directors present may elect a Director to chair a Board meeting if:
- (a) the Chairperson is absent;
 - (b) the Chairperson is not present within 15 minutes after the time appointed for holding the Board meeting; or
 - (c) the Chairperson is unwilling to act as chair of the Board meeting.

15 Secretary

- 15.1 There must be at least one secretary of the Company, appointed by the Board for a term and on conditions determined by it.
- 15.2 The Secretary is entitled to attend and be heard on any matter at all Board and general meetings.
- 15.3 The Board may, subject to the terms of the Secretary's contract, suspend, remove or dismiss the Secretary.

16 Chief Executive Officer

- 16.1 The Board may appoint a Chief Executive Officer for a term and on conditions determined by it.
- 16.2 The Chief Executive Officer is entitled to attend and be heard on any matter at all Board and general meetings.
- 16.3 The Board may, subject to the terms of the Chief Executive Officer's contract, suspend, remove or dismiss the Chief Executive Officer.

17 Board meetings

- 17.1 A Director may at any time, and the Secretary must on the request of a Director, call a Board meeting.
- 17.2 Board will meet at least six times each year.
- 17.3 The Directors may meet together, adjourn and regulate their meetings as they think fit.
- 17.4 A Board meeting must:
- (a) have at least five business days' notice; or
 - (b) be at a time consented to by all Directors.
- 17.5 Notice of a Board meeting shall specify the general nature of the business to be transacted at the meeting.
- 17.6 Subject to the Act, a Board meeting may be held by the Directors communicating with each other by any technological means by which they are able simultaneously to hear each other and to participate in discussion.

- 17.7 Subject to Rule 13, a Director who participates in a Board meeting is taken to be present and entitled to vote at that meeting.
- 17.8 A quorum is a majority of Directors at the time, or three Directors, whichever is higher.
- 17.9 Where a quorum cannot be established for the consideration of a particular matter at a Board meeting, the Chairperson of the Board meeting may call a general meeting to deal with the matter.
- 17.10 Subject to this Constitution, questions arising at a Board meeting are to be decided by consensus principles unless prescribed by the Act, whereby a majority of votes of the Directors present and voting and, subject to Rule 13, each Director has one vote.
- 17.11 If there is an equality of votes, the Chairperson of a Board meeting will not have a casting vote in addition to his or her deliberative vote.

18 Written resolutions

- 18.1 The Directors may pass a resolution without a Board meeting being held if all 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. The resolution is passed when the last Director signs.
- 18.2 For the purposes of Rule 21.1, 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.
- 18.3 Any document referred to in this Rule may be in the form of a facsimile or other electronic transmission.
- 18.4 The minutes of the Board meeting must record that a resolution was passed in accordance with this Rule.

19 Committees

- 19.1 The Board may delegate any of its powers (other than those which by law must be dealt with by the Board) to a committee or committees.
- 19.2 The Board may establish either or both of the following:
- (a) committees with powers delegated by the Board (**Board Committees**);
 - (b) committees with no delegated powers to advise the Board on specified matters (**Advisory Committees**).
- 19.3 Individuals on any Board Committees and Advisory Committees will be appointed by the Board or through a process approved by the Board.
- 19.4 The Board may appoint to a committee any individual it considers appropriate.
- 19.5 Any delegation of power to a committee must be recorded in writing, and at least one Director must be present at any Board Committee meeting in order to exercise any powers delegated by the Board.

- 19.6 Meetings of any Board Committee or Advisory Committee will be governed by the provisions of this Constitution that deal with Board meetings so far as they are applicable and are not inconsistent with any directions of the Board. The provisions apply as if each member of any Board Committee or Advisory Committee were a Director.
- 19.7 Rule 19 regarding written resolutions also applies to resolutions of any Board Committee or Advisory Committee as if each member of the Board Committee or Advisory Committee were a Director.

20 Delegation

- 20.1 The Board may, according to any terms, conditions or restrictions it sees fit, delegate any of its powers (other than those which by law must be dealt with by the Board) to:
- (a) a Board Committee;
 - (b) a Director;
 - (c) an employee of the Company; or
 - (d) any other person.
- 20.2 A Board Committee to which, or a person to whom, any powers have been delegated must exercise these powers in accordance with any directions of the Directors, and a power exercised in that way is taken to have been exercised by the Directors.
- 20.3 A Board Committee to which, or a person to whom, any powers have been delegated may be authorised by the Board to sub-delegate all or any of those powers for the time those powers are vested in it.
- 20.4 The Board may at any time revoke any delegation of power.

21 Minutes and registers

- 21.1 The Board shall cause minutes to be made of:
- (a) all appointments of officers;
 - (b) the names of all Directors present at all meetings of the Company;
 - (c) all proceedings and decisions at all general meetings and Board meetings; and
 - (d) all resolutions passed in accordance with Rule 19.
- 21.2 The minutes of proceedings shall be signed by the Chairperson of the meeting or by the Chairperson of the next succeeding meeting, subject to their approval by the relevant meeting.
- 21.3 The Board shall cause registers to be maintained of:
- (a) any disclosures made by Directors or officers of the Company of any direct or indirect interest in a matter before the Board; and
 - (b) Members of the Company.

22 Financial year

- 22.1 The financial year of the Company shall be from the 1st day of July each year to the 30th day of June the following year.

