VALENTINE BOWLING CLUB CO-OPERATIVE LIMITED

2025 CONSTITUTION

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Part 1 Preliminary

1 Application of these rules

These rules are the rules of the Valentine Bowling Club Co-operative. Limited.

2 Definitions

(1) In these rules:

Act means the Co-operatives National Law (NSW) as applying in this jurisdiction.

Alter or similar word or expression used in relation to a rule amendment includes add to, substitute and rescind.

Annual General Meeting means the annual general meeting held each year as required by the Law (CNL s252) and the rules at which members of the Board are elected.

Auditor means the auditor or auditors for the time being of the Co-operative appointed in accordance with Rule 62

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 Co-operative's monies are paid.

Ballot Paper means a ballot paper in paper or electronic form.

Basic minimum financial statements mean the financial statement required of a small co-operative under the National Regulations.

Board means the Board of the Co-operative.

Business Day means a day that is not a Saturday or Sunday or a public holiday or bank holiday in New South Wales.

By-Laws means by-laws of the Co-operative that are currently in place.

Chairperson includes President, Deputy Chairperson or Vice President.

Club means Valentine Bowling Club Co-operative Limited.

Clubs Act means the Registered Clubs Act 1976.

Club Member means a person who is an ordinary member, a provisional member, an honorary member, or a temporary member of the co-operative.

Constitution means this Constitution of the Co-operative.

CNL is a reference to the Co-operatives National Law (NSW) as applying in this jurisdiction.

Co-operative means Valentine Bowling Club Co-operative Limited.

Director means any Director of the Co-operative for the time being and any Deputy Director acting in the absence of a nominating Director.

Financial Year means the financial year of the Co-operative as specified in Rule 60.

Guest in relation to an ordinary member, a provisional member or an honorary member of the Co-operative, means a person:

(i) whose name and address, countersigned by a member, are entered into a register kept for the purpose by the Co-operative; and

(ii) who does not remain on the co-operative premises any longer than the member.

Honorary Member means a person who, under the rules of the Co-operative and the Clubs Act, is an honorary member of the club.

Life Member means a person who is elected to membership of the Co-operative for life.

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.

Member means a person who is an active member of the Co-operative.

Member Classes cross referenced to Constitution

Active member Part 2 (5)(2)
Ordinary Member – amended to include Associate Member and Part 2, 6 (8)(a)
Bowling Member – Part 2 6(4)(1)
Associate Member – Part 2 6 (4)(2)
Junior Bowling Member – Part 2 6 (4)(3)
Social Member – Part 2 6(4)(4)
Life Member – Part 2 6 (4)(5)
Honorary Member – Part 2 6 (4)(6)
Temporary Member – Part 2 6 (4) (7)

Member Director and ***Non-member Director –*** Rule38 (CNL s174)

Month means calendar month.

Notice Board means the board or boards provided on the Co-operative premises on which notices for the information of members is posted.

Objects mean the objects of the Co-operative in Rule 4.

Officer includes the Chairperson, President, Deputy Chairperson, Vice President, Directors, Chief Executive Officer, Secretary, Treasurer, duly appointed manager or other person who is concerned or takes part in the management of the Co-operative.

Ordinary Member means a person who is an active member of the Co-operative, either as a bowling, life, associate, junior or social member.

Postal Ballot includes a special postal ballot.

Provision in relation to the Act, means words or other matter that form or forms part of the Law, and includes:

(i) a chapter, part, division, subdivision, section, subsection, paragraph, subparagraph or schedule of or to the Act; and

(ii) a section, clause, sub-clause, item, column, table or form of or in a schedule to the Act; and

(iii) the long title or any preamble to the Law.

Regulation means a regulation made under the Law, and any regulation that applies to the Co-operative by way of a transitional regulation made under the CNL Act.

Relevant Interest has the same meaning as given in the Act.

Rules means the registered rules of the Co-operative as amended from time to time and reference to particular rules has a corresponding meaning.

Seal means the common seal of the Co-operative as required by the Act.

Secretary/Chief Executive Officer means the person who, under Section 33 of the Clubs Act, holds an approval of the authority to act as the secretary of the Club and is delegated by the Board as secretary of the Co-operative in accordance with rule 39(1)

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;

Special Resolution means a resolution which is passed in accordance with Rule 36

Standard postal times means the times when properly addressed and prepaid letters would be delivered in the ordinary course of post.

State means the State of New South Wales.

Temporary Member means a person who, under the rules of the Co-operative, is a temporary member of the club.

the Law means the Co-operatives National Law (NSW) as applying in this jurisdiction.

the National Regulations means the Co-operatives National Regulations (NSW) as applying in this jurisdiction.

Triennial Rule means the rule of the Co-operative that provides for the election of members of the Board in accordance with Schedule 4 of the Registered Clubs Act.

Registrar means the Registrar of Co-operatives or any person delegated the Registrar's functions;

Writing includes printing, typing, lithography and other modes of representing or reproducing words in a visible form and "written", including messages sent by electronic mail, has a corresponding meaning:

a) words importing one gender include the other genders;

b) words in the singular include the plural and vice versa;

c) words or expressions used have the same meanings as those given to them by the Law.

Year means the period between successive annual general meetings.

(2) Except so far as the contrary intention appears in these rules, words and expressions used in these rules have the same meanings as they have, from time to time, in the Law or relevant provisions of the Law.

3 Name of the Co-operative (CNL ss220-222 & 224)

The name of the Co-operative is the Valentine Bowling Club Co-operative Limited.

The Registered Office of the Co-operative shall be at: **VALENTINE CRESCENT, VALENTINE N.S.W. 2280**

4 Objects of the Co-operative

The objects of the Valentine Bowling Club Co-operative shall be:

(1) To promote the game of bowls and such other sports, game, amusements and recreations as the board may deem expedient and to operate, maintain and carry on a club for the purpose;

(2) To affiliate with such associations as shall be considered necessary;

(3) To purchase, lease or otherwise acquire land at any place that the Co-operative may deem expedient and to lay out and prepare such grounds for bowls and for other purposes of the Club, and to provide the club house and other conveniences in connection therewith, and permit their use by members and their guests on such terms as the Board shall determine.

(4) Notwithstanding the provision of this rule, no portion of the Co-operative's property that may be covered by a certificate of registration under the provisions of the Registered Clubs Act, shall be let, leased or demised without the prior approval of the Licensing Court;

(5) To hold or arrange bowls and other matches, games and competitions and offer and grant or contribute towards the provision of trophies, awards and distinctions;

(6) To subscribe to, become a member of and co-operate with any other association(s) whether incorporated or not, whose Objects are altogether or in part similar to those of this Co-operative;

(7) To buy, sell and deal in all kinds of apparatus and provisions, either liquid or solid required by persons frequenting the Co-operative's property and premises;

(8) Do all that is reasonably necessary to enable these Objects to be achieved and enable Members to receive the benefits which these Objects are intended to achieve;

(9) Undertake and or do all such things or activities which are necessary, incidental or conducive to the advancement of these Objects.

Part 2 Membership

Division 1 Membership generally

5 Active membership provisions (CNL ss112(2), 144, 148 & 156–166)

(1) **Primary activity**

For the purposes of Part 2.6 of the Law, the primary activities of the Co-operative are:

The operation, maintenance and carrying on of the Valentine Bowling Club for the promotion of bowls and other social and sporting activities

(2) Active membership requirements

(a) A member shall:

(i) be an ordinary member who pays an annual subscription in accordance with rule 10; or

(ii) be a life member;

to establish and maintain active membership of the Co-operative.

(b) Failure to maintain active membership may lead to cancellation of membership under rule 20.

The Secretary shall maintain a register of Honorary and Temporary members showing the full name and address of each Honorary and Temporary member and, where that person has been admitted to membership for a limited period, the dates of commencement and completion of membership.

6 Qualifications for membership (CNL s112)

(1) A person qualifies for membership of the Co-operative if the person is able to use or contribute to the services of the Co-operative.

(2) A person is not qualified to be admitted to membership of the Co-operative unless:

(a) the Board has reasonable grounds for believing that the person will be an active member under rule 5(2); and

(b) the applicant is an individual and not a body corporate.

(3) Application for membership shall be lodged in accordance with Rule 11.

(4)(1) **Bowling Member** shall mean a member of the Co-operative who shall pay a full annual subscription and demonstrates an ongoing commitment to play bowls.

In the case of a new member joining after the first day of October and prior to the thirtieth day of April next following, will pay such proportion of such full annual subscription (being not less than $2.00) as decided by the board. Each applicant for Bowling membership shall indicate on his membership form that he intends to, and shows an ongoing commitment to, play bowls. Coaching classes, or instruction on the rudiments of the game, may be arranged for new bowlers. The rights and privileges of this class of membership include:

(a) voting at all general meetings of the Co-operative

(b) nominate new members to the Club

(c) nominate members for positions on the Board of Management

(d) stand for office on the Board of Management

(e) have full use of the Co-operative's facilities

(f) vote for the election of members on the Board of Management

(2) **Associate Bowling Member** shall mean a member entitled to use the facilities of the Club without competing in Club Championships, District or State Events. Associate Bowling Members shall have all the other rights and privileges of Bowling Members.

(3) **Junior Bowling Member** shall mean a person under the age of eighteen (18) years but of a minimum age of twelve (12) years who, having been elected as a Junior Bowling Member, shall pay the entrance fee (if any) and the applicable annual subscription. Subject to the provisions of the Registered Clubs Act and conditions as stipulated by the Board, a Junior Bowling Member shall be entitled to such of the playing privileges and to use such of the facilities of the Co-operative as the Board shall determine but shall not be entitled to hold office on the Board of Management of the Co-operative or to nominate Co-operative members for such office or to attend and vote at any meetings of the Co-operative.

A Junior Bowling Member shall be subject to the same conditions regarding his intentions to play bowls as apply to applicants for Bowling Membership. On attaining the age of eighteen (18) years, a Junior Bowling Member may make written request to transfer to full membership and the Board may grant such request without the necessity of a fresh election. A Junior Bowling member so changing his membership designation shall pay such additional subscription as shall, with the amount already paid by him as such Junior Bowling Member, bring his total subscription to the amount payable by a Bowling Member.

