

# CONSTITUTION

of

## INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED

(ACN 001 767 997)

1. The name of the Company is **INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED** (ACN 001 767 997).
2. The objects of the Institute include:-
  - 2.a. The promotion of a high standard of expertise and integrity in the management of group title properties and provision of services to Group title properties.
  - 2.b. The promotion of education, discourse and instruction about any matter relating to the management of Group title properties.
  - 2.c. The promotion of ethical standards of conduct in dealings by members of the Institute with their clients or the general public.
  - 2.d. The provision of assistance and information about management of Group title properties to its members and the general public.
  - 2.e. The enhancement of the recognition by the public of the Institute and of its members in their management of and provision of services to group title properties, including representation of the views of the Institute and its members to government and other bodies.
  - 2.f. The performance of any regulatory, educational or supervisory function of the Institute according to the requirements of government.
  - 2.g. The promotion of professional relationships with persons practising group title management or providing other services to Group title properties in other states and territories of Australia and other countries.
  - 2.h. To provide opportunities for members to improve business management skills and for this purpose, to provide education extension programmes and other business support services.
  - 2.i. The promotion of a high standard of expertise and integrity in the executives of Group title properties
  - 2.j. The performance of all such other things as are necessary, incidental or conducive to the attainment of these objects.
3. This clause shall not restrict or prohibit the exercise by the Institute of any power or the doing of any act.
4. The Institute shall apply its profits and other income to the promotion of these objects.
5. The Institute shall have the powers conferred on it by the Corporations Law.
6. The payment by the Institute to its members of any dividend or other part of its profits is prohibited, except by way of reduction of annual subscription
  - 6.a. however, if any property of the Institute remains after satisfaction of its debts and liabilities upon the winding-up or dissolution of the Institute, the property shall not be distributed among the members of the Institute.

- 6.b. the making of any payment by the Institute to any director of the Institute is prohibited, except
- 6.b.i. for the payment of out-of-pocket expenses incurred by a director in the performance of any duty as a director of the Institute where the amount payable does not exceed an amount previously approved by the directors of the Institute;
- 6.b.ii. for payment of any service rendered to the Institute by the director in a professional or technical capacity, other than in the capacity as director, where the provision of the service has the prior approval of the directors of the Institute and is not more than an amount which would be a reasonable commercial payment for the service; or
- 6.b.iii. for payment of any salary or wage due to the director of the Institute where the terms of employment have been approved by the Directors of the Institute.

7. The liability of the members is limited.

8. Should the Institute be wound up while they are a member or within one year after they cease to be a member, each member of the Institute shall contribute so much as is required, but not exceeding fifty dollars (\$50.00), for the following purposes:-

8.a. for the payment of debts and liabilities of the Institute that were incurred before they ceased to be a member;

8.b. for payment of the costs, charges and expenses of winding-up; and

8.c. for adjustment of the rights of contributories among themselves.

9. The Institute shall keep true accounts of moneys received and spent by it, the purpose of any payment to or by the Institute and of the assets, credits and liabilities of the Institute. At least once in every year, the accounts of the Institute shall be examined by a properly qualified auditor who shall report to the members in accordance with the provisions of the Corporations Law. The members of the Institute may examine its records, subject to reasonable restrictions as to the time and manner of inspection that may be imposed under the Constitution.

10. In this Constitution, unless the contrary intention appears:-

- "Chapter" means a division of membership within the Institute membership structure.
- "Group title properties" means properties subject to the Strata Schemes (Freehold Development) Act 1973, the Strata Titles (Leasehold) Act 1986, the Community Land Development Act 1989, the Strata Schemes Management Act 1996 or the Community Land Management Act 1989 (as those Acts may be amended from time to time), and properties owned by home unit companies or by persons as tenants-in-common.
- "Group title scheme" means the body corporate, owners' corporation or association constituted for a Group title property.
- "Licensed strata managing agent" means a natural person or a corporation which carries a strata managing agent's licence under the Property, Stock and Business Agents Act 2002 and includes "community managing agent".
- "Member or "Members" means a natural person that is a voting member, life member, fellows, or associate or a corporation.
- "The Directors" means the Board of Directors of the Institute;
- "The Institute" means Institute of Strata Title Management Limited (ACN 001 767 997);
- "The seal" means the common seal of the Institute;
- "The Secretary- General Manager" means any person appointed to perform the duties of a secretary of the Institute.
- "Voting Member" means a natural person that is a fellow or life member of the Institute or a member of a Chapter of the Institute and in the case of a Group title scheme members, means the nominee of the Group title scheme.