23 Audit and accounts

- 23.1 The Board must cause the Company to keep written financial records in relation to the business of the Company in accordance with the requirements of the Act.
- 23.2 The Board must cause the financial records of the Company to be audited in accordance with the requirements of the Act.

24 Auditor

- 24.1 A properly qualified auditor will be appointed by the Company at each Annual General Meeting, and the duties of the auditor will be regulated in accordance with the Act.

25 Inspection of records

- 25.1 A Director may inspect financial records and other documents of the Company and may make reasonable requests to the Board to be provided with copies of such records or documents.
- 25.2 A Director may not have access to any records or documents where such access may contravene confidentiality or privacy legislation.
- 25.3 Except as otherwise required by the Act, the Board may determine whether, to what extent, at what times and places and under what conditions, the financial records and other documents of the Company or any of them will be open for inspection by Members.
- 25.4 Except as otherwise required by the Act, a Member does not have the right to inspect any financial records or other documents of the Company, unless the Member is authorised to do so by a court order or a resolution of the Board.

26 Indemnity

- 26.1 The Company is to indemnify each officer of the Company out of the assets of the Company to the relevant extent against any liability incurred by the officer in or arising out of the conduct of the business of the Company, or in or arising out of the discharge of the duties of the officer, unless the liability was incurred by the officer through his or her dishonesty, negligence, lack of good faith or breach of duty.

27 Notices

- 27.1 Notice may be given by the Company to any person or Member who is entitled to notice under this Constitution:
- (a) by serving it on the person; or
 - (b) by sending it by post, facsimile or other electronic transmission to the person at the person's address shown in the register of Members or at the address supplied by the person to the Company for the purpose of sending notices to the person.
- 27.2 Any notice sent by post shall be deemed to have been served on the third working day following posting.
- 27.3 Any notice sent by facsimile or other electronic transmission shall be deemed to have been served on the day following its transmission.
- 27.4 A certificate in writing signed by a Director or a Secretary stating that a document was sent to a Member by post or by facsimile or other electronic transmission on a particular date is prima facie evidence that the document was so sent on that date.
- 27.5 Accidental omission to give notice of a meeting to, or non-receipt of such notice by, a Director or Member shall not invalidate the proceedings of the meeting held in pursuance of such notice.
- 27.6 Subject to the Act, the signature to a written notice given by the Company may be written or printed.
- 27.7 Notice of every general meeting must be given to:
- (a) every Member;
 - (b) every Director and Secretary; and
 - (c) the Auditor.
- 27.8 No other person shall be entitled to receive notices of general meetings.

28 Winding up

- 28.1 If the Company is wound up:
- (a) each Full Member; and
 - (b) each organisation that has ceased to be a Full Member in the preceding 12 months undertakes to contribute to the property of the Company for the:
 - (c) payment of debts and liabilities of the Company (with respect to Rule 28.1 (b), contracted before the organisation ceased to be a Full Member) and payment of costs, charges and expenses of winding up; and
 - (d) adjustment of the rights of such Full Members and former Full Members among themselves.
- 28.2 The liability for a Full Member shall not exceeding \$5.00.

- 28.3 If, after the winding up or dissolution of the Company, there remains after meeting of all debts and liabilities any property whatsoever, the property shall not be paid to nor distributed among the Full Members, but shall be given to or transferred to another corporation:
- (a) the objectives of which as stated in its Constitution are restricted to one or more of the objectives specified in this Constitution;
 - (b) which is required to apply its profits or other income to the promotion of its objectives and is prohibited from paying dividends to its members;
 - (c) which is an institution accepted as a deductible gift recipient under any tax legislation by the Commissioner of Taxation or otherwise approved for these purposes by the Commissioner of Taxation; and
 - (d) which is selected by the Full Members of the Company at or before the time of dissolution and in default of application to a court.
- 28.4 At the time of the Company's winding up or on revocation of its deductible gift status, whichever occurs earlier, the following assets remaining after the payment of the Company's liabilities shall be transferred to a fund, authority or institution to which income tax-deductible gifts can be made:
- (a) any gifts of money or property made for the principal use of the Company;
 - (b) any contributions made in relation to any eligible fundraising event held for the principal purpose of the Company; and
 - (c) any money received by the Company because of such gifts or contributions.

29 Interpretation of the Constitution

- 29.1 If any Rule or part thereof of this Constitution is, or may become, unenforceable by law for any reason whatsoever, then this Constitution is severable with respect to such Rule or part thereof, and the remainder of this Constitution is to be read and construed for all intents and purposes as if the same did not form part of this Constitution.
- 29.2 Subject to the overriding powers of Full Members in general meetings, and to the jurisdiction of the courts, if any doubt shall arise as to the proper construction or meaning of any part of this Constitution or of any expression herein, the decision of the Board thereon shall be final and conclusive, provided such decision be written and recorded in the minutes of the proceedings of the Board.

30 Alterations to the Constitution

- 30.1 Any alteration to this Constitution may only be effected by a Special Resolution of the Full Members at a general meeting.

Appendix 1: Co-operative identity, values and principles

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of **self-help, self-responsibility, democracy, equality, equity** and **solidarity**. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1. Voluntary and open membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic member control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3. Member economic participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership.

Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4. Autonomy and independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5. Education, training and information

Co-operatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their co-operatives.

They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

6. Co-operation among co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7. Concern for community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

Source: International Co-operative Alliance (<http://ica.coop/en/what-co-op/co-operative-identity-values-principles>).