(4) **Social Member** shall mean a member entitled to use the facilities of the Club excluding Bowling facilities. The rights and privileges of this class of membership include

(a) stand for office on the Board of Management

(b) nominate Members for positions on the Board of Management

(c) Vote at all general meetings of the Co-operative,

(d) Nominate new members to the Club

(e) Vote for the election of members on the Board of Management.

The subscription of a Social Member shall be less than that of a Bowling Member but not less than $2.00 and shall be provided for in the Co-operative's By Laws**.**

(5) **Life Membership** shall mean any member who may, in consideration of meritorious service or for any other special reason, be granted Life Membership of the Co-operative. A proposal for Life Membership shall be made to the Board by any two Active Members of the Co-operative. Such a proposal shall be in writing outlining the areas of service for special consideration. The Board shall consider the proposal in accordance with policy criteria for Life Membership and come to a decision regarding nomination.

However:

no such grant shall be made except on the recommendation of the Board made to the annual or special general meeting of the Co-operative and communicated to Members in the notice convening such a meeting and the subsequent adoption of that recommendation by two-thirds of the Members present entitled to vote;

Life Member shall be entitled to Bowling membership in all respects, without the payment of the annual subscription.

Members of the Valentine Women's Bowling Club granted Life Membership prior to 31 May 1999 shall be accepted as Life Members of Valentine Bowling Club Co-op Ltd.

(6) **Honorary Membership**

The following may be made an Honorary Member of the Co-operative:

(a) the Patron or Patrons of the Club

(b) any prominent citizen visiting the Club for some special occasion

An Honorary Member shall be entitled only to the social privileges of the Club and to play bowls and such other games, recreations and pastimes as determined by or on the invitation of the Board from time to time.

(7) **Temporary Membership** may be granted by the Board or a person or persons authorised by the Board to one person and no other who has one of the following qualifications:

(a) a member of any Registered Club, at the invitation of the Board or an authorised person, attends on any day at the premises of the Club on that day for the purposes of an organised competition to be conducted by the Club on that day when he so attends the premises of the Club until the end of the day. Any person who is a Temporary Member of the Club under this article shall be deemed to have been admitted as a Temporary Member of the Club;

(b) any visiting member of a Registered Club, or affiliated body, having similar objects, for a period not exceeding one day at any time.

(c) Temporary Members shall not be entitled to vote at any meeting of the Co-operative, nominate for or be elected to the committee or any office in the Co-operative or participate in the management of the Co-operative in any way;

(d) Temporary Members shall not be permitted to introduce Guests to the Club;

(e) the Board or Secretary of the Co-operative may terminate the membership of any Temporary Member at any time without having to provide any reason;

(f) the Board may by By-Law specify the number of days in any financial year of the Club on which Temporary Membership may be conferred on any person provided however that in total the number of days Temporary Membership is conferred on the same person in any year shall not be more than twenty-eight (28) but these need not be consecutive days;

(g) a person shall not be admitted as a Temporary Member of the Club unless he completes and signs an application for Temporary Membership in such form as the Board may determine;

(h) unless otherwise specified in the Club's Temporary Membership Register and on the Temporary Membership Card issued pursuant to sub-rule (j) of this rule, Temporary Membership shall be conferred only for the duration of the day on which it was granted;

(i) upon a person being admitted to Temporary Membership, he shall be issued with a Temporary Membership card bearing his name and date on which it was issued. If the Temporary Membership is granted for a period longer than the day of issue, the date on which Temporary Membership ends shall be included on the membership card;

(j) upon a person being admitted to Temporary Membership, all relevant particulars shall be forthwith entered in the Co-operative's Temporary Members Register for the purpose of Section 30(2), (l) & (m) of the Registered Clubs Act;

(k) a Temporary Member shall be required to produce his Temporary Membership card at any time requested to do so by an officer or employee of the Co-operative and if unable to produce it may be required to leave the Club immediately;

(l) no person under the age of eighteen (18) years may be admitted as a Temporary Member of the Co-operative.

(8) **Club membership** of the Co-operative shall consist of the following categories:

(a) Ordinary Members

(i) Bowling Members
(ii) Associate Bowling Members
(iii) Junior Bowling Members
(iv) Social Members
(v) Life Members

(b) Honorary Members

(c) Temporary Members; and

(9) The Board shall have the power to grant on written request for Bowling, Social or Associate members to change from either one of such designations to another without the necessity of a fresh election, provided that a Bowling Member or Associate Bowling Member, on changing his designation, shall not be entitled to any refund or reduction for any subscription paid or payable by him for the current year.

Any Associate or Social Member changing his designation to that of a Bowling Member shall pay such additional subscription as shall, with the amount already paid by him as such Associate or Social Member, bring his total subscription to the amount payable by a Bowling Member.

(10) A Social Member transferring to a Bowling Membership shall be subject to the same provisions as regards coaching classes as apply to applicants for Bowling Membership under rule 6(4)(1).

(11) Social, Associate, Temporary, Provisional and Honorary members shall **not** be entitled to compete for club championship prizes nor take part in competitions conducted by Greater Newcastle Bowls or affiliated body. Notwithstanding the provisions of this rule, Temporary Members who have entered the Co-operative in accordance with the qualifications outlined in sub-rule (4)(7)(a) & (b) of this rule shall be entitled to participate in any competition conducted by the Co-operative, the Greater Newcastle

Bowls or any other affiliated Bowling Association.

(12) Temporary, Provisional and Honorary members shall not be entitled to vote.

7 Members Guests

A Guest of the Co-operative means a person:

(1) whose name, address countersigned by a member, are entered in a register kept for the purpose by the Co-operative; and

(2) who, at all times while on the club premises, remains in the reasonable company of the Member; and

(3) who does not remain on the club premises any longer than the member.

8 Employee members

An employee may be a member of the Co-operative in accordance with the Clubs Act, however the following restrictions apply:

(1) the employee member is not entitled to vote at any meeting of the Co-operative, meeting of the Board or at any election of the Board or ;nominate any Active Member to stand for the Board;

(2) the employee member shall not hold office as a member of the Board of the Co-operative.

9 Number of Members

The number of members shall not be less than the minimum number as per the Registered Clubs Act (1976).

10 Entry fees and regular subscriptions (CNL s124)

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

An annual subscription, payable in advance or before the 30th April each year, shall be determined each year by the Board and published at the registered office or on the website of the Co-operative.

Upon payment of the annual subscription each member shall be issued with a membership card showing his name and the date to which he is financial.

Notwithstanding Paragraph 2 above, the Board may, either generally or in a specific case, extend a period for payment of the annual subscription, even though the previous period has expired. The extended period for payment shall not exceed twelve (12) months.

If the subscription of any member shall not be paid within a period of one month from the date on which it shall fall due upon, the member shall be automatically suspended from all privileges of the Co-operative and a person's membership shall be cancelled in accordance with Rule 20.

11 Membership applications

(1) Applications for membership shall be lodged at the registered office in or to the effect of the prescribed form together with the entrance fee (if any) and the applicable annual subscription fully paid.

(2) Every application must be considered by the Board.

(3) If the Board approves of the application, the applicant's name and any other information required under the Law must be entered in the register of member within 28 days of the Board's approval.

(4) The applicant must be notified in writing of the entry in the register and the applicant is then entitled to the privileges attaching to membership.

(5) The Board may, at its discretion, refuse an application for membership.

(6) The Board need not assign reasons for the refusal. On refusal any amount accompanying the application for membership must be refunded within 28 days without interest.

(7) The Board must provide each person intending to become a member of the Co-operative if requested with:

(a) a consolidated copy of the rules of the Co-operative; and

(b) a copy of all special resolutions applicable to the member passed by the members of the Co-operative, except special resolutions providing for an alteration of the rules of the Co-operative; and

(c) a copy of the last annual report of the Co-operative.

(8) Each applicant for Bowling Membership shall indicate on his application form that he intends to play bowls and he shall be elected for a probationary period of up to six (6) months during which time that intention shall be evident. Unless he is already an experienced bowler each applicant for Bowling Membership shall indicate on his application that he intends to play bowls, attend coaching classes, or instruction on the rudiments of the game which will be arranged for new bowlers.

(9) Each member shall be elected for the current financial year and shall be eligible for re-electIon without further nomination for each ensuing year by the Board at its regular meeting in the month of May in each year, provided that each member, at the date of such meeting of the Board, who has not given notice of his resignation prior to such meeting shall automatically be re-elected subject to the rules of the Co-operative, unless his membership is rejected or deferred by two-thirds majority of the members of the Board present and provided that at least six members of the Board shall be present at such meeting and provided further that any member whose re-election has been rejected or deferred shall have a right of appeal to the Board which shall act as set forth in these rules.

(10) No person under eighteen (18) years of age except a Junior Bowling Member shall be admitted as a member of the Co-operative and no person shall be allowed to become Honorary or Temporary Members of the Co-operative or be relieved of the payment of the regular subscription, except those possessing certain qualifications defined in these rules and subject to the conditions prescribed herein.

12 Cessation of membership (CNL s117)

A person ceases to be a member in either of the following circumstances:

(1) if the membership ceases in any circumstances specified in section 117 of the Law or no longer qualifies for membership under rule 5;

(2) if the member is expelled in accordance with the Co-operative's rules;

(3) if the member becomes bankrupt and the trustee of the member's estate disclaims any of his property in accordance with the law relating to bankruptcy;

(4) on the death of the member;

(5) if the contract of membership is rescinded on the ground of misrepresentation or mistake;

(6) upon acceptance of a member's resignation by the board in accordance with rule 14.

