



RULES OF

**MUSIC BROADCASTING SOCIETY OF NEW SOUTH WALES
CO-OPERATIVE LIMITED**

**A Non-Trading Non-Share Co-operative
REGISTERED UNDER THE CO-OPERATIVES ACT 1992 (N.S.W.)**

Registered on 28 November 2012

Updated 28 October 2017

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DEFINITIONS

1. In these Rules, unless the context otherwise requires:
 - (i) **“active member”** means a member who is in active membership within the provisions of Rule 18;
 - (ii) **“alter”** or similar word or expression used in relation to a Rule amendment includes add to, substitute, and rescind;
 - (iii) **“auditor”** means an auditor or auditors for the time being of the Society appointed in accordance with Rule 69;
 - (iv) **“banking account”** includes an account with a credit union or building society registered, or authorised to operate, under the Financial Institutions (NSW) Code into which the Society’s monies may be paid;
 - (v) **“broadcasting service”** means a broadcasting service as defined in the Commonwealth Broadcasting Services Act 1992;
 - (vi) **“business day”** means a day that is not a Saturday or Sunday or a public holiday or bank holiday in New South Wales;
 - (vii) **“CCU”** means Co-operative Capital Unit issued in accordance with these Rules;
 - (viii) **“debenture”** means a document issued by the Society that evidences or acknowledges indebtedness of the Society in respect of money that is or may be deposited with or lent to the Society, whether constituting a charge on property of the Society or not, other than:
 - (A) a cheque, order for the payment of money or bill of exchange; or
 - (B) a promissory note having a face value of not less than \$50,000; or
 - (C) any other document of a class that is prescribed as exempt from this definition,
 and includes a unit of a debenture;
 - (ix) **“Director”** includes:
 - (A) a person who occupies or acts in the position of a Director or member of the Board of the Society, whether or not the person is called a Director and whether or not the person is validly appointed or duly authorised to act in the position; and
 - (B) a person in accordance with whose directions or instructions the Directors or members of the Board of the Society are accustomed to act;
 - (x) **“financial year”** means the financial year of the Society as specified in Rule 69;
 - (xi) **“may”** or a similar word or expression used in relation to a power of the Board indicates that the power may be exercised or not exercised at the Board’s discretion;
 - (xii) **“member”** means a member of the Society;
 - (xiii) **“month”** means a calendar month;
 - (xiv) **“music”** means classical music in the non-technical dictionary sense, such interpretation to be inclusive rather than exclusive and when doubt exists, the music

shall have the benefit;

- (xv) **“officer”** means:
- (A) a Director, Secretary or employee of the Society; or
 - (B) a person who is concerned, or takes part, in the management of the Society, whether or not as a Director; or
 - (C) a receiver, or receiver and manager, of property of the Society, or any other authorised person who enters into possession or assumes control of property of the Society for the purpose of enforcing any charge; or
 - (D) an administrator of a deed of arrangement executed by the Society; or
 - (E) a liquidator or provisional liquidator appointed in a voluntary winding up of the Society; or
 - (F) an administrator of the Society appointed under Part 5.3A of the Corporations Law as applying under this Act or Division 6 of Part 12 of the Act; or
 - (G) a trustee or other person administering a compromise or arrangement made between the Society and another person or other persons;
- (xvi) **“postal ballot”** includes a special postal ballot;
- (xvii) **“prescribed”** means prescribed by the Act or under the Act by Regulation;
- (xviii) **“provision”** in relation to the Act, means words or other matter that form or forms part of the Act, and includes:
- (A) a chapter, part, division, subdivision, section, subsection, paragraph, subparagraph, sub-subparagraph or schedule of or to the Act; and
 - (B) a section, clause, subclause, item, column, table or form of or in a schedule to the Act; and
 - (C) the long title and any preamble to the Act;
- (xix) **“Regulation”** means a Regulation made under the Act, and any Regulation that applies to a co-operative by way of a transitional Regulation made under the Act;
- (xx) **“relevant interest”** has the same meaning as given in Schedule 2 of the Act;
- (xxi) **“Rules”** mean the registered Rules of the Society as amended from time to time and reference to particular Rules has a corresponding meaning;
- (xxii) **“shall”** or a similar word or expression used in relation to a power of the Board indicates that the power must be exercised, subject to the Act or the Rule granting the power;
- (xxiii) **“special resolution”** means a resolution which is passed in accordance with Rule 45;
- (xxiv) **“the Act”** means the *Co-operatives Act 1992*;
- (xxv) **“the Board”** means the whole or any number of the Directors assembled at a meeting of the Directors or transacting business in accordance with Rule 52, being not less than a quorum or a majority, as the case may be;

- (xxvi) **“the Law”** means the Corporations Law;
- (xxvii) **“the Registrar”** means the Registrar of Co-operatives or any person delegated the Registrar’s functions;
- (xxviii) **“the Secretary”** means any person appointed by the Board as Secretary of the Society;
- (xxix) **“the Society”** means Music Broadcasting Society of New South Wales Co-operative Limited;
- (xxx) **“the State”** means the State of New South Wales;
- (xxxi) **“writing”** includes printing, typing, lithography and other modes of representing or reproducing words in a visible form and “written” has a corresponding meaning;
- (xxxii) words importing one gender include the other genders;
- (xxxiii) words importing persons include bodies corporate;
- (xxxiv) words in the singular include the plural, and vice versa;
- (xxxv) words or expressions used have the same meanings as those given to them by the Act.

DEFINITIONS — INTERPRETATION PROVISIONS

2.

- (a) A reference in these Rules to “the Act” includes a reference to:
 - (i) the Act as originally enacted, and as amended from time to time since its original enactment; and
 - (ii) if the Act has been repealed since the inclusion of the reference in these Rules — the legislation enacted in substitution of the Act (whether legislation of the State or Federal Parliament) and as amended from time to time since its enactment.
- (b) A reference in these Rules to a provision in “the Act” includes a reference to:
 - (i) the provision as originally enacted, and as amended from time to time since the original enactment;
 - (ii) if the provision has been omitted and re-enacted (with or without modification) since the enactment of the reference — the provision as re-enacted and as amended from time to time since its re-enactment; and
 - (iii) if the provision has been omitted and replaced with a new provision dealing with the same area of law or procedure — the new provision as enacted and as amended from time to time since its enactment.
- (c)
 - (i) In the interpretation of a Rule, or paragraph of a Rule, the interpretation that will best achieve the purpose of the Rule is to be preferred to any other interpretation.
 - (ii) This provision applies whether or not the purpose is expressly stated in the Rule or paragraph of the Rule.
- (d) In these Rules, unless the context indicates a contrary intention, headings are for convenience and do not affect interpretation.

A CO-OPERATIVE WITHOUT SHARE CAPITAL

3. On 11 February 2002 the Society was registered under the Co-operatives Act 1992(NSW) as a Co-operative without a share capital

NAME

- 4.
- (a) The name of the Society shall be **Music Broadcasting Society of New South Wales Co-operative Limited**.
 - (b) The Society may, in accordance with section 259 of the Act, change its name by way of a special resolution to a name approved by the Registrar.

NON-TRADING CO-OPERATIVE

5. The Society is a non-trading co-operative within the meaning of section 15 of the Act.

REGISTERED OFFICE

- 6.
- (a) The Society must cause a notice to be conspicuously and publicly displayed at the premises of the registered office which states the name of the Society and identifies the premises as its registered office.
 - (b) The Board shall notify the Registrar of any change of address of the registered office of the Society within 28 days after the change, and on the form approved by the Registrar.

RULES

- 7.
- (a) The Rules of the Society have the effect of a contract under seal:
 - (i) between the Society and each member;
 - (ii) between the Society and each Director; and
 - (iii) between a member and each other member.