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## MEMBERSHIP and CHAPTERS

11. The number of members with which the Institute is registered is 10,000, but the Directors may register an increase of members from time to time.
12. Subject to clause 17 a natural person may be:
  - a voting member if they are eligible for membership of one of four Chapters:
    - 12.b. the Licensed Manager Chapter;
    - 12.c. the Associate Chapter; or
    - 12.d. the Supplier Chapter; or
    - 12.e. the Group Title Scheme Chapter
      - an Associate Member provided that :
        - 12.f. they are not a member of the Associate Chapter but are an employee of a corporation which has taken out a strata managing agent's corporation licence according to the provisions of the Property, Stock and Business Agents Act 2002 or are the holder of other qualification determined by the Institute in general meeting; or
        - 12.g. they have completed successfully the Trainee Strata Managing Agents Certificate Course but are not practising whilst seeking employment or pursuing further associated study; or
        - 12.h. they have retired from practice as a licensed strata managing agent but continues to hold a licence; or
        - 12.i. they are a licensed strata managing agent whose place of business is located more than 200km from the Sydney Central Business District but are not a member of the Licensed Manager Chapter ; or
        - 12.j. they are a person who is not a member of the Associate Chapter but who provides services as a strata or community title managing agent outside the state of New South Wales and can demonstrate that they have attained a level of competence relevant to the practice of group title management.
13. Subject to clause 17 a natural person may be a voting member of the Licensed Manager Chapter provided that they are a strata managing agent who is licensed as such according to the provisions of the Property, Stock and Business Agents Act 2002 or is holder of other qualification determined by the Institute in general meeting .
14. Subject to clause 17 a natural person may be a voting member of the Associate Chapter provided that they are not a licensed strata managing agent but :-
  - 14.a. is an employee of a licensed strata managing agent and performs the duties of a strata managing agent ; or
  - 14.b. has been in the continuous employment of a licensed strata managing agent for a minimum period of twelve (12) months; or
  - 14.c. is a person that provides services as a strata or community title managing agent outside the state of New South Wales and can demonstrate, to the satisfaction of the Directors, that they have attained a level of competence relevant to the practice of Group title property management sufficient to enable them to be licensed in New South Wales according to the provisions of the Property Stock & Business Agents Act 2002.
15. Subject to clause 17 a natural person may be a voting member of the Supplier Chapter provided that they are:-
  - 15.a. a person who can demonstrate to the satisfaction of the Directors at least one (1) years involvement with the provision of services to Group title properties ; or

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- 15.b. a person that is able to demonstrate to the satisfaction of the Directors that a substantial proportion of the business conducted by that person, or the corporation by which they are employed, involves the provision of services to Group title properties and that the provision of such services has been continuous for a period of three (3) years or more; and
- 15.c. the evidence to be presented to the Directors for their consideration to include not less than two (2) written references from customers of the applicant or of their employer.
16. A Group title scheme may be a member of the Group Title Scheme Chapter provided that:
  - 16.a. the Group title scheme has applied in writing for membership of the Institute, by completion of the form prescribed by the Directors, and has provided the information required by the Directors;
  - 16.b. the application has been correctly signed for and on behalf of the Group title scheme;
  - 16.c. the Group title scheme specifies a member of its executive committee, board of directors or governing body as its nominee for voting purposes (which nominee may be changed from time to time by written notice from the Group title scheme to the Institute); and
  - 16.d. the Directors have resolved to admit the Group title scheme to membership
17. A corporation may be a corporate member of the Institute provided that:-
  - 17.a. it is a licensed strata managing agency or is the holder of other qualification determined by the Institute in general meeting and its employee in charge of its principal place of business and any other of its places of business which an employee in charge is a member of the Licensed Manager Chapter of the Institute; or
  - 17.b. it is a corporation that supplies services other than those supplied by a licensed strata managing agent to group title properties and at least one employee of the corporation is a voting member of the Supplier Chapter of the Institute.
    - A corporate member:-
  - 17.c. may advertise that it is a member of the Institute;
  - 17.d. shall be a member for the purposes of a scheme created according to the provisions of the Professional Standards Act 1994 for which scheme the Institute is the Occupational Association; and
  - 17.e. shall have the right to use, disseminate or otherwise promote the material of the Institute, as it may authorise from time to time, however this right shall not prevent a Licensed Strata Managing Agent that is a sole proprietor or partnership