13 Expulsion of members (CNL s117)

(1) A member may be expelled from the Co-operative by special resolution of 2/3 majority to the effect:

(a) that the member has seriously or repetitively failed to discharge the member's obligations to the Co-operative under these rules or a contract entered into with the Co-operative under section 125 of the Law; or

(b) that the member has acted in a way that has:

(i) prevented or hindered the Co-operative in carrying out its primary activity or one or more of its primary activities; or

(ii) brought the Co-operative into disrepute; or

(iii) been contrary to one or more of the Co-operative principles as described in section 10 of the Law and has caused the Co-operative harm; or

(iv) conducted themselves in a manner that is contrary to the Registered Clubs Act.

(2) Written notice of the proposed special resolution must be given to the member at least twenty-eight (28) days before the date of the meeting at which the special resolution is to be moved, and the member must be given a reasonable opportunity of being heard at the meeting.

(3) Within fourteen (14) days after receipt of a notice under sub-rule (5), the person to whom the notice was addressed may give to the board notice in writing of his intention to appeal against such a determination.

(4) Upon receipt of such notice, the Board shall convene a special board meeting, to be held not less than twenty-one (21) days or more than twenty-eight (28) days after the receipt of the notice for the purpose of considering the appeal.

(5) Upon the expulsion of any member pursuant to sub-rule (1), the board shall give notice in writing of the outcome to the member concerned. Any member expelled in

accordance with this rule shall be refused admission as a Temporary Member in accordance with Section 30(10) of the Registered Clubs Act.

(6) If the appeal is upheld, the appellant's membership shall be restored immediately.

(7) At the general meeting when the special resolution for expulsion is proposed the following procedures apply:

(a) at the meeting, the member must be afforded a full opportunity to be heard and is entitled to call witnesses and cross-examine witnesses called against the member;

(b) if the member fails to attend at the time and place mentioned, without reasonable excuse, the member's alleged conduct must be considered and the co-operative may decide on the evidence before it, despite the absence of the member;

(c) once the alleged conduct is considered, the co-operative may decide to expel the member concerned;

(d) the Co-operative must not make a decision on the alleged conduct or on expulsion, except by vote by secret ballot of the members present;

(e) a motion for the decision is not taken to be passed unless two-thirds of the members present;

(8) An expelled member must not be re-admitted as a member.

14 Resignation of members (CNL s117)

Any member may resign at any time by giving notice in writing to that effect in the form approved by the board. Upon acceptance of such resignation by the Board and the payment by the member of all subscriptions, levies and other monies owing by him to the co-operative, he shall cease to be a member and, if so desired by him, shall be issued with a clearance.

15 Monetary consequences of expulsion or resignation (CNL s128)

(1) If a member is expelled or resigns from the Co-operative, all amounts owing by the former member to the Co-operative become immediately payable in full.

(2) Subject to section 128 of the Law, payment to the expelled or resigning member of any amount owing by the Co-operative to the former member:

(a) must be made at the time decided by the Board but within one year from the date of expulsion or resignation; or

(b) may be applied at the time decided by the Board, but within one year from the date of expulsion or resignation, in the manner set out in section 128 of the Law, if there is agreement by the Board and former member or if the Board considers that repayment would adversely affect the financial position of the Co-operative.

16 Suspension of members

(a) The Co-operative may suspend a member for not more than one year, who does any of the following:

(a) contravenes any of these rules;

(b) fails to discharge obligations to the Co-operative, whether under these rules or a contract;

(c) acts detrimentally to the interests of the Co-operative.

(b) In order to suspend a member, the procedure for expulsion of a member is as follows:

(a) at a Board meeting, the member must be afforded a full opportunity to be heard and is entitled to call witnesses and cross-examine witnesses called against the member;

(b) if the member fails to attend at the time and place mentioned, without reasonable excuse, the member's alleged conduct must be considered and the co-operative may decide on the evidence before it, despite the absence of the member;

(c) once the alleged conduct is considered, the co-operative may decide to suspend the member concerned;

(d) the Co-operative must not make a decision on the alleged conduct or on expulsion, except by vote of Board Members present;

(e) an expelled member must not be re-admitted as a member.

(c) During the period of suspension, the member:

(a) loses any rights arising as a result of membership; and

(b) is not entitled to a refund, rebate, relief or credit for membership fees paid, or payable, to the Co-operative; and

(c) remains liable for any fine that may be imposed

(d) may be refused admission as a Temporary Member in accordance with Section 30 (10) of the Registered Clubs Act.

(d) At the conclusion of the period of suspension, the members must reapply to be member of the Co-operative.

Division 2 Dispute resolution

17 Disputes and mediation (CNL s129)

(1) The grievance procedure set out in this rule applies to disputes under these rules between:

(a) a member and another member; or

(b) a member (including a former member) and the Co-operative.

(2) If a dispute arises, a party cannot commence any court or arbitration proceedings relating to the dispute unless it has complied with the provisions of this rule, except where a person seeks urgent interlocutory relief.

(3) The parties to the dispute must meet and discuss the matter in dispute, and, if possible, resolve the dispute within 14 days of:

(a) the dispute coming to the attention of each party; or

(b) a party giving notice, to each of the other parties involved, of the dispute or grievance.

(4) If the parties are unable to resolve the dispute at the meeting, or if a party fails to attend that meeting, the parties must, as soon as is practicable, hold a meeting in the presence of a mediator.

(5) The mediator is, where possible, to be a person chosen by agreement between the parties, but in the absence of agreement between the parties:

(a) for a dispute between a member and another member, a person appointed by the board; or

(b) for a dispute between a member (including a former member) and the Co-operative, a person appointed by a mediation service accredited by the Australian Mediation Association).

(6) The mediator may (but need not) be a member of the Co-operative, unless the member is a party to the dispute.

(7) The parties to the dispute must, in good faith, attempt to settle the dispute by mediation.

(8) The mediator, in conducting the mediation, must:

(a) give the parties to the mediation process every opportunity to be heard; and

(b) allow due consideration by all parties of any written statement submitted by any party; and

(c) ensure that natural justice is accorded to the parties to the dispute throughout the mediation process.

(9) The mediator cannot determine the dispute.

(10) The mediation must be confidential and without prejudice.

(11) The costs of the mediation are to be shared equally between the parties unless otherwise agreed.

(12) Nothing in this rule applies to any dispute as to the construction or effect of any mortgage or contract contained in any document other than these rules.

(13) Nothing in this rule applies to any dispute involving the expulsion or suspension of a member or the imposition of a fine.

(14) If the mediation process does not result in the dispute being resolved, each party may seek to resolve the dispute in accordance with the Law or otherwise at law.

(15) Section 130 of the Law applies if mediation does not resolve the dispute.

Division 3 Members' liability

18 Fines payable by members (CNL ss56 & 126)

(1) The Board may impose on a member a maximum fine of $50.00 for a contravention of these rules.

(2) A breach of a By-Law by a member shall be deemed to be an infringement of the rules of the Co-operative and the Board may impose fines on such members on this basis.

(3) A fine exceeding $20.00 shall not be imposed on a member under sub-rule (1) unless:

(a) written notice of intention to impose the fine and the reason for it has been given to the member; and

(b) the member has been given a reasonable opportunity to appear before the Board in person (with or without witnesses), or to send to the Board a written statement, to show cause why the fine should not be imposed.

19 Liability of members to co-operatives (CNL ss117(2) & 121)

(1) A member shall not, as a member of the Co-operative, be under any personal liability to a creditor of the co-operative.

(2) A member is liable to the co-operative for the amount, if any, unpaid by the member in respect of entry fees and regular subscriptions, together with any charges, payable by the member to the Co-operative under these rules.

(3) On the death of a member, the member's estate is subject 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.

Division 4 Member cancellations

20 Forfeiture and cancellations—inactive members (CNL ss156–163)

The Board must declare the membership of a member cancelled if:

(1) the whereabouts of the member are not presently known to the Co-operative and have not been known to the Co-operative for a continuous period of at least 3 months immediately before the date of cancellation; or

(2) the member is not presently active and has not been active within the meaning of rule 5(2) in the past 3 months immediately before the date of cancellation.

Division 5 Deceased or incapacitated members

21 Value of interest of deceased member (CNL ss102–105)

Membership ceases on death (section 117 of the Law and rule 12). Sections 102–104 of the Law deal with the transfer of shares and other interests on death. Section 105 of the Law requires the rules to determine the value of the deceased member's interest.

The value of the interest of a deceased member is the amount that would have been payable to the member if the member had resigned and includes any prepayments of regular subscriptions or other fees less any amounts owing to the co-operative by the member.

22 Rights and liabilities of members under bankruptcy or mental incapacity

(1) If a person's membership ceases because of bankruptcy, the value of the person's membership interest calculated in accordance with rule 21 may be transferred to the Official Trustee in Bankruptcy.

(2) A person appointed under a law of a State or Territory to administer the estate of a member who, through mental or physical infirmity, is incapable of managing his or her affairs, may be registered as the holder of the member's interest in the Co-operative and the rights and liabilities of membership vest in that person during the period of the appointment.

(3) Upon application by a person appointed to manage the affairs of a member referred to in sub-rule (2), the Board may decide to suspend some or all active membership obligations if there are grounds to believe that the member's physical or mental infirmity is temporary.

Part 3 General meetings, resolutions and voting

23 Annual general meeting (CNL s252)

An annual general meeting must be held each year, at a place and on a date and a time decided by the Board, within five (5) months after the close of the financial year of the Co-operative or within the further time allowed by the Registrar.

(1) If an annual general meeting of the Co-operative is not held in accordance with this Rule, the members may, in accordance with the provisions of section 257 of the Law and Rule 24, requisition such a meeting.

(2) Notice of the date, time and place for each Annual General Meeting and of the last day for receiving nominations for officers and members of the Board, shall be given to each member in accordance with Rule 59 and shall be placed on the noticeboard at least twenty-eight (28) days prior to the date fixed for such Annual General Meeting.

24 Members' power to requisition a General Meeting (CNL s257)

(1) The Board may, whenever it considers appropriate, call a special general meeting of the Co-operative.