Under the contract, each of those persons agrees to observe and perform the provisions of the Rules as in force for the time being so far as those provisions are applicable to that person.
 - (b)
 - (i) A member shall be entitled on demand to a copy of the Rules upon payment of a sum not exceeding that specified in Rule 77, Schedule of Fees.
 - (ii) A person may inspect a copy of these Rules free of charge at the office where the registers are kept, during all reasonable hours.

RULE ALTERATIONS

- 8.
- (a) The Rules may be altered by a special resolution or as otherwise permitted by the Act. No alteration to these Rules takes effect until the alteration is registered by the Registrar.

- (b) Where any Rule is altered, by way of a Board resolution under section 112 of the Act, the Society must cause the alteration to be notified, in writing, to members as soon as practicable after the alteration is registered and, in any event, not later than the date on which notice is given to the members of the next annual general meeting of the Society, following the registration of the alteration.

OBJECTS

- 9. The object of the Society shall be to encourage the love of fine music. In pursuit of that object, other objects of the Society shall include:
 - (a) establishment and operation of one or more broadcasting services specifically for the encouragement of music and for musical purposes;
 - (b) preparation and broadcasting of programs and entry into agreements for preparation or supply of such programs or for their sale;
 - (c) publishing and distributing, or causing to be published or distributed, materials relating to music, recording and broadcasting;
 - (d) provision of technical and other assistance, including financial assistance, for public, commercial or other forms of broadcasting;
 - (e) carrying out research into broadcasting including, but not limited to, technical, economic, social and marketing aspects of broadcasting;
 - (f) manufacturing, buying or supplying technical equipment, or licensing the production of such equipment; and
 - (g) promotion of music and other fine arts in New South Wales, specifically and generally.

POWERS

- 10.
 - (a) The Society shall have, both within and outside the State, the legal capacity of a natural person and have all the powers allowed by or under the Act, including but not limited to the taking of deposits pursuant to section 263A of the Act.
 - (b) The powers of the Society to:
 - (i) obtain financial accommodation; and
 - (ii) give security for the repayment of money,
 shall be exercised subject to the Act, but otherwise unlimited by the Rules.

POWER TO FORM COMPANIES, ENTER JOINT VENTURES ETC

- 11. Without limiting the provisions of Rule 10, and subject to the provisions of the Law, the Society has power;
 - (i) to form or participate in the formation of a body corporate or unit trust;
 - (ii) to acquire interests in and sell or otherwise dispose of interests in bodies corporate, unit trusts and joint ventures; and
 - (iii) to form or enter into a partnership, joint venture or other association with other persons or bodies, in furtherance of the Society's primary activity.

LOANS BY MEMBERS TO THE SOCIETY

12.

- (a) The Society may, in accordance with section 268 of the Act, require its members to lend money to the Society, with or without security, in accordance with a proposal approved by the Registrar and by the members by special resolution.
- (b) The approved proposal shall be binding on all members at the date of the passing of the special resolution other than a member who has given notice of their intention to cease active membership in accordance with section 268(3)(c) of the Act and on all persons who become members of the co-operative after that date and before the total amount of the loan to be raised has been raised.

DEALINGS OF MEMBERS WITH SOCIETY

13.

- (a) The Society may, in accordance with section 78 of the Act, make a contract with a member requiring the member to have specified dealings with the Society for a fixed period.
- (b) Nothing in this Rule shall be interpreted as restricting the powers of the Society to enter into contracts with a member or members other than pursuant to the provisions of this Rule.

SEAL

14.

- (a) The Society shall, as required by section 258(1)(a) of the Act, have the name of the Society appear in legible characters on its Common Seal and on any Official Seal, and the Australian Registered Body Number of the Society if required under the Law. The Common Seal shall be kept at the registered office in such custody, as the Board shall direct.
- (b) The Society may, pursuant to section 49 of the Act, have for use in place of its Common Seal outside the State, one or more Official Seals. Each of the additional seals must be a facsimile of the Common Seal with the addition on its face of the name of the place where it is to be used.
- (c) The Common Seal of the co-operative shall not be affixed to any instrument except by resolution of the Board. The seal must be affixed by a Director of the Society in the presence of another Director or officer of the Society.
- (d) The person affixing the Official Seal must certify in writing on the instrument to which it is affixed, the date and place at which it is affixed.

SOCIETY MAY AUTHORISE AGENT OR ATTORNEY TO EXECUTE DEEDS

15.

- (a) The Society may, by writing under its Common Seal, empower its agent or attorney (either generally or in respect of a specified matter or specified matters) to execute deeds on its behalf.
- (b) A deed signed by such an agent or attorney on behalf of the Society and under the agent's or attorney's seal, or under the appropriate Official Seal of the Society, binds the Society and has effect as if it were under the Common Seal of the Society.
- (c) The authority of such an agent or attorney, as between the Society and a person dealing with the agent or attorney, continues during the period (if any) mentioned in the instrument conferring the authority or, if no period is so mentioned, until notice of the

revocation or termination of the agent's or attorney's authority has been given to the person dealing with the agent or attorney.

- (d) Where an agent or attorney affixes an Official Seal to an instrument, the person must comply with Rule 14(d).

CUSTODY AND INSPECTION OF RECORDS AND REGISTERS

16.

- (a) The Society must have at the registered office, subject to Rule 17, and available during all reasonable hours for inspection by *any member* free of charge the following:

- (i) a copy of the Act and the Regulation;
- (ii) a copy of the Rules of the Society;
- (iii) a copy of the minutes of each general meeting of the co-operative;
- (iv) a copy of the last annual report of the Society under section 252 of the Act;
- (v) the register of Directors and members;

and if applicable:

- (vi) the register of names of persons who have given loans or deposits to or hold securities, debentures or CCUs given or issued by the Society;
 - (vii) the register of any loans made by or guaranteed by the Society, and of any securities taken by the Society;
 - (viii) the register of memberships cancelled under Part 6 of the Act;
 - (ix) the register of notifiable interests required to be kept under section 294 of the Act;
 - (x) the register of subordinated debt required to be kept under clause 16(3)(b) of the Co-operatives Regulation 1997; and
 - (xi) such other registers as the regulation provides are to be open for inspection.
- (b) A member is entitled to make a copy of entries in a register specified in subsection (a) and to do so free of charge or on the payment of a fee if required under Rule 77, Schedule of Fees.
- (c) The Society must have at the place where the registers are kept and available during all reasonable hours for inspection by *any person*:
- (i) a copy of the Act and the Regulation;
 - (ii) a copy of the Rules of the Society;
 - (iii) a copy of the last annual report of the Society under section 252 of the Act.

NOTIFICATION OF OFFICE ADDRESS AT WHICH REGISTERS ARE KEPT

17. If the registers required by section 249(1) of the Act to be kept by the Society are not kept at the registered office, the Society must lodge with the Registrar a notice of the address at which the register is kept within 28 days after the register is:

- (a) established at an office which is not the Society's registered office; or
- (b) moved from one office to another.

ACTIVE MEMBERSHIP PROVISION

18. In accordance with Part 6 of the Act,

- (a) the primary activity of the Society is to broadcast fine music; and
- (b) in order to establish active membership of the co-operative a member shall pay an annual membership fee in accordance with rule 18A.

ANNUAL MEMBERSHIP

18A.

- (a) Members shall be required to pay an annual membership fee which shall:
 - (i) be in addition to any other charges payable under the rules;
 - (ii) be determined by the board from time to time;
 - (iii) be payable, in advance, within the period set by the board; and
 - (iv) not be less than \$10 and not exceed \$100 in any financial year.
- (b) Notwithstanding paragraph (a)(iii) the Board may, either generally or in a specific case, extend a period for the payment of the annual membership fee, even though the previous period has expired. The extended period for payment shall not exceed 2 months.
- (c) A member who does not pay the annual membership fee determined under this rule within the period set by the board, or within any extended period which may be granted by the board, shall be an inactive member.
- (d) For the purposes of this rule, the term "within", in relation to a period set by the board, means at any time at all before the end of the period.