(2) The Board must call a General Meeting of the Co-operative on the requisition in writing by members who together are able to cast at least 20% of the total number of votes able to be cast at a meeting of the Co-operative; or any 50 or more active members of the Co-operative entitled to vote, whichever is the lesser.

(3) The provisions of section 257 of the Law apply to a meeting requisitioned by members.

(4) A Special General Meeting shall be requisitioned in accordance with this rule and must:

(a) state the objects of the meeting

(b) 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

(c) be served on the Co-operative by being lodged at the registered office of the Co-operative.

(5) A meeting requisitioned by members must be convened and held as soon as practicable and be held within two (2) months after the requisition is served.

(6) Where the Board does not convene a meeting twenty-one (21) days after the requisition is served, the following provisions apply:

(a) 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 meeting are convened by the Board.

(b) for that purpose they may request the Co-operative to supply a written statement setting out the names and addresses of the persons entitled, when the requisition was served, to receive notice of a General Meeting of the Co-operative.

(c) The Board must send the requested statement requisitioning members with seven (7) days after the request for the statement is made.

(d) the meeting convened by the requisitioning members must be held not later than three (3) months after the requisition is served.

(e) any reasonable expenses incurred by the requisitioning members because of the Board's failure to convene the meeting must be paid by the Co-operative.

(f) any such amount required to be paid by the Co-operative is to be retained by the Co-operative out of any money due from the Co-operative by way of fees or other remuneration in respect of their services to such of the directors as were at fault.

(7) A quorum at all Special General Meetings shall be fifty (50) Active Members and Life Members of the Co-operative

25 Notice of General Meetings (CNL ss239, 254 & 611)

(1) At least 14 days' notice of a General Meeting (not including the day on which the notice is served or taken to be served, but including the day for which notice is given) must be given.

(2) Notice must be given to each member of the Co-operative and any other persons who are, under these rules or the Law, entitled to receive notices from the Co-operative.

(3) The notice must state the place, day and hour of the meeting and include ordinary business as specified in rule 26 and, for special business, the general nature of any special business.

(4) The notice must also include any business members have notified their intention to move at the meeting under sub-rule (6) (but only if the members' notification has been made under these rules and within time).

(5) Non-receipt of the notice does not invalidate the proceedings at the general meeting.

(6) Members who together are able to cast at least 20% of the total number of votes that are able to be cast at a meeting of the co-operative and who have a resolution to submit to a general meeting must give written notice of it to the co-operative at least 28 days before the day of the meeting.

(7) 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.

(8) Notice of every General Meeting shall be given in the same manner as authorised in rule 59 to:

(a) every member of the Co-operative, except those members who have not supplied to the Co-operative an address;

(b) the Auditor or Auditors of the co-operative.

Except as provided in this rule, no other persons shall be entitled to receive notices of General Meetings.

26 Business of General Meetings

(1) The ordinary business of the Annual General Meeting of a small co-operative must be:

(a) to confirm minutes of the last preceding general meeting (whether annual or special); and

(b) to receive from the Board, Auditors or Officers of the Co-operative:

(i) the “basic minimum financial reports” of the Co-operative for the financial year (as specified in regulation 3.10 of the National Regulations);

(ii) an annual report on the state of affairs of the Co-operative;

(iii) a Director’s solvency resolution as to whether or not, in their opinion, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable;

(c) a consideration of allowances;

(d) a declaration by the Returning Officer of the ballot for the election of members of the Board, Patron/s and the filling of vacant positions. Successful nominees for all positions be declared at the election of Board members and order of polling be recorded before votes are destroyed;

(e) the investiture of successful Board Members for the ensuing year;

(f) the election of a Life Members in accordance with rule 6(5)(b) & (c), if any;

(g) the election of Returning Officer and Deputy Returning Officer;

(h) a request for nominating for the position of Honorary Secretary (if required) whom the Board might consider as a suitable appointment as Secretary of the Co-operative;

(i) the appointment of qualified Auditors if an appointment is required;

(j) any recommendation from the Annual General Meeting to be considered by the incoming Board;

(k) all business set down for consideration of which members have been given due notice;

(l) allow members a reasonable opportunity to ask questions about or comment on the management of the Co-operative 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.

(2) The Annual General Meeting may also transact special business of which notice has been given to members under these rules.

(3) All business of a General Meeting, other than business of the Annual General Meeting that is ordinary business, is special business.

27 Quorum at General Meetings

(1) An item of business cannot be transacted at a General Meeting unless a quorum of members is present when the meeting is considering the item.

(2) Unless these rules state otherwise, 50 Active Members and Life members present in person, each being entitled to exercise a vote, or 30% of such members whichever is the lesser but never less than one more than the Board of Directors, constitutes a quorum.

(3) If a quorum is not present within half an hour after the appointed time for a meeting, the meeting shall stand adjourned till the same day and hour of the next week, or such other time as the members present then decide and notice of such adjournment shall be given to every member in accordance with rule 25(2). Should a quorum be not present within thirty minutes of the time set down for such adjourned meeting the business shall proceed nevertheless.

(4) If a quorum is not present within half an hour after the time appointed for an adjourned meeting, the members present constitute a quorum.

28 Chairperson at General Meetings

(1) The President of the Board may preside as Chairperson at every General Meeting of the Co-operative.

(2) If, at a 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, the members present must choose someone from their number to be Chairperson (until the Chairperson attends and is willing to act).

(3) The Chairperson may, with the consent of a meeting at which a quorum is present (and must if directed by the meeting) adjourn the meeting from time to time and from place to place. However, the only business that can be transacted at an adjourned meeting is the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned meeting must be given just as for the original meeting. Apart from this it is not necessary to give notice of an adjournment or the business to be transacted at an adjourned meeting.

29 Standing Orders at General Meetings

The following standing orders shall be observed at the Co-operative's meetings, subject to any suspension of, or amendment of, or addition to, these orders adopted for the purposes of that meeting by members present at the meeting:

(1) the mover of a motion shall not speak for more than ten (10) minutes. Subsequent speakers shall be allowed five (5) minutes, and the mover of the proposition five (5) minutes to reply. The meeting may however by simple majority extend in a particular instance the time permitted by this rule:

(2) whenever an amendment to an original motion is proposed, no second amendment shall be considered until the first amendment is disposed of;

(3) if an amendment is carried, the motion as so amended shall displace the original motion and may itself be amended;

(4) 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;

(5) 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;

(6) motions and amendments shall be submitted in writing, if requested by the Chairperson;

(7) 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;

(8) 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;

(9) standing orders may be suspended for any period by ordinary resolution.

30 Attendance and voting at General Meetings (CNL ss228 & 256)

(1) At any meeting of the Co-operative, a member whose membership is required to be cancelled under rule 20, is not entitled to attend.

(2) Every Active Member and Life Member, except as otherwise provided by these rules, the Co-operatives Act or Clubs Act, shall have one vote and voting by proxy shall not be allowed.

(3) A resolution, other than a special resolution, must be decided by simple majority.

(4) Subject to sub-rules (5) and (6), a question for decision at any general meeting must be decided on a show of hands of members present at the meeting.

(5) A poll may be demanded on any question for decision.

(6) If, before a vote is taken or before or immediately after the declaration of the result on a show of hands:

(a) the Chairperson directs that the question is to be determined by a poll; or

(b) at least 5 members present in person demand a poll, the question for decision must be determined by a poll.

(7) The poll must be taken when and in the manner that the Chairperson directs.

(8) A poll on the election of a Chairperson or on the question of adjournment must be taken immediately and without debate.

(9) Once the votes on a show of hands or on a poll have been counted then, subject to sub-rule (6), a declaration by the Chairperson that a resolution has been carried (unanimously or by a particular majority) or lost is evidence of that fact.

(10) The result of the vote must be entered in the minute book.

(11) Notwithstanding any provisions of these rules, a member who is an employee of the Co-operative shall not be eligible to vote.

31 Voting on a show of hands (CNL ss234 & 256)

On a show of hands at a general meeting, each active member in the classes of Bowling, Associate Bowling, Social and Life Member, except as otherwise provided by these rules, the Co-operatives National Law or Clubs Act, may exercise only one vote and voting by proxy shall not be allowed.

A person is not entitled to exercise a member's right to vote under a power of attorney, if that person has the power of attorney to vote in respect of another member.

32 Voting on a poll

(1) On a poll called at a general meeting, each active member in the classes of Bowling, Associate Bowling, and Life Member, except as otherwise provided by these rules, the Co-operatives National law or Clubs Act, may exercise only one vote and voting by proxy shall not be allowed (CNL s229).

(2) If a poll is duly demanded it shall be taken in a manner which the Chairperson directs and 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 forthwith.

33 Determining the outcome where equality of votes (s228)

(1) This rule applies where the votes in favour and against a resolution are equal.

(2) If the Chairperson of the meeting is a member of the Co-operative, he or she may exercise a second or casting vote. A poll demanded in accordance with rule 30(5) may be withdrawn.

(3) If the Chairperson is not a member of the Co-operative or decides not to exercise a second or casting vote, the outcome of an equality of votes is taken to have been decided in the negative.

34 Postal ballots (other than special postal ballots) (CNL ss247 & 250)

The Co-operative may hold a postal ballot to determine any issue or proposal by the members in the manner described in Section 250 of the Co-operatives National Law.

(1) A postal ballot must be held in respect of a special resolution where members who together are able to cast at least 20% of the total number of votes able to be cast at a meeting of the Co-operative may requisition the Board to conduct the special resolution by postal ballot.

(2) If a postal ballot is requisitioned by members under sub-rule (1), the requisition should specify whether the postal ballot is to be a secret ballot.

(3) A postal ballot requisitioned under sub-rule (1) is to be conducted in accordance with the National Regulations and in the form and manner determined by the Board.

(4) The Board may determine in a particular case whether the special resolution by postal ballot should be a secret ballot and whether votes may be returnable by fax or other electronic means or both.

(5) If the Board decides to conduct a secret postal ballot, it must ensure that the method used to conduct the ballot will ensure that votes can be counted without identifying the way each member has voted.

(6) The Board is to appoint a Returning Officer to conduct the postal ballot. In default of such an appointment, the Secretary is the Returning Officer.

(7) Ballot papers (in such form and with such content as the Board may approve) must be sent to all voting members giving:

(a) particulars of the business in relation to which the postal ballot is being conducted; and

(b) an explanation of how to lodge a valid vote and the majority required to pass the vote; and

(c) notice of the closing date and closing time of the postal ballot;

and must be sent to members so that they arrive (assuming standard postal times) at least 21 days before the closing date of the postal ballot.

(8) This rule does not apply in relation to special postal ballots.

35 Special postal ballots (CNL ss248 & 249)

A special postal ballot is required by the Law for certain specified decisions.
The majority required to pass a special postal ballot is 75%. A special postal ballot is governed by the provisions of the Law and the National Regulations as well as these rules.

This rule applies where a special postal ballot is required.

(1) Ballot papers (in such form and with such content as the Board may approve) must be sent to all voting members so that they arrive (assuming standard postal times) at least twenty-eight (28) days before the closing date of the special postal ballot.

(2) The Board may determine in a particular case whether the special resolution by postal ballot should be a secret ballot and whether votes may be returnable by fax or other electronic means or both.

(3) If the Board decides to conduct a secret postal ballot, it must ensure that the method used to conduct the ballot will ensure that votes can be counted without identifying the way each member has voted.

36 Special resolutions (CNL ss238–241)

(1) A special resolution is a resolution that is passed:

(a) by a two-thirds majority at a general meeting; or

(b) by a two-thirds majority in a postal ballot (other than a special postal ballot) of members; or

(c) by a three-quarters majority in a special postal ballot of members.

(2) A notice of special resolution is required to be given to members at least 21 days before the vote or ballot time (or 28 days' notice in the case of a special postal ballot).

(3) The notice of special resolution must state:

(a) the intention to propose the special resolution; and

(b) the reasons for proposing the special resolution; and

(c) the effect of the special resolution being passed.

Part 4 Board of directors

37 Board (CNL s172)

(1) The business of the Co-operative is to be managed by or under the direction of the Board of Directors, and for that purpose the Board has and may exercise all the powers of the Co-operative that are not required to be exercised by the Co-operative in General Meeting.

(2) The Board must have nine (9) directors representing all Active Members with six (6) Bowling and Associate Bowling members and (3) Social Members. Should six (6) Bowling and Associate Bowling members not be nominated for the Board then Social members can be elected to make up the effective Board of nine (9) Board members.

(3) All Board Members shall retire in accordance with the Triennial Rule but shall be eligible for re-election. All members of the Board shall hold office until their successors are appointed, unless they resign or are removed from Office under the Rules.

(4) The Board shall review the minutes of the Annual General Meeting and any Special Meeting at its meeting immediately following the Annual General Meeting or Special Meeting and take any necessary action on them.

(5) The Board shall review the By-Laws and effect changes deemed necessary at its meeting immediately following the Annual General Meeting.

(6) Every Director acting in the business or operations of the Co-operative in pursuance of a resolution duly passed by the Board shall be deemed to be the agent of the Co-operative for all purposes within the Objects of the Co-operative. The acts of the Directors are valid despite any defect that may afterwards be discovered in the appointment or qualification of the Director.

(7) Without prejudice to the general powers conferred on the Board by the Law or these Rules, the Board shall, subject to any applicable Industrial Award or Agreement, have the power to appoint, remover or suspend officers, servants, agents and contractors, and to fix their powers, duties and remuneration.

For the purposes of this Rule:

(i) "Industrial Award or Agreement" means an Award or Enterprise Agreement made or approved under the State or Federal Act regulating industrial relations; and

(ii) "Enterprise Agreement" includes an Australian Workplace Agreement, Certified Agreement or Enterprise Flexibility Agreement.

38 Qualifications of directors (CNL s174)

(1) A person is not qualified to be a Director of the Co-operative unless the person is an individual over the age of 18 years and is either:

(a) an active member of the Co-operative or a representative of a corporation that is an active member of the Co-operative; or

(b) not an active member but who possesses special skills in management or other technical areas of benefit to the Co-operative as specified by the Board from time to time.

(2) A person qualified to be a Director under sub-rule (1)(a) is known as a "member director". A person qualified under sub-rule (1)(b) is known as a "non-member director".

(3) A person cannot be elected to the Board unless they meet the requirements of having at least two years consecutive membership as active members. Bowling and Associate Bowling members must also provide evidence of active and regular participation in any organized club bowls activities which include galas, club championships and representative competitions. A member who is an employee of the Co-operative is not eligible to hold office as a Director under rule 8.

39 Chief Executive Officer (CEO)

(1) The Board may, if it considers appropriate, appoint a person to be responsible for the day-to-day management of the Co-operative. The person may be a Director or the Secretary or a member of the Co-operative or some other person.

(2) The appointed person is the Chief Executive Officer of the Co-operative and may be called the Chief Executive Officer or (if a Director of the Board) the Managing Director.

(3) The conditions and the period of appointment including termination must be decided by the Board.

(4) The Chief Executive Officer is not entitled to be present or to vote at a meeting of Directors on a motion concerning the conditions of his or her own appointment, conditions of service or termination of service.

(5) The Chief Executive Officer cannot be required to be an active member of the Co-operative.

(6) In the event of any conflict between the terms of the appointment of a person as the Chief Executive Officer and that person's obligations or privileges under the Law, the terms of the Law prevail over the terms of appointment.

(7) The Chief Executive Officer shall perform all the functions and duties required by the CNL Regulations, the Clubs Act, the Rules and the Law to be performed or undertaken by the Secretary of the Co-operative.

40 First directors and Term of Directors (CNL ss173 & 179)

(1) The first Directors are elected by poll at the formation meeting of the Co-operative (except as provided by section 173(2)(b) of the Law).

(2) The term of office of the first Directors is to be not more than 2 years ending on the day of the second annual general meeting after the formation meeting.

(3) The term of office of directors elected thereafter, is to commence from the Annual General Meeting at which they are elected and ends in accordance with the triennial rule as described in Schedule 4 of the Registered Clubs Act.

41 First General meeting under triennial rule

(1) The members elected to the Board at the first general meeting at which the triennial rule applies shall be divided into 3 groups.

(2) The groups:

(a) Shall be determined by drawing lots, and
(b) Shall be as nearly as practicable equal in number, and
(c) Shall be designated as group 1, group 2 and group 3.

(3) Unless otherwise disqualified, the members of the Board following a draw by the Returning Officer in accordance with Rule 42, 8, i

(a) In Group1 shall hold office for 1 year
(b) In Group 2 shall hold office for 2 years, and
(c) In Group 3 shall hold office for 3 years

(4) Subsequent general meetings

At each general meeting while the triennial rule is in force (other than the first such Meeting) the number of members required to fill vacancies on the governing body shall be elected and shall, unless disqualified, hold office for 3 years.

(5) Casual vacancies

(a) A person who fills a casual vacancy in the office of a member of the Board elected in accordance with this schedule shall, unless otherwise disqualified hold office until the next succeeding general meeting.

(b) The vacancy caused at the general meeting by a person ceasing to hold office under subclause (a) shall be filled by election at the general meeting and the person elected shall, unless otherwise disqualified, shall hold office for the residue of the term of office of the person who caused the casual vacancy initially filled by the person who ceased to hold office at the general meeting.

(6) Re-election

A person whose term of office as a member of the Board under the triennial rule expires is not for that reason ineligible for election for a further term.

(7) Revocation of triennial rule

(i) If the triennial rule is revoked:

(a) at a general meeting – all members of the Board cease to hold office, or

(b) at a meeting other than a general meeting – all members of the Board cease to hold office at the next succeeding general meeting

and an election shall be held at the meeting to elect the members of the Board.

(ii) The triennial rule cannot be revoked by a club if the rule is taken to apply to the Club pursuant to a regulation made for the purposes of section 30 (1) (a1)

42 Election of Directors

Subject to rules 37, 40 and 44 the Board shall consist of 9 Directors with all members of the Board being elected by members triennially in accordance with Schedule 4 of the Registered Clubs act (the triennial rule) in a ballot conducted hereinafter described:

(1) Board members shall retire in accordance with the triennial rule but shall be entitled for re-election. All members of the Board shall hold office until their successors are appointed, unless they resign or are removed from Office under the rule.

(2) The members of the Board are to be elected in the manner specified in this rule.

(3) At an annual general meeting at which a Director retires, the vacated office may be filled in the following manner:

(a) At least 6 weeks before an annual general meeting, the Board must:

(i) notify all members of the number of Directors retiring at the annual general meeting; and

(ii) advise the members of:

a. their eligibility to nominate as a Director; and
b. the duties and responsibilities of a Director; and

c. the anticipated remuneration (if any); and
d. the nomination and election procedures.

(b) A notice must also be displayed at the place of business of the Co-operative inviting nominations of nominees to serve as directors.

(c) A nomination must:

(i) be signed by 2 or more active members of the Co-operative; and

(ii) provide details of the qualifications and experience of the person nominated and their member status; and

(iii) be accompanied by a notice in writing signed by the nominee consenting to their nomination provided that any such member holding office in another registered co-operative shall not be eligible to hold office in this Co-operative or be elected to any position unless the nominee has given written assent and such assent is in the hands of the Chief Executive Officer.

(d) The nomination and the notice of consent must be lodged with the Chief Executive Officer of the Co-operative at least 30 days before the annual general meeting.

(e) The Chief Executive Officer or an officer nominated by the Board, must give details of each person who has been nominated to members and posted on the noticeboard. Nominations must be registered by 6.00 pm twenty-eight (28) days prior to the date set down for the annual general meeting. Details to be provided to members must include:

(i) the nominee's name and member status; and

(ii) the nominee's qualifications and experience; and

(iii) the nominee's length of any previous service as a director of the co-operative or with any other co-operative.

(f) If the number of nominees equals the number of vacancies, the nominees must be declared elected at the annual general meeting.