CANCELLATIONS RELATING TO INACTIVE MEMBERS

19.

- (a) The Board shall, after giving notice in accordance with section 132 of the Act, declare the membership of a member cancelled if:
 - (i) the whereabouts of the member are not presently known to the Society and have not been known to the Society for a continuous period of at least thirteen months before the date of cancellation; or
 - (ii) the member is not presently an active member and has not been an active member at any time during the past thirteen months immediately before the date of cancellation.
- (b) The Society shall, in a form approved of by the Registrar, keep a register of memberships cancelled pursuant to paragraph (a) of this Rule, which shall specify the particulars prescribed in clause 6 of Schedule 1 of the Co-operatives Regulation 1997,
- (c) The Board shall not be required to give notice, under this Rule, if the member's whereabouts are unknown to the Society and the amount required to be repaid to the member in respect of the cancelled membership does not exceed fifty dollars, or such other amount as may be prescribed.

QUALIFICATIONS FOR MEMBERSHIP

20.

- (a) A person is not qualified to be admitted to membership of the Society unless the Board has reasonable grounds for believing that the person will be an active member under Rule 18.
- (b) Only natural persons are qualified to be admitted to membership of the Society.

APPLICANTS FOR MEMBERSHIP TO BE GIVEN NOTICE OF ENTRY AND PERIODIC FEES

21. The Society must supply, with each application for membership, a written notice of an intending or prescribed entry or periodic fees that a person will be liable to pay on becoming a member of the Society.

APPLICATION FOR MEMBERSHIP

22.

- (a) The Board must provide each person intending to become a member of the Society with:
 - (i) a consolidated copy of the Rules of the Society; and
 - (ii) a copy of all special resolutions applicable to the member passed by the members of the Society, except special resolutions providing for an alteration of the Rules of the Society; and
 - (iii) a copy of the last annual report of the Society under section 252 of the Act.
- (b) The Board may comply with Rule 22(a) by:
 - (i) giving the person intending to become a member notice that the documents referred to in that sub-rule may be inspected by that person at the registered office of the Society; and
 - (ii) making those documents available for inspection.
- (c) Applications for membership shall be lodged at the registered office, in or to the effect of the form approved by the Board.
- (d) Every application shall be considered by the Board. The applicant's name, date of admission as a member and any other information required by or under the Act shall be entered in the register of members. The applicant shall be notified in writing of the entry in the register and shall then be entitled to the privileges attaching to membership.
- (e) Subject to 22.(f) the board determines, acting reasonably, whether an applicant may become a Member, having regard to whether the applicant is qualified for membership of the co-operative under Rule 20 and is likely to promote the Society's objects. The Board must give reasons for the rejection of any application to become a Member and if it does reject an application, must also provide to the applicant information regarding the person's right to appeal and the appeal process in accordance with these Rules.
- (f) If an application to become a Member is rejected by the Board:
 - (i) the Society must give written notice of the rejection to the applicant (which must set out reasons for the rejection) and refund in full any fee paid by the applicant;

- (ii) the applicant may by notice in writing to the Board within 21 days of being notified of the rejection, appeal to a meeting of Members for the purpose of determining that appeal;
 - (iii) the applicant would be required to lodge a deposit as determined by the Board of up to but no more than \$300 to cover the expenses of convening an extraordinary meeting of the members. This deposit would be refunded in full if the applicants appeal is successful;
 - (iv) the Board must promptly following receipt of a notice of appeal and the deposit under Clause 22 (f) (ii) (iii), convene a meeting of Members which must be held within 2 months of the Board's receipt of the notice of appeal; and
 - (v) if the applicant's appeal is approved by resolution of the meeting of Members convened under Article 22 (f)(iv) by a simple majority of those members attending and voting, then the Society must admit the applicant as a member, refund the applicant's deposit and, upon payment of any applicable initial fee by the applicant, enter the applicant's name in the Register.
- (g) Failure by the Society to comply with any notice requirement in this Clause 22(d) or 22(f) does not invalidate the decision regarding an application.

MEMBERS OF THE SOCIETY

23. The members of the Society are:

- (a) those persons who continue to be members of the co-operative by operation of Rule 3; and
- (b) those persons admitted to membership in accordance with Rule 22.

REGISTER OF NOTIFIABLE INTERESTS

24.

- (a) The Society is to keep a register of notifiable interests, which is to be entered in alphabetical order, of the names of persons from whom the Society has received a notification under Rule 28 together with the information contained in the notification.
- (b) The register kept for the purpose of this Rule shall be open for inspection:
 - (i) by any member, free of charge; and
 - (ii) by any other person free of charge or on the payment of a fee if required under Rule 77, Schedule of Fees.

LIABILITY OF MEMBERS TO THE SOCIETY

25.

- (a) A member shall not, as a member of the Society, be under any personal liability to a creditor of the Society.
- (b) A member shall, in accordance with section 76 of the Act, be liable to the Society for any charges, including entry and periodic fees, payable by the member to the Society as required by these Rules.
- (c) An annual membership fee shall be determined from time to time by the Directors being not less than ten dollars and not exceeding one hundred dollars payable by each member to the Society at the commencement of each financial year of the Society.

- (d) On the death of a member, the member's estate is subject to the same liability as the member would have been until the member's personal representative or some other person is registered in the member's place.

VOTING RIGHTS

26.

- (a) Except as otherwise provided in these Rules, an active member of the Society shall have one vote only in respect of any question or motion arising at a general meeting of the Society.
- (b)
- (i) A person must not directly or indirectly control the right to vote of a member.
- (ii) If a person controls the exercise of the right to vote of a member at a meeting of the Society;
- (A) the vote of that member; and
- (B) the vote of that person, if that person is a member,
- are invalid.
- (c) Any vote cast by or on behalf of a member of the Society when not entitled to vote is to be disregarded.

EFFECT OF RELEVANT INTEREST ON VOTING RIGHTS

27.

- (a) A member is not entitled to vote if another person (whether or not a member of the Society) has a relevant interest in the right to vote of the member.
- (b) A member who is not entitled to vote because of this Rule may apply to the Co-operatives Council for a review of the matter.
- (c) Where the Co-operatives Council orders that the member is entitled to vote, the member's right to vote shall be restored.

NOTICE TO BE GIVEN OF VOTING INTEREST

28.

- (a) A person (whether or not a member of the Society) must give notice in writing to the Society within five business days of becoming aware that the person has, or has ceased to have, a relevant interest in the right to vote of a member in the Society.
- (b) For the purposes of this Rule, "notice" means a notice which contains the prescribed particulars as set out in clause 24 of the Co-operatives Regulation 1997.

RESTRICTION ON VOTING ENTITLEMENT UNDER POWER OF ATTORNEY

29. A person is not entitled to exercise a member's right to vote under a power of attorney.

EXPULSION OF MEMBERS

30.

- (a) A member may be expelled from the Society by special resolution to the effect:
- (i) that the member has failed to discharge the member's obligations to the Society, whether prescribed by these Rules or arising out of any contract; or

- (ii) that the member has been guilty of conduct detrimental to the Society.
- (b) In either case written notice of the proposed resolution shall be forwarded to the member not less than 14 days before the date of the meeting at which the special resolution is to be moved, and the member shall be given a reasonable opportunity of being heard at the meeting.
- (c) Expulsion of a member shall not be effective, until the special resolution expelling the member is registered.
- (d) No expelled member shall be re-admitted except by special resolution.

APPROVAL OF BOARD FOR TRANSFER OF DEBENTURES

31.