(g) If there are insufficient nominees to fill all vacancies, the nominees to be declared elected at the annual general meeting and nominations for people to fill the remaining vacancies are to be called from the floor and a ballot held if required.

(4) If the number of nominees exceeds the number of vacancies, the election of Directors must be conducted at the meeting by ballot as follows:

(a) The position on all ballot papers shall be determined by means of a draw conducted by the Returning Officer. Members nominated shall be identified on the ballot paper as either Bowling or Social members.

(b) A ballot paper duly initialled by the Returning Officer shall be made available to each member entitled to vote in such usual and proper manner as the Board shall direct.

(c) Any member desirous of voting shall attend the Club, produce evidence to the Returning Officer or Deputy Returning Officer of financial status, be recorded against the current list of membership and shall indicate in the manner directed the name of the person or persons for whom he desires to vote, being no more or

less than the number required to fill the vacancy or vacancies and shall thereupon place the ballot paper in the ballot box provided at the Club.

(d) A sealed ballot box shall be provided and shall remain in the care of the Returning Officer, who alone shall have the key to the box, until the completion on the ballot.

(e) The Returning Officer shall determine the formality or otherwise of ballot papers.

(f) If there is an equality of votes, the outcome must be determined by draw from a hat.

(g) The ballot paper shall list the 9 Ordinary Board positions to be elected. Six (6) Bowling Members and Three (3) Social Members are to be elected. In the event of 6 Bowling members not being nominated then additional Social members nominated may be elected to make up an effective Board of 9 people.

(h) The ballot shall close at twelve noon seven (7) days preceding the date fixed for the Annual General Meeting.

(i) Following the election of 9 Board members at the first Triennial Election, the Returning Officer shall conduct a draw with the first three (3) Members elected drawn being elected for one (1) year, the second three (3) members elected drawn being elected for two (2) years and the third three (3) members drawn being elected for three (3) years. Following this draw the Returning Officer can declare the results of the election at the Annual General Meeting.

(j) Should there be an insufficient number of nominations, the vacancy or vacancies thus created shall be filled by verbal nominations taken at the annual meeting and voting shall be by ballot of the members present entitled to vote if required.

(5) If any vacancies remain at the end of the meeting, the vacancies are to be casual vacancies and must be filled in accordance with Rule 46.

(6) Should any person be employed as a Bowls Manager then, notwithstanding the wording or intent of any rule dealing with the position of games Organiser, no election for the position of Games Organiser will be held whilst the position is occupied in the manner.

43 Returning Officer

(1) At all meetings of members where a ballot is to be taken, the Returning Officer and/or Deputy Returning Officer, shall conduct the ballot and their decision shall be final in any case of doubt as to the formality of a ballot paper.

(2) Should two or more candidates for any position receive equal number of votes and not all receiving such equal number of votes can be elected, the Returning Officer shall report the position to the Chairperson who may without comment, exercise his casting vote and declare elected such candidate or candidates as may be required to fill the position. Should the Chairperson elect not to exercise his casting vote, then the successful candidate/s shall be determined by a draw from a hat.

44 Removal from office of Director (CNL s180)

The Co-operative may by resolution under section 180 of the Law, with special notice as required by that section, remove a Director before the end of the Director's period of office, and may by a simple majority appoint another person in place of the removed Director. The person appointed must retire when the removed Director would otherwise have retired.

A Director vacates office in such circumstances (if any) as are provided in the Rules of the Co-operative and in any of the following cases:

(1) If the person is insolvent under administration (as defined in the Corporations Law);

(2) If the person is mentally incapacitated or the subject of an order under a law of another State or Territory relating to mental health;

(3) If the person has been convicted of an offence and that conviction disqualifies a person from being a Director, as provided by Part 2D.6 of the Corporations Act 2001;

(4) If the Director absents himself from 3 consecutive ordinary meetings of the Board without its leave;

(5) On the expiration of one (1) months' notice in writing of the Director's intention to resign office, given by the Director to the Board;

(6) If the Director is removed from office by ordinary resolution of the Co-operative;

(7) If the person ceases to hold qualifications by reason of which the person was qualified to be a Director;

(8) If the Director becomes an employee of the Co-operative;

(9) If an Administrator of the Co-operative's affairs is appointed under Part 5.9, Division 3, s382 Corporations Act.

45 Vacation of office of director (CNL s179)

In addition to the circumstances set out in the Law, a Director vacates office if the Director dies.

A Director vacates office in such circumstances (if any) as are provided in the rules of the Co-operative and in any of the following cases:

(1) If the person is insolvent under administration (as defined in the Corporations Law);

(2) If the person is mentally incapacitated or the subject of an order under a law of another State or Territory relating to mental health;

(3) If the person has been convicted of an offence and that conviction disqualifies a person from being a director;

(4) If the Director absents himself from 3 consecutive ordinary meetings of the board without its leave;

(5) On the expiration of one (1) months' notice in writing of the Director's intention to resign office, given by the Director to the Board;

(6) If the Director is removed from office by ordinary resolution of the co-operative;

(7) If the person ceases to hold qualifications by reason of which the person was qualified to be a Director;

(8) If the Director becomes an employee of the Co-operative;

(9) If an Administrator of the Co-operative's affairs is appointed.

46 Casual vacancies and alternate directors (CNL ss173 & 177)

(1) The Board may appoint a qualified person to fill a casual vacancy in the office of Director until the next annual general meeting. Consideration should be given to a nominated person who, at the annual general meeting held prior to the casual vacancy, was deemed to have received the greatest number of votes.

(2) For the purposes of this rule, a casual vacancy shall arise where the office of a Director is vacated in accordance with rule 45.

(3) The Board may appoint a person to act as a Director in the place of an absent Director.

(4) A person is not qualified to be appointed as an alternate Director for a member director - unless the person is qualified in accordance with Rule 38 for appointment as a member director.

(5) An alternate Director holds office until the next annual general meeting or until the next general meeting held to elect Directors to fill any vacancies (whichever is earlier).

(6) If the alternate Director is removed from office by the Board as alternate Director for failure, without its leave, to attend a meeting of the Board at which the elected Director is absent (and for that purpose the provisions of section 179(2)(b) of the Law do not apply in relation to the alternate Director).

47 Remuneration of Directors (CNL s203)

In so far as Directors' remuneration must comply with the provisions of the Law:

(1) The Director's shall receive such remuneration for their services as shall be determined at a general meeting, and all necessary expenses incurred by them in the business of the Co-operative shall be refunded to them.

(2) For the purposes of the rule, "remuneration" means any money, consideration or benefit but does not include amounts in payment or reimbursement of out of pocket expenses incurred for the benefit of the Co-operative or any subsidiary of the Co-operative.

(3) Remuneration for Directors is strictly controlled under the Law and requires the approval of the Co-operative in general meeting. The general meeting may still require ratification or approval even in respect of specified remuneration under the rules.

48 Proceedings of the Board

(1) Meetings of the Board (including meetings conducted outside Board meetings pursuant to section 176 of the Law) are to be held as often as may be necessary for properly conducting the business of the Co-operative and must be held at least every three (3) months.

(2) A meeting may be held with one or more of the Directors participating by using a form of communication that allows reasonably contemporaneous and continuous communication between the Directors taking part in the meeting.

(3) Questions arising at a meeting must be decided by a majority of votes.

(4) If votes are equal, the Chairperson, if a Member Director, has a second or casting vote.

(5) Other than in special circumstances decided by the Chairperson, at least 48 hours' notice must be given to the Directors of all meetings of the Board, without which the meeting cannot be held.

(6) If a Director of the Co-operative becomes in any way, whether directly or indirectly, interested in any contract or proposed contract with the Co-operative, the Director must declare the nature and extent of that interest to the Board.

(7) The declaration must be made at the meeting of the Board at which the question of entering into the contract is first considered, or, if the Director was at that time not interested, at the next meeting of the Board after the Director becomes interested in the proposed contract.

(8) Within forty-eight (48) hours of a declaration being made and for a continuous period of fourteen (14) days, the particulars of the declaration specifying the name of the Board member who made the declaration and the nature of the interest declared is to be exhibited in a conspicuous position on the premises of the Club.

(9) A Director shall not vote in respect of any contract or proposed contract in which the Director is interested. If the Director votes in contravention of the rule, the Director's vote shall not be counted.

(10) If a Director of the Co-operative has in any way, whether directly or indirectly, a personal interest in a decision to be made by the Board, he must declare the nature and extent of that interest to the Board and abstain from voting.

49 Quorum for Board Meetings

(1) The quorum for a meeting of the Board shall be five (5) directors, being 50% of the number of directors (or if that percentage of the number of directors is not a whole number, the whole number next higher than one half).

(2) For a quorum, the number of member Directors must outnumber the Non-member Directors by at least one.

(3) A casual vacancy on the Board may be filled by the Directors appointing a person or persons to constitute a quorum until the next Annual General Meeting.

(4) For the purpose of enabling the Board to make such arrangement/s, the number of Directors at the time is deemed to be a quorum.

(5) In all other circumstances where a casual vacancy occurs, Rule 46 applies.

50 Chairperson/President of Board

(1) The Chairperson/ President of the Board is to be elected annually by the Board as the first order of business at the first Board Meeting after the Annual General Meeting.

(2) The Vice Chairperson and Finance Director shall be elected as per subsection (1) above.

(3) If the Chairperson is not present within 15 minutes after the time fixed for holding a meeting or is unwilling to act as Chairperson of a meeting, the Directors present may choose one of their number to be Chairperson of the meeting until the Chairperson attends and is willing to act as Chairperson.

(4) The Chairperson may be removed, and a new Chairperson elected, by an ordinary resolution of the Board.

(5) The Chairperson shall take the chair at all meetings of the Board. In his absence, or refusal to act, the members or the Board may elect a Chairperson for the meeting. In addition to his deliberative vote, the Chairperson shall have the casting vote in case of equality of votes.

(6) At any meeting the interpretation of the rules of debate or procedure shall be determined by the Chairperson. To be effective, a motion of dissent from the Chairperson's ruling must be carried by two-thirds majority of members present.

(7) In the event of the office of Chairperson becoming vacant during the year the Board at its next meeting following the vacancy occurring shall elect a new Chairperson.

51 Delegation and Board committees (CNL s178)

(1) The Board may by resolution delegate to:

(a) a Director; or

(b) a Committee of 2 or more Directors; or

(c) a Committee of members of the Co-operative; or

(d) a Committee of members of the Co-operative and other persons if members form the majority of persons on the Committee; or

(e) a Committee of directors and other persons;

the exercise of the Board's powers (other than this power of delegation) specified in the resolution. The Co-operative or the Board may by resolution revoke all or part of the delegation.

(2) A power delegated under this rule may, while the delegation remains unrevoked, be exercised from time to time in accordance with the delegation.

(3) A delegation under this rule may be given on conditions limiting the exercise of the power delegated, or time or circumstances.

(4) Notwithstanding any delegation under this rule, the Board may continue to exercise the power delegated.

52 Other Committees

(1) The Board may by resolution appoint committees of members or other persons or both, to act in an advisory role to the Board and to Committees of Directors.

(2) A Committee may elect a Chairperson of their meetings. If no Chairperson is elected, or, if at a meeting the Chairperson is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairperson of the meeting.

(3) A Committee may meet and adjourn as it thinks appropriate. Questions arising at a meeting must be decided by a majority of votes of the members present and voting and if the votes are equal, the Chairperson has a second or casting vote.

(4) The quorum for a meeting of the Committee is half the number of Committee members (or if half is not a whole number the whole number next higher than one half).

(5) Each Sub-Committee shall include at least one member of the Board and may include members of the Club who are not members of the Board.

(6) Any Sub-Committee formed for the purpose of conducting Men's bowling activities - for example Match Committee, Bowls Committee Selectors or Controlling Body – shall comprise of Bowling and Life Members affiliated with the Royal New South Wales Bowling Association and shall be elected by these members. Associate Bowling members may vote for Bowls Committee and Match Committee members.

53 Minutes

(1) The Board must keep minutes of meetings and, in particular, of:

(a) all appointments of officers and employees made by the Directors; and

(b) the names of the Directors present at each meeting of the Board and of a Committee of the Board; and

(c) all resolutions and proceedings at all meetings of the Co-operative and of Directors and of Committees of Directors.

(d) any declarations of interest by Directors (under Section 209 of the Law) must also be recorded in the minutes.

(2) Minutes must be entered in the appropriate records within 28 days of the meeting to which they relate was held.

(3) The minutes are to be signed within a reasonable time after the meeting to which they relate by either the Chairperson of that meeting or the Chairperson of the next meeting.

(4) The minutes are to be kept in the English language.

Part 5 Rules

54 Amendments and copies of rules (CNL ss57 & 60–63)

(1) Any amendment of the rules must be approved by special resolution. However, if model rules are adopted in the manner specified under section 65(a) of the Law, any amendments to the model rules as notified by the Registrar are included in the Co-operative's rules without the need for a special resolution.

(2) A proposal to amend the rules of the Co-operative must be made in a form approved by the Board which clearly shows the existing rule or rules concerned and any proposed amendment to the rules.

(3) The Rules of the Co-operative have the effect of a contract under seal.

(1) Between the Co-operative and each member;

(2) Between the Co-operative and each Director, the Principal Executive Officer and the Secretary of the Co-operative; and,

(3) 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.

(4) A member is entitled to a copy of the rules upon payment to the Co-operative of the amount of $5 or such other amount as the Board may from time to time determine.

(5) A member may inspect a copy of these rules free of charge at the office where the registers are kept during ordinary business hours.

55 By-Laws

(a) The Board shall have the power to make By-Laws, not inconsistent with the CNL Act, the Regulations and the Rules, relating to the conduct of members on the premises of the Co-operative or to the operations of the Co-operative. Such By-Laws, until repealed by the Board, shall have the full force of the Rules of the Co-operative, provided such By-Laws are consistent with the Rules of the Club and the Constitution of the Greater Newcastle Bowls or affiliated body and Bowls NSW. The decision of the Board on the construction and interpretation of the Co-operative's Rules or By-Laws shall be conclusive and binding on all members.

(b) A breach of a By-Law shall be deemed to be an infringement of the rules for the purposes of Rule 18.

Part 6 Administrative matters

56 Seal (CNL ss49 & 223)

(1) This rule applies if the Co-operative chooses to authenticate a document under the common seal of the Co-operative.

(2) The Co-operative's name and registration number must appear on its common seal and any official seal. The common seal must be kept at the registered office in the custody that the Board directs.

(3) The Co-operative may have one or more official seals for use outside the State or Territory in place of its common seal. 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.

(4) The seal of the Co-operative must not be affixed to an instrument other than under a resolution of the board. Two Directors, or one Director and the Secretary, must be present and must sign all instruments sealed while they are present.

(5) The Co-operative 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.

(6) A deed signed by such an agent or attorney on behalf of the Co-operative and under the agent's or attorney's seal, or under the appropriate official seal of the co-operative, binds the co-operative and has the effect as if it were under the Common Seal of the Co-operative.

(7) The authority of such an agent or attorney, as between the Co-operative 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.

(8) Where an agent or attorney affixes an official Seal to an instrument, the person must comply with sub-rule 5.

57 Co-operative's Powers

(1) The Co-operative 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 Law including but not limited to the following powers:

(a) Facilities shall be made for the formation and conduct of a Ladies Bowling Club to be known as Valentine Women's Bowling Club.
The annual subscriptions and other charges shall be fixed from time to time by the Board of the Co-operative and such subscriptions and charges shall be paid, in total, to the Co-operative by the Women's Bowling Club. Valentine Women's Bowling Club shall arrange its own matches and competitions.

The Valentine Women's Bowling Club itself shall take no part in the management of the Co-operative, but individual ladies who are Bowling, Associate Bowling or Life Members of the Co-operative have all the rights of a Bowling, Associate or Life Member in this regard.

(b) The Board shall have the power to authorise expenditure, invest, borrow, raise and secure payment of any sum of money by mortgage or charge on any of the property of the Co-operative, real and personal, issue debentures, perpetual or otherwise, charged upon all or any of the property of the Co-operative, receive monies and subscriptions, take or accept a lease or leases of ground and accept surrenders thereof, close the Club premises at their discretion for any period or periods and all things manage, control and conduct the business of the Co-operative. Provided that in the case of giving a mortgage or charge over the property of the Co-operative or issuing debentures or accepting a lease of any real property this may only be done after it has been submitted to a meeting of members and approval obtained for such action from such General Meeting

(c) The Board shall not have the power to lend money to any of its employees or members

(d) The Board shall have the power to appoint or re-appoint an Honorary Solicitor.

(2) The powers of the Co-operative to:

(a) obtain financial accommodation; and

(b) give security for the repayment of the money,

shall be exercised subject to the Law, but otherwise unlimited by the Rules.

58 Inspection of records and registers (CNL ss214 & 215)

(1) Members of the Co-operative have free access to the records and registers referred to in section 214 (1) of the Law and they may make a copy of any entry in the registers free of charge.

(2) Members do not have access to the minutes of Board or Committee meetings, but may request access to any such minutes in writing addressed to the Board.

(3) The Co-operative must have at its registered office and available during normal office hours for inspection by any member of the following:

(a) a copy of the CNL Act, the Registered Clubs Act and the regulations;

(b) a copy of the Constitution of the Co-operative;

(c) a copy of the minutes of each general meeting of the Co-operative;

(d) a copy of the last annual report of the Co-operative under Section 252;

(e) the register of Directors and Members;

(f) the register of names and persons who have given loans or deposits to or hold securities or debentures given or issued by the Co-operative;

(g) such other registers as the regulation provides are to be open for inspection.

(4) The register of Members must be kept in accordance with Section 30 and 31 of the Clubs Act and Division 6, subsections 214 & 215 of the Co-operatives National Law.

(5) A member is entitled to make a copy of entries in a register specified in subsection (1).

(6) The Co-operative must have a place where the registers are kept and available during normal business hours for inspection by any member;

(i) A copy of the Co-operatives (Adoption of National Law) Act 2012 No.29 (NSW), the CNL Regulations (NSW) and the Registered Clubs Act and the Regulations.

(ii) A copy of the Rules of the Co-operative

(iii) A Copy of the last annual report of the Co-operative

59 Notices to members (CNL s611)

(1) This rule applies in addition to section 611 of the Law regarding how a notice or other document may be given to a member of the Co-operative. A notice may be given by the Co-operative to any member entitled to vote:

(i) personally; or

(ii) by post to the member's registered address or an alternate address supplied by the member; or

(iii) by publishing the notice in a newspaper circulating generally in New South Wales or in an area served by the Co-operative and

(iv) by placing a notice on Club Notice Boards.

(2) A notice or other document required to be given to a member of the Co-operative may be given by the Co-operative to any member by any form of technology (for example, by fax or email), where the member has given consent and notified the Co-operative of the relevant contact details.

(3) If a notice is sent by post, service is taken to be effected at the time at which the properly addressed and prepaid letter would be delivered in the ordinary course of post. In proving service by post, it is sufficient to prove that the envelope containing the notice was properly addressed and posted.

(4) A notice forwarded by some other form of technology is taken 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.

(5) A notice may be given by the Co-operative to the person entitled to a share in consequence of the death, incapacity or bankruptcy of a member by sending it through the post in a prepaid letter addressed to that person by name. Alternatively, it can be addressed to the person by the title of representative of the deceased or incapacitated person, or trustee of the bankrupt, or by any like description, and:

(a) the address should be that supplied for the purpose by the person claiming to be entitled; or

(b) if no such address has been supplied, the notice can be given in the manner in which it could have been given if the death, incapacity or bankruptcy had not occurred.

Part 7 Accounting and financial matters

60 Financial year

The financial year of the Co-operative ends on 30th April.