- (a) A debenture of a Society cannot be sold or transferred except with the consent of the Board.
- (b) The instrument of transfer of any debenture shall be executed by or on behalf of the transferor and the transferee. The transferor shall be deemed to remain the holder of the debenture until the name of the transferee is entered in the register of debentures held by the Society.
- (c) Debentures shall be transferred in the following form or in a usual or common form which the Board shall approve:

DEBENTURE TRANSFER FORM

I, A.B. of _____

in consideration of the sum of \$ _____

paid to me by C.D., of _____

(“the transferee”) do transfer to the transferee the debenture (or debentures) numbered _____ in the _____

to hold on behalf of the transferee, the transferee’s heirs, executors, administrators and assigns, subject to the conditions on which I hold the same at the time of the execution of this transfer.

I, the transferee, agree to take the said debenture (or debentures) subject to the conditions on which the transferor holds the debenture (or debentures) and subject to the rules of: _____ as amended from time to time.

As witness our hands, the _____ day of _____ 20__

Signed by: _____, transferor.

In the presence of _____, witness.

Signed by: _____, transferee.

In the presence of _____, witness.

- (d) The Board may decline to register any transfer of debentures. If the Board refuses to register a transfer of debentures it shall send notice of the refusal to the transferee within two weeks after the date on which the Board declined to register the transfer.
- (e) The Board may decline to recognise any instrument of transfer unless:
 - (i) a fee, if required under Rule 77, Schedule of Fees, is paid to the Society for the transfer; and
 - (ii) the instrument of transfer is accompanied by the certificate (if any) of the debentures to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- (f) The Board shall have a record of all transfers made in the proper books of the Society.

CEASING MEMBERSHIP

32. A person shall cease to be a member in any of the following circumstances:
- (a) if the member's membership is cancelled under Rule 19;
 - (b) if the member is expelled in accordance with Rule 30;
 - (c) if the member becomes bankrupt or becomes subject to control under the law relating to bankruptcy;
 - (d) on death of the member;
 - (e) if the contract of membership is rescinded on the ground of misrepresentation or mistake.

ANNUAL GENERAL MEETINGS

- 33.
- (a) A general meeting of the Society to be known as the "annual general meeting" shall, as provided in section 198 of the Act, be held each year on a date and a time determined by the Board as long as it is within five months after the close of the financial year of the Society, or within such further time as may be allowed by the Registrar.
 - (b) All general meetings of the Society other than the annual general meeting shall be special general meetings.
 - (c) If an annual general meeting is not held in accordance with paragraphs (a) or (b) of this Rule, the members may, in accordance with section 202 of the Act and Rule 35, requisition such a meeting.

CONVENING SPECIAL GENERAL MEETINGS

34. The Board may, whenever it thinks fit, convene a special general meeting of the Society.

REQUISITION OF GENERAL MEETINGS

- 35.
- (a) The Board must convene a general meeting of the Society on the requisition in writing by active members who together are able to cast at least 20% of the total number of votes to be cast at a meeting of the Society.
 - (b) The requisition must:

- (i) state the objects of the meeting; and
- (ii) be signed by the requisitioning members and may consist of several documents in like form each signed by one or more of the requisitioning members; and
- (iii) be served on the Society by being lodged at the registered office of the Society.

REQUISITIONED MEETING MUST BE CONVENED AS SOON AS PRACTICABLE

36.

- (a) A meeting requisitioned by members in accordance with Rule 35 must be convened and held as soon as practicable and, in any case, must be held within two months after the requisition is served.
- (b) Where the Board does not convene a meeting 21 days after the requisition is served, the following provisions apply:
 - (i) the requisitioning members (or any of them representing at least half their aggregate voting rights) may convene the meeting in the same manner as nearly as possible as meetings are convened by the Board;
 - (ii) for that purpose they may request the Society to supply a written statement setting out the names and addresses of the persons entitled when the requisition was served to receive notice of general meetings of the Society;
 - (iii) the Board must send the requested statement to the requisitioning members within seven days after the request for the statement is made;
 - (iv) the meeting convened by the requisitioning members must be held not later than three months after the requisition is served;
 - (v) any reasonable expenses incurred by the requisitioning members because of the Board's failure to convene the meeting must be paid by the Society;
 - (vi) any such amount required to be paid by the Society is to be retained by the Society out of any money due from the Society by way of fees or other remuneration in respect of their services to such of the Directors as were in default.

NOTICE OF GENERAL MEETINGS

37.

- (a) Subject to Rule 38, at least 14 days notice (not including the day on which the notice is served or deemed to be served, but including the day for which notice is given) shall be given of any general meeting in the manner stipulated in Rule 75.
- (b) Notice must be given to those persons who are, under these Rules entitled to receive such notices from the Society, but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting. The notice must specify the place, the day and the hour of the meeting and, in the case of special business, the general nature of that business.
- (c) Any member who has a resolution to submit to a general meeting must give written notice of the terms of the resolution to the Society not less than 28 days prior to the date of the meeting.
- (d) The Board shall have inserted in any notice convening a general meeting any business which a member has notified of intention to move and for which notification has been given in accordance with this Rule.

- (e) Notice of every general meeting shall be given in the same manner as authorised in Rule 75 to:
 - (i) every member of the Society, except those members who have not supplied to the Society an address or facsimile number for the giving of notices to them; and
 - (ii) the auditor or auditors of the Society.
- (f) Except as provided in this Rule, no other persons shall be entitled to receive notices of general meetings.

NOTICE OF SPECIAL RESOLUTIONS

38. Notice of a special resolution shall be given to those persons entitled to receive notice under Rule 37 at least 21 days before the general meeting. The notice shall specify:
- (a) the intention to propose the resolution as a special resolution at that meeting;
 - (b) the reason for the making of the special resolution; and
 - (c) the effect of the special resolution if passed.

BUSINESS OF ANNUAL GENERAL MEETINGS

- 39.
- (a) The ordinary business of the annual general meeting shall be:
 - (i) to confirm minutes of the last preceding general meeting (whether annual or special); and
 - (ii) for the Board, auditors, or any officers of the Society to present reports upon the transactions of the Society during the financial year, including balance sheet, trading account, profit and loss account, statement of source and application of funds, and the state of affairs at the end of that year; and
 - (iii) to elect Directors in accordance with these Rules; and
 - (iv) to elect (if necessary) an auditor, or to determine the auditor's remuneration, or both; and
 - (v) to allow members a reasonable opportunity to ask questions about or comment on the management of the Society and to ask the auditor or their representative questions relevant to the conduct of the audit and the preparation and content of the auditor's report.
 - (b) The annual general meeting may also transact special business of which notice has been given to members in accordance with these Rules.
 - (c) All business of a general meeting, other than business of the annual general meeting that is by this Rule termed ordinary business, should be deemed special business.

QUORUM AT GENERAL MEETINGS

- 40.
- (a) No item of business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting is considering that item.
 - (b) Except where these Rules state otherwise, a quorum shall be constituted by active

members, present in person and entitled to vote, numbering one more than the number of Directors in office at the commencement of the meeting.

- (c) If within half an hour after the appointed time for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall be adjourned to the same day in the next week at the same time and place. If at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting, the members present shall constitute a quorum.

CHAIRPERSON AT GENERAL MEETINGS

41.

- (a) The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Society.
- (b) If there is no such Chairperson, or if at any meeting the Chairperson is either not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson, then the members present shall choose someone from their number to be Chairperson until such time as the Chairperson attends or is willing to act.
- (c) The Chairperson may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. The only business that can be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for 21 days or more, notice of the adjourned meeting shall be given just as in the case of the original meeting. Apart from this requirement it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

STANDING ORDERS AT GENERAL MEETINGS

42.