61 Accounts

(1) The Board must have at least one financial institution account, electronic or otherwise, in the name of the Co-operative, into which all amounts received by the Co-operative must be paid as soon as possible after receipt.

(2) All cheques drawn on the accounts, and all drafts, bills of exchange, promissory notes and other negotiable instruments, of the Co-operative must be signed by 2 authorised persons.

(3) The operation of any electronic accounts must be restricted so that there is a requirement for authorisation by 2 authorised persons.

(4) For the purposes of this rule, an ***authorised person*** is:

(a) a Director; or

(b) a person approved by the Board.

(5) The Board shall have prepared the accounts, statements and Director's report in accordance with the Corporations Act s 286 and CNL Part 3.3, Division 2, s265.

(6) The Board shall submit those accounts, statements and report, together with the Auditor's report on those accounts, to the Annual General Meeting of the Co-operative in accordance with the Corporations Act and CNL Act 2012 No.29.

(7) The Board shall also have a copy of everything required to be submitted under sub-rule (6) displayed at the Registered Office of the Co-operative for a period of not less than twenty-one (21) days before the date of the Annual General Meeting of the Co-operative.

(8) The Board shall:

(a) send a copy of everything required to be submitted under sub-rule (6) to each member twenty-one (21) days before the date of the Annual General Meeting;
OR
(b) give members notice twenty-one (21) days before the date of the Annual General Meeting of the Co-operative that the documents required under paragraph (b) will be made available for inspection at the registered office of the Co-operative.

(9) The Club shall keep every statement submitted as referred to in sub-rule (5) of this Rule for a period of three (3) years after it is so submitted.

62 Appointing an auditor for a small co-operative if there is a direction under the Law (CNL ss271 & 272)

(1) 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 or any order made by the Registrar.

(2) If a small co-operative is directed by its members to prepare a financial report under section 271 or 272 of the Law and the direction requires that the financial report be audited, the board must appoint an Auditor within one month of the direction.

(3) An Auditor appointed under this rule holds office until the financial report prepared as a result of the direction has been audited and sent to members.

(4) At each Annual General Meeting, if there is a vacancy in the office of Auditor, the Co-operative shall appoint an Auditor to fill the vacancy.

(5) An Auditor appointed under sub-rule (4) 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.

(6) 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 Co-operative at a general meeting has already appointed an Auditor to fill the vacancy. A person or firm appointed as Auditor of the co-operative pursuant to this paragraph holds office, subject to the Corporations Law until the next annual general meeting of the Co-operative.

(7) While a vacancy in the office of Auditor continues, the surviving or continuing Auditor or Auditors (if any) may act.

(8) The Co-operative 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 the Corporations.

(9) A person is not qualified to be appointed Auditor of the Co-operative if:

(a) the person is not a registered company Auditor;

(b) the person or body corporate in which the person is a substantial shareholder, is indebted for an amount exceeding $5000 to the co-operative, to a related body corporate or to an entity that the co-operative controls;

(c) the person is:
  (i) an officer of the Co-operative;
  (ii) a partner, employer or employee of an officer of the Co-operative;
  (iii) a partner of an employee of an officer of the Co-operative;
  (iv) an employee of an employee of an officer of the Co-operative.

(10) A person is not qualified to be appointed Auditor of the Co-operative unless:

(a) at least one member of the firm is a registered company Auditor who is ordinarily resident in Australia;

(b) no member of the firm or body corporate in which the firm is a substantial shareholder is indebted for an amount exceeding $5000 to the Co-operative, to a related body corporate or to an entity that the Co-operative controls.

(c) no member of the firm is:

(i) an officer of the Co-operative;
(ii) a partner, employer or employee of an officer of the Co-operative;
(iii) a partner of an employee of an officer of the Co-operative;
(iv) an employee of an employee of an officer of the Co-operative.

(d) no officer of the Co-operative receives any remuneration from the firm for acting as a consultant to it or accounting or auditing matters; and

(e) the business name under which the firm is carrying on business is registered under the law of the 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.

(11) All reasonable fees and expenses of the Auditor are payable by the Co-operative.

(12) The Board shall enable the Auditor to have access to all books, accounts, vouchers, securities and documents of the Co-operative, 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.

(13) The Auditor is entitled to attend any general meeting of the Co-operative, and to receive all notices of and other communications relating to any general meeting which any member of the Co-operative is entitled to receive. The Auditor is 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.

(14) An Auditor filling a vacancy caused by the removal of the previous auditor shall be appointed by a three-quarter (3/4) 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 (7) days before the meeting to the members and nominated and current Auditors. If the notice of nomination was not sent in accordance with rule 61(7) or the resolution to appoint a new Auditor is not passed, then the meeting may be adjourned twenty (20) to thirty (30) days later. At the adjourned meeting, the Co-operative may appoint an Auditor by ordinary resolution as long as notice of the nomination is received by the board from a member at least fourteen (14) clear days before the date of the adjourned meeting and the board gives notice of the nomination at least seven (7) days before the meeting to the members and current Auditors. The Auditor appointed under this Rule holds office until the next annual general meeting.

(15) Not being a meeting at which an Auditor is removed from office, a Co-operative 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 twenty-one (21) days before the meeting. The Board must then have given notice to the nominated and current auditors and members not less than seven (7) days before the meeting or at the time notice of the meeting is given.

63 Removal of auditors (CNLss310)

In accordance section 310 of the Law regarding the removal and resignation of auditors;

(1) The Auditor may be removed from office by special resolution at a general meeting.

(2) Notice of intention to move the resolution must be given to the co-operative not less than two (2) months before the meeting at which the resolution is moved. However, if the Co-operative convenes a meeting after the notice of intention is given, the resolution must be passed at the meeting even if the meeting is held less than two (2) months after the notice of meeting is given.

(3) Where special notice of a resolution to remove an Auditor is received by the Co-operative, 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.

(4) The Co-operative shall give at least twenty-one (21) days' notice of a resolution to remove the Auditor to persons entitled to be given notice of a meeting of the Co-operative.

(5) Within seven (7) days after receiving a copy of the notice, the Auditor may make representations in writing, not exceeding a reasonable length, to the Co-operative and request that before the meeting at which the resolution is to be considered, a copy of the representations be sent by the co-operative at its expense to every member of the co-operative to whom the notice of meeting is sent.

(6) Unless the Registrar on the application of the Co-operative otherwise orders, the Co-operative 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.

(7) The Co-operative shall lodge with the Registrar a notice of removal of Auditor in accordance with rule 60(3).

64 Resignation of auditor (CNL ss310)

(1) The Auditor may, by notice in writing given to the co-operative, resign as Auditor of the Co-operative if:

(a) the Auditor has, by notice in writing given to the Registrar, applied for consent to resign and stated reasons and, at or about the same time, notified the Co-

operative in writing of the application; and

(b) the Auditor has received the consent of the registrar.

(2) The resignation of the Auditor takes effect:

(a) on the date (if any) specified for the purpose in the notice of resignation;

(b) on the date on which the Registrar consents to the resignation; or

(c) on the date (if any) fixed by the Registrar for the purpose, which ever last occurs.

(3) Within fourteen (14) days after the removal from office of the Auditor or after the receipt of a notice of resignation from the Auditor, the Co-operative shall lodge with the Registrar a notice of removal or resignation on the prescribed form, and, where there is a trustee for the holders of debentures of the Co-operative, give to the trustee a copy of the notice lodged with the Registrar.

65 Disposal of surplus funds during a financial year (CNL ss19, 355 & 356)

(1) The Board may retain all or part of the surplus arising in any year from the business of the Co-operative, to be applied for the benefit of the Co-operative.

(2) No part of the surplus may be paid or transferred directly or indirectly, by way of profit, to members of the Co-operative.

(3) A percentage of the surplus arising in any year from the business of the Co-operative may be applied for charitable purposes.

66 Provision for loss

The Board must make appropriate provision for losses in the Co-operative's accounts and when reporting to members is to indicate whether the loss is expected to continue and whether there is any real prejudice to the Co-operative's solvency.

67 Insurance

(1) The Board shall effect and maintain a policy of insurance for the indemnity of the Co-operative against any pecuniary loss resulting from any act of fraud or dishonesty committed -

(a) by any officer of, or other person employed by the Co-operative in connection with his duties; or

(b) where a person contracts to provide secretarial or administrative services to the Co-operative by that person or any of his employees in connection with the provision of any such service.

(2) The Board shall arrange insurance against loss, damage to or liability of the Co-operative by reason of fire, accident or otherwise.

68 Financial reports to members (CNL Part 3.3)

The Co-operative must prepare financial reports and statements in accordance with the Law, the National Regulations and these rules.

The financial reports or statements required by the Law to be given to members vary according to the size of a co-operative in a given year. Small co-operatives are not required to lodge financial reports with the Registrar but are required to lodge an annual return under section 293 of the Law and provide members with basic minimum financial statements set out in the National Regulations. If the basic minimum reports prescribed in the National Regulations are not considered sufficient for a particular co-operative, the rules may include additional financial statements or information.

Part 8 Winding up

69 Winding up (CNL Part 4.5)

A non-distributing co-operative is prohibited from distributing any surplus to members either during its operations or when it is wound up. If there are surplus funds after winding up, those funds must be given to another entity that also prevents distribution to its members. The Co-operative may specify this entity in its rules and if the entity, for some reason, no longer exists when the Co-operative is wound up, then the rule can provide a process for determining an alternative recipient of the funds.

(1) The winding up of the Co-operative must be in accordance with Part 4.5 of the Law.

(2) If, on the winding-up or dissolution, there remains after the satisfaction of all its debts and liabilities any property, this must not be paid to or distributed among the members of the Co-operative but must be given or transferred to an institution or institutions:

(a) with objects similar to those of the Co-operative; and

(b) whose constitution prohibits the distribution of its property among its members;

(c) chosen by the members of the Co-operative at or before the dissolution or, in default, by a judge of the court with jurisdiction in the matter; and

(d) which satisfies the relevant sub-section of section 23 of the Income Tax Assessment Act.