- (a) The following standing orders shall be observed at the Society's meetings, subject to any suspension of, or amendment of, or addition to, these orders adopted for the purposes of that meeting by the members present at a meeting:
- (i) the mover of a motion shall not speak for more than ten minutes. Subsequent speakers shall be allowed five minutes, and the mover of the proposition five minutes to reply. The meeting may however by simple majority extend in a particular instance the time permitted by this Rule;
- (ii) whenever an amendment to an original motion is proposed, no second amendment shall be considered until the first amendment is disposed of;
- (iii) if an amendment is carried, the motion as so amended shall displace the original motion and may itself be amended;
- (iv) if an amendment is defeated, then a further amendment may be moved to the original motion. However, only one amendment shall be submitted to the meeting for discussion at one time;
- (v) the mover of every original motion, but not of an amendment, shall have the right to reply. Immediately after this the question shall be put from the chair. No other member shall speak more than once on the same question, unless permission is given for an explanation, or where the attention of the Chairperson is called to a point of order;
- (vi) any discussion on a motion or amendment may be closed by a resolution "that the question be now put" being moved seconded, and carried. Such resolution

shall be put to the meeting without debate.

- (b) Motions and amendments shall be submitted in writing, if requested by the Chairperson.
- (c) Any member, or visitor invited to attend the meeting by the Board, may speak on any issue at a meeting with the permission of the Chairperson provided that the permission may be conditional.
- (d) Standing orders may be suspended for any period by ordinary resolution.

ATTENDANCE AND VOTING AT GENERAL MEETINGS

43.

- (a) At any meeting of the Society a member, whose membership is required to be cancelled under Rule 19, is not entitled to attend.
- (b) A member of the Society is not entitled to vote at a meeting of the Society:
 - (i) if the person is not an active member of the Society;
 - (ii) the person is excluded from voting under the Act or these Rules.
- (c) At any general meeting a resolution put to the vote of the meeting shall (as provided in section 201 of the Act) be decided on a show of hands. This is unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least five members. If no poll is demanded, a declaration by the Chairperson 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 of the proceedings of the Society shall be evidence of the fact. No proof is needed of the number or proportion of the votes recorded in favour of, or against, that resolution.
- (d) If a poll is demanded, in accordance with Rule 43(c), it shall be taken in a manner which the Chairperson directs. Unless the meeting is adjourned the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

A poll demanded on the election of a Chairperson, or on a question of adjournment, shall be taken immediately.

A poll demanded in accordance with Rule 43(c) may be withdrawn.

- (e) On a show of hands, or on a poll, every member who is present at a meeting in person, shall have one vote. However, no member shall have a vote, or be entitled to vote, contrary to the Act.
- (f) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson 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.
- (g) All resolutions, except special resolutions, shall be determined by a simple majority.

POSTAL BALLOT

44. The Society may hold a postal ballot to determine any issue or proposal by the members in the manner prescribed in Schedule 2 of the Co-operatives Regulation 1997.

SPECIAL RESOLUTION

45.

- (a) A special resolution means a resolution of which notice has been given of the intention to

propose the resolution as a special resolution and which is passed either by two-thirds of the members who vote at a general meeting in person; by two-thirds of the members who cast votes in a postal ballot; or by three-quarters of the members who cast votes in a special postal ballot of members.

- (b) A special postal ballot for the purposes of passing a special resolution must be conducted in relation to the following matters:
 - (i) a conversion of a trading co-operative to a non-trading co-operative and vice versa;
 - (ii) transfer of incorporation;
 - (iii) an acquisition or disposal of assets referred to in section 285 of the Act;
 - (iv) takeover;
 - (v) merger;
 - (vi) transfer of engagements;
 - (vii) members' voluntary winding up.
- (c) A special resolution has effect from the date it is passed except in the following circumstances:
 - (i) the removal of an auditor;
 - (ii) the expulsion of a member;
 - (iii) the alteration of a Rule;
 - (iv) any matter for which a special resolution is required to be passed by special postal ballot (other than a special postal ballot in favour of a voluntary winding up), in which case it has effect from the time it is registered by the Registrar.

ELIGIBILITY TO BECOME A DIRECTOR

- 46. A person shall not be eligible for election as a Director of the Society unless that person is a natural person of at least eighteen years, is an active Member of the Society, and has:
 - (a) been a registered volunteer for the Society for at least six months, or
 - (b) in accordance with Rule 48(a) ended, at least eleven months previously, prior continuing office as a Director
- 46.1 (a) Notwithstanding Rule 46 above, the Board may at any time appoint up to a maximum of two additional directors who need not be active members of the Society and do not need to meet either of the criteria specified in Rule 46(a) or Rule 46(b), but who must offer skills and experience deemed necessary by the Board but not provided by existing directors.
- (b) Each director appointed under Rule 46.1(a) shall have the same rights and responsibilities as an elected director and will serve on the Board for a two-year term, which may be renewed by the Board for one further two-year term. Such terms need not coincide with the terms of elected directors.

ACTS OF THE BOARD OF DIRECTORS

47.

- (a) The business of the Society is to be managed by a Board of Directors, exercising those powers of the Society that are not reserved by the Act or by these Rules, for the exercise of the Annual General Meeting.
- (b) The Board must have eight elected directors who are members and a maximum of two directors appointed under Rule 46.1(a).
- (c) The acts of a Director shall be valid despite subsequent discovery of defect in that Director's eligibility for or accession to office.

ELECTION AND RETIREMENT OF ELECTED DIRECTORS

48.

- (a) A Director's consecutive periods in office shall not exceed four years in total
- (b) Four Directors shall retire at each Annual General Meeting. Unfilled casual vacancies shall be reckoned as retirements for this purpose.
- (c) Subject to the prior application of Rule 60, additional Directors who must retire at the Meeting shall be those whose period in office since last election is greatest.
- (d) Selection of Directors to retire, when two or more of them were elected on the same day, shall be made by their agreement or by lot, in that order.
- (e) Proposals of candidature for election shall close, and shall be lodged with the nominee's statement of intent, at the Society's registered office by 5pm on the twenty-second day before that appointed for the Annual General Meeting. Such Proposals shall be:
 - (i) submitted using the Nomination Form provided by the Society, and
 - (ii) signed by a Nominator and a Seconder, each of whom is an active member of the Society
- (f) Directors may be elected by ballot, or declared by the Meeting to have been elected.
- (g) If, at the time appointed for the closure of nominations there are:
 - (i) more valid proposals than the number of places to be filled, each Member of the Meeting may, in a single ballot, elect a number of candidates not exceeding the number of places to be filled, or
 - (ii) as many valid proposals as or fewer valid proposals than the number of places to be filled, the Meeting shall declare the candidates to have been elected unopposed, or
 - (iii) still places to be filled after the preceding declaration, proposal of candidature for election shall be re-opened. The Meeting may make spoken nominations and proposals of eligible candidates, If as many valid proposals as or fewer valid proposals than the number of places to be filled are made, the Meeting shall declare the candidates to have been elected unopposed, or
 - (iv) still remaining places to be filled after the preceding declaration, they may be filled in accordance with Rule 60.

DIRECTORS' REMUNERATION

49. The Directors shall not receive remuneration but shall be entitled to receive reimbursement for out-of-pocket expenses incurred for the benefit of the Society or any subsidiary of the Society.

REQUISITION AND NOTICE OF BOARD MEETING

- 50.
- (a) A meeting of the Board of Directors may be called by a Director giving notice individually to every other Director.
 - (b) Except in special circumstances determined by the Chairperson, at least 48 hours' notice shall be given to the Directors of all meetings of the Board.
 - (c) Meetings of the Board (including those conducted in accordance with Rule 52(i)(B)) must be held at least once every three months and may be held as often as may be necessary for properly conducting the business and operations of the Society.

PROCEEDINGS OF THE BOARD

- 51.
- (a) Questions arising at any meeting shall be decided by a majority of votes.
 - (b) In the case of an equality of votes, the Chairperson may have a casting vote.
 - (c) A Director shall not vote in respect of any contract or proposed contract with the Society in which the Director is in any way, whether directly or indirectly, interested or in respect of any matter arising out of such a contract or proposed contract and, if the Director votes in contravention of this Rule, the Director's vote shall not be counted.

TRANSACTION OF BUSINESS OUTSIDE BOARD MEETINGS

52. The Board may in accordance with section 210 of the Act transact any of its business:
- (i)
 - (A) by the circulation of papers among all the members of the Board, and a resolution in writing by a majority of those members is to be taken to be a decision of the Board;
 - (B) at a meeting at which Board members (or some Board members) participate by telephone, closed circuit television or other means, but only if any Board member who communicates on a matter before the meeting can be understood by the other members of the Board.
 - (ii) For the purposes of this Rule, the Chairperson of the Board and each member of the Board have the same voting rights as they have at an ordinary meeting of the Board.
 - (iii) A resolution approved under paragraph (i)(A) is to be recorded in the minutes of the meetings of the Board.
 - (iv) The Secretary may circulate papers among members of the Board for the purposes of paragraph (i)(A) by facsimile or other transmission of the information in the papers concerned.

QUORUM FOR BOARD MEETINGS

53. The quorum for a meeting of the Board shall be FIVE MEMBERS, in accordance with section 209(4) of the Act.

APPOINTMENT OF DIRECTORS TO CONSTITUTE A QUORUM

- 54.
- (a) If, consequent upon the application of Rules 58 or 59, the number of surviving Directors is less than a quorum, Directors may appoint, as Directors of the Society, a sufficient number of eligible persons to achieve a quorum.
 - (b) Such appointment shall be the sole business of a minuted meeting of Directors called for the purpose.
 - (c) In all other circumstances where a casual vacancy occurs, Rule 60 applies.

CHAIRPERSON OF THE BOARD

55. The Chairperson of the Board may be elected or removed either by the Board or at a general meeting of the Society. However, if no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present may choose one of their number to be Chairperson of the meeting, until such time as the Chairperson attends and is willing to act in that capacity. The Chairperson of the Board shall, in all circumstances, be an elected director.

DELEGATION AND BOARD COMMITTEES

- 56.
- (a) The Board may (in accordance with section 213 of the Act) by resolution delegate the exercise of such of the Board's functions (other than this power of delegation) as are specified in the resolution:
 - (i) to a Director; or
 - (ii) to a committee of two or more Directors; or
 - (iii) to a committee of members of the Society; or
 - (iv) to a committee of members of the Society and other persons if members comprise the majority of persons on the committee.
 - (b) The Society or the Board may by resolution revoke wholly or in part any such delegation.
 - (c) A power, the exercise of which has been delegated under this Rule may, while the delegation remains unrevoked, be exercised from time to time in accordance with the terms of the delegation.
 - (d) A delegation under this Rule may be made subject to conditions or limitations as to the exercise of any of the powers delegated, or as to time or circumstance.

- (e) Notwithstanding any delegation under this Rule, the Board may continue to exercise all or any of the powers delegated.

EXERCISE OF DELEGATED POWER BY DIRECTORS

57.

- (a) Where a power is exercised by a Director (either alone or with other Directors) and the exercise of the power is evidenced in writing, signed by the Director in the name of the Board or in the Director's own name on behalf of the Board, then the power shall be deemed to have been exercised by the Board.
- (b) Paragraph (a) applies whether or not a resolution delegating the exercise of the power to the Director was in force when the power was exercised, and whether or not any conditions or limitations referred to in Rule 56(d) were observed by the Director exercising the powers.
- (c) An instrument purporting to be signed by a Director as referred to in paragraph (a) shall in all courts and before all persons acting judicially be received in evidence as if it were an instrument executed by the Society under seal. Furthermore, until the contrary is proved, it shall be deemed to be an instrument signed by a delegate of the Board under this Rule.
- (d) A committee may elect a Chairperson of their meetings. If no such Chairperson is elected, or, if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, then the members present may choose one of their number to be Chairperson of the meeting.
- (e) A committee may meet and adjourn, as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and voting and in the case of an equality of votes, the Chairperson shall have a second or casting vote.

REMOVAL OF DIRECTOR FROM OFFICE

58. The Society may, by ordinary resolution, remove any Director before the expiration of the Director's period of office, and may by a simple majority appoint another person in place of the Director. The person so appointed shall retire at the same time as the removed Director would have done if not removed.

VACATION OF OFFICE OF DIRECTOR

59. A Director vacates office in such circumstances (if any) as are provided in the Rules of the Society and in any of the following cases:
- (a) if the person is an insolvent under administration (as defined in the Law);
- (b) if the person has been convicted of an offence and that conviction disqualifies a person from being a Director, as provided by section 208 of the Act;
- (c) if the Director absents himself/herself from three consecutive ordinary meetings of the Board without its leave;
- (d) if the Director resigns from office by notice in writing given by the Director to the Society;
- (e) if the Director is removed from office by ordinary resolution of the Society;
- (f) if the person ceases to hold the qualification by reason of which the person was qualified to be a Director;

- (g) if the Director becomes an employee of the Society, unless elected under section 216 of the Act;
- (h) if an administrator of the Society's affairs is appointed under Division 6 of Part 12 of the Act;
- (i) as provided by section 217 of the Act;
- (j) if the Director is directly or indirectly interested in any contract or proposed contract with the Society and fails to declare his/her interest as required under section 234 of the Act;
- (k) if the Director who holds an office or has an interest in property whereby, whether directly or indirectly, duties or interests might be created that could conflict with the Director's duties or interests as a Director and the Director fails to declare the fact and the nature, character and extent of the conflict;
- (l) if the Director is removed from office, by a voluntary administrator of the Society appointed under Part 5.3A of the Law, as applying under section 332 of the Act.

FILLING OF CASUAL VACANCIES

60.

- (a) In addition to as provided in Rule 54, a casual vacancy is to be filled:
 - (i) by election by the members held:
 - (A) at a meeting of the Society; or
 - (B) by means of a postal ballot; or
 - (C) in the manner specified in the Rules of the Society for the ordinary election of Directors; or
 - (ii) by appointment by the Directors; or
 - (iii) in such other manner as the Registrar may approve in a particular case.
- (b) The person elected pursuant to paragraph (a)(i) shall retire at the same time as the Director who vacated the office would have done if that Director had not vacated it.
- (c) The person appointed pursuant to paragraph (a)(ii) shall hold office until the next annual general meeting only.
- (d) For the purposes of this Rule, a casual vacancy shall arise where the office of a Director is vacated in accordance with Rule 58.

BROADCASTING STANDARDS COMMITTEE

61. DELETED

COMMITTEES

62. DELETED

MINUTES OF MEETINGS

63.

- (a) The Board shall have minutes of meetings made in books provided for the purpose,

and, in particular:

- (i) of all appointments of officers and employees made by the Directors;
 - (ii) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
 - (iii) of all resolutions and proceedings at all meetings of the Society and of Directors and of committees.
- (b) Minutes must be recorded in the minute book within 28 days of the date of the meeting to which they relate.
 - (c) The confirmation of such minutes, signed by the Chairperson, shall be taken as the first business at the next succeeding meeting of the Society, Board or committee to which the minutes relate. If it is impracticable for the minutes to be confirmed at that meeting, then the minutes shall be confirmed at the next succeeding meeting.
 - (d) Every Director present at any meeting shall sign his or her name in a book to be kept for that purpose.
 - (e) The minutes are to be kept in the English language.
 - (f) The minutes of Board meetings are to be available for inspection by members at the registered office of the Society.

OFFICERS

64.

- (a) Without prejudice to the general powers conferred on the Board by the Act or these Rules, the Board shall, subject to any applicable Industrial Award or Agreement, have power to appoint, remove or suspend employees, servants, agents and contractors, and to fix their powers, duties and remuneration.
- (b) For the purposes of this Rule:
 - (i) "Industrial Award or Agreement" means an Award or Enterprise Agreement made or approved under a State or Federal Act regulating industrial relations; and
 - (ii) "Enterprise Agreement" includes an Australian Workplace Agreement, Certified Agreement or Enterprise Flexibility Agreement.

INSURANCE

- 65. The Board shall arrange insurance against loss, damage to or liability of the Society by reason of fire, accident or otherwise.

FINANCIAL YEAR

- 66. The financial year of the Society shall end on the 30th June.

ACCOUNTS

67.

- (a) The Board shall have prepared the accounts, statements and Directors' report in accordance with the Corporations Law, as adopted by clause 15 of the Co-operatives Regulation 1997.

- (b) The Board shall submit those accounts, statements and report, together with the auditors' report on those accounts, to the annual general meeting of the Society, in accordance with the Corporations Law as adopted by clause 15 of the Co-operatives Regulation 1997.
- (c) The Board shall also have a copy of everything required to be submitted under paragraph (b) displayed at the registered office of the Society for a period of not less than 14 days before the date of the annual general meeting of the Society.
- (d) The Board shall:
 - (i) send a copy of everything required to be submitted under paragraph (b) to each member 21 days before the annual general meeting of the Society; or
 - (ii) give members notice 21 days before the annual general meeting of the Society that the documents required under paragraph (b) will be made available for inspection at the registered office of the Society in accordance with paragraph (c).

BANKING

68.

- (a) The Board shall have a banking account or accounts in the name of the Society, into which all monies received shall be paid as soon as possible after receipt.
- (b) All cheques drawn on such accounts and all drafts, bills of exchange, promissory notes and other negotiable instruments for and on behalf of the Society, shall be signed by two Directors or by any two persons authorised by the Board.

APPOINTMENT, DUTIES AND RESPONSIBILITIES OF AUDITORS

69.

- (a) One or more auditors shall be appointed, hold office, be remunerated, be removed and have qualifications, duties and responsibilities as provided in these Rules or as otherwise provided in, or permitted by, the Corporations Law as adopted by clause 15 of the Co-operatives Regulation 1997, or any order made by the Registrar pursuant to that Regulation or section 244(1) of the Act.
- (b) Within one month after the date on which the Society is registered, the Directors shall appoint an auditor of the Society, unless the Society at a general meeting has already appointed an auditor. An auditor appointed under this clause shall hold office until the first annual general meeting of the Society.
- (c) The Society shall at its first annual general meeting appoint an auditor of the Society; and at each subsequent annual general meeting, if there is a vacancy in the office of auditor, the Society shall appoint an auditor to fill the vacancy.
- (d) An auditor appointed under paragraph (c) of this Rule shall hold office until death or removal or resignation from office or until ceasing to be capable of acting as auditor in accordance with the Corporations Law as adopted by clause 15 of the Co-operatives Regulation 1997.
- (e) The Board shall fill any vacancy in the office of auditor, other than a vacancy caused by the removal of an auditor from office, within one month of such vacancy occurring, unless the Society at a general meeting has already appointed an auditor to fill the vacancy. A person or firm appointed as auditor of the Society pursuant to this paragraph holds office, subject to the Corporations Law as adopted by clause 15 of the Co-operatives Regulation 1997, until the next annual general meeting of the Society.

While a vacancy in the office of auditor continues, the surviving or continuing auditor or auditors (if any) may act.

- (f) An auditor filling a vacancy caused by the removal of the previous auditor shall be appointed by a three-quarter majority of members at the same general meeting at which the previous auditor is removed, as long as notice of the nomination has been sent at least seven days before the meeting to the members and nominated and current auditors. If the notice of nomination was not sent in accordance with paragraph (h) or the resolution to appoint a new auditor is not passed, then the meeting may be adjourned 20 to 30 days later. At the adjourned meeting, the Society may appoint an auditor by ordinary resolution as long as notice of the nomination is received by the Board from a member at least 14 clear days before the date of the adjourned meeting and the Board gives notice of the nomination at least seven days before the meeting to the members and nominated and current auditors. The auditor appointed under this sub-rule holds office until the next annual general meeting.
- (g) The Society or the Board shall not appoint as auditor a person who has not consented in writing to the appointment or who has withdrawn such consent, or a person of whose nomination notice has not been given in accordance with paragraphs (f) or (h).
- (h) Not being a meeting at which an auditor is removed from office, the Society is not entitled to appoint an auditor at its annual general meeting unless notice in writing of the nomination of the auditor was given to the Board by a member before the meeting was convened or at least 21 days before the meeting. The Board must have then given notice to the nominated and current auditors and members not less than seven days before the meeting or at the time notice of the meeting was given.
- (i) A person is not qualified to be appointed auditor of the Society if:
 - (i) the person is not a registered company auditor;
 - (ii) the person or body corporate in which the person is a substantial shareholder, is indebted for an amount exceeding \$5,000 to the Society, to a related body corporate or to an entity that the Society controls; or
 - (iii) the person is:
 - (A) an officer of the Society;
 - (B) a partner, employer or employee of an officer of the Society;
 - (C) a partner of an employee of an officer of the Society; or
 - (D) an employee of an employee of an officer of the Society.
- (j) A firm is not qualified to be appointed auditor of the Society unless:
 - (i) at least one member of the firm is a registered company auditor who is ordinarily resident in Australia;
 - (ii) no member of the firm or a body corporate in which the firm is a substantial shareholder, is indebted for an amount exceeding \$5,000 to the Society, to a related body corporate or to an entity that the Society controls; or
 - (iii) no member of the firm is:
 - (A) an officer of the Society;
 - (B) a partner, employer or employee of an officer of the Society;

- (C) a partner of an employee of an officer of the Society; or
- (D) an employee of an employee of an officer of the Society;
- (iv) no officer of the Society receives any remuneration from the firm for acting as a consultant to it on accounting or auditing matters;
- (v) the business name under which the firm is carrying on business is registered under a law of a State or Territory relating to the registration of business names or a return in the prescribed form has been lodged showing, in relation to each member of the firm, the member's full name and address at the time when the firm so consents, acts or prepares a report.
- (k) All reasonable fees and expenses of the auditor are payable by the Society.
- (l) The Board shall enable the auditor to have access to all books, accounts, vouchers, securities and documents of the Society, and to be furnished with such information and explanation by the Board members or any other officers as may be necessary for the performance of the duties of the auditor.
- (m) The auditor is entitled to attend any general meeting of the Society and to receive all notices of and other communications relating to any general meeting which any member of the Society is entitled to receive. The auditor is also entitled to be heard, at any general meeting which the auditor attends, on any part of the business of the meeting of concern to the auditor.

REMOVAL OF AUDITORS

70.

- (a) The auditor may be removed from office by special resolution at a general meeting.
- (b) Notice of intention to move the resolution must be given to the Society not less than two months before the meeting at which the resolution is moved, but if, after notice has been given, a meeting is convened for a date two months or less after notice has been given subject to paragraph (d), notice shall be deemed to have been properly given.
- (c) Where special notice of a resolution to remove an auditor is received by the Society, it shall as soon as possible send a copy of the notice to the auditor and lodge a copy of the notice with the Registrar.
- (d) The Society shall give notice of a resolution to remove the auditor to persons entitled to be given notice of a meeting of the Society at the same time and in the same manner as it gives notice of the meeting or, if that is not practicable, shall give notice of the resolution to them in any manner allowed by these Rules not less than 21 days before the meeting.
- (e) Within seven days after receiving a copy of the notice, the auditor may make representations in writing, not exceeding a reasonable length, to the Society and request that before the meeting at which the resolution is to be considered, a copy of the representations be sent by the Society at its expense to every member of the Society to whom notice of the meeting is sent.
- (f) Unless the Registrar on the application of the Society orders otherwise, the Society shall send a copy of the representations in accordance with the auditor's request. The auditor may require that the representations be read out at the meeting and may also speak at the meeting.
- (g) Within 14 days after the removal from office of the auditor, the Society shall lodge with the Registrar a notice of the removal on the prescribed form and, where there is a

trustee for the holders of debentures of the Society, give to the trustee a copy of the notice lodged with the Registrar.

RESIGNATION OF AUDITOR

71.

- (a) The auditor may, by notice in writing given to the Society, resign as auditor of the Society if:
 - (i) the auditor has, by notice in writing given to the Registrar, applied for consent to resign and stated the reasons and, at or about the same time, notified the Society in writing of the application; and
 - (ii) the auditor has received the consent of the Registrar.
- (b) The resignation of the auditor takes effect:
 - (i) on the date (if any) specified for the purpose in the notice of resignation;
 - (ii) on the date on which the Registrar consents to the resignation; or
 - (iii) on the date (if any) fixed by the Registrar for the purpose,

whichever last occurs.
- (c) Within 14 days after the receipt of a notice of a resignation from an auditor, the Society shall lodge with the Registrar a notice of the resignation on the prescribed form and, where there is a trustee for the holders of debentures of the Society, give to the trustee a copy of the notice lodged with the Registrar.

SOCIETY FUNDS

72.

- (a) The income and property of the Society however derived shall be applied solely towards the promotion of the objects of the Society and no portion thereof shall be paid or transferred directly or indirectly by way of discount, rebate or otherwise by way of profit to the members of the Society.
- (b) Payment shall be made in good faith of:
 - (i) any commensurate remuneration of any member or servant of the co-operative or other person in return for any services actually rendered to the Society; or
 - (ii) reasonable interest on money lent or reasonable or proper rent for property or premises demised, or let by any member to the co-operative.
- (c) Any surplus resulting from the Society's operation during a financial year, after providing for depreciation in value of the Society's property or for contingent liability for loss, shall be applied to carrying out the Society's objects.
- (d) An amount not exceeding 10% of the surplus may be applied to any charitable purpose, or for promoting co-operation or any community advancement object.

PUBLIC FUNDS

72A.

- (a) The Society will establish and maintain a public fund.

- (b) Donations will be deposited into the public fund listed on the Register of Cultural Organisations. These monies will be kept separate from other funds of the Society and will only be used to further the principal purpose of the Society. Investment of monies in this fund will be made in accordance with guidelines for public funds as specified by the Australian Taxation Office.
- (c) The fund will be administered by a management committee or a subcommittee of the management committee, the majority of whom, because of their tenure of some public office or their professional standing, have an underlying community responsibility, as distinct from obligations solely in regard to the cultural objectives of the Music Broadcasting Society of NSW.
- (d) No monies/assets in this fund will be distributed to members or office bearers of the Society, except as reimbursement of out-of-pocket expenses incurred on behalf of the fund or proper remuneration for administrative services.
- (e) The Department responsible for the administration of the Register of Cultural Organisations will be notified of any proposed amendments or alterations to provisions for the public fund, to assess the effect of any amendments on the public fund's continuing Deductible Gift Recipient status.
- (f) Receipts for gifts to the public fund must state:
 - (i) the name of the public fund and that the receipt is for a gift made to the public fund;
 - (ii) the Australian Business Number of the company;
 - (iii) the fact that the receipt is for a gift; and
 - (iv) any other matter required to be included on the receipt pursuant to the requirements of the *Income Tax Assessment Act 1997*.

PROVISION FOR LOSS

73. The Board shall account for any loss which may result from the transactions of the Society in accordance with Accounting Standards as adopted by the Regulation.

DISPUTES

74.

- (a) In this Rule:
 - (i) "party" includes:
 - (A) member of the Society;
 - (B) any aggrieved person who has ceased to be a member in the last six months;
 - (C) any person claiming through or under a member or any aggrieved person referred to in paragraph (a)(i)(B); and
 - (D) the Society, including the Board or any other officer of the Society.
 - (ii) "dispute" may only refer to a matter affecting a person of the type mentioned above in paragraphs (a)(i)(A)-(C).
- (b) If a dispute arises a party may not commence any court or arbitration proceedings

relating to the dispute unless it has complied with the following paragraphs of this Rule except where the person seeks urgent interlocutory relief.

- (c) A party claiming that a dispute has arisen must give written notice to the other party or parties specifying the nature of the dispute.
- (d) On receipt of that notice by that other party or parties, the parties must endeavour to resolve the dispute expeditiously, using the mediation Rules of the NSW Law Society.
- (e) If the parties do not agree within seven days of receipt of the notice (or such further period as agreed in writing between them) as to:
 - (i) the timetable for all steps in the procedures; and
 - (ii) the selection and compensation of the independent person required for mediation,

then the dispute shall be settled by arbitration in accordance with the *Commercial Arbitration Act 1984*.

- (f) Nothing in this Rule shall extend to any dispute as to the construction or effect of any mortgage or contract contained in any document other than these Rules.

NOTICES

75.

- (a) A notice may be given by the Society to any member:
 - (i) personally;
 - (ii) by post to the member's registered address or an alternative address supplied by the member;
 - (iii) by some other form of technology, for example by facsimile or email, where the member has notified the Society of the relevant contact details; or
 - (iv) by publishing the notice in a newspaper circulating generally in New South Wales or in the area served by the Society.
- (b) here a notice is sent by post, service shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice. In the case of a notice of a meeting, service is deemed to be effected at the expiration of 24 hours after the letter containing the notice is posted. In every other case service is deemed to be effected at the time at which the letter would be delivered in the ordinary course of post and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.
- (c) If a member has no registered address (and has not supplied to the Society an address for the giving of notices), a notice addressed to the member and advertised in a newspaper circulating in New South Wales or in the neighbourhood of the registered office of the Society shall be deemed to be duly given to the member on the date on which the advertisement appears.
- (d) A notice forwarded by another form of technology shall be deemed to have been served, unless the sender is notified of a malfunction in transmission, on the day of transmission if transmitted during a business day, otherwise on the next following business day.
- (e) A notice may be given by the Society to joint members by giving the notice to the joint

member named first in the register of members.

- (f) For the purpose of this Rule, “registered address” means the address of the member as appearing in the register of members and debentures.

WINDING UP

76.

- (a) The winding up of the Society shall be in accordance with Part 12 of the Act.
- (b) If upon the winding-up or dissolution of the public fund listed on the Register of Cultural Organisations, there remains after satisfaction of all its debts and liabilities, any property or funds, the property or funds shall not be paid to or distributed among its members, but shall be given or transferred to some other fund, authority or institution having objects similar to the objects of this public fund, and whose rules shall prohibit the distribution of its or their income among its or their members, such fund, authority or institution to be eligible for tax deductibility of donations under Subdivision 30-B, section 30-100, of the *Income Tax Assessment Act 1997* and listed on the Register of Cultural Organisations maintained under that Act.
- (c) If on the winding up or dissolution of the Society there remains after the satisfaction of all its debts and liabilities any property, this shall not be paid or distributed amongst the members of the Society but shall be given or transferred to an institution:
- (i) which has objects similar to those of the Society;
 - (ii) whose constitution prohibits the distribution of its property among its members;
 - (iii) which has been chosen by the members of the Society at or before the time of dissolution or in default thereof by the Chief Judge of such Court as may have or acquire jurisdiction in the matter; and
 - (iv) which satisfies the relevant subsection of section 23 of the *Income Tax Assessment Act*.
- (d) Subject to sections 139 and 331 of the Act, ex-members may also be liable to contribute to the property of the Society.
- (e) In paragraphs (b) and (c), the expression “institution” includes an institution or Institutions.

SCHEDULE OF FEES

77.

Copy of book of Rules:	\$1 for the first page and 30 cents for each additional page up to a maximum of \$50. (Rule 7(b))
Copy of Register:	\$5 for the first page and 30 cents for each additional page up to a maximum of \$50. (Rule 16(b))
Inspect Register of Notifiable Interests:	\$5 (Rule 24(b))
Annual membership fee:	As determined from time to time by the Directors being not less than \$10 and not exceeding \$100 (Rule 25(c))
Transfer of debentures:	\$5 (Rule 31(e))

end of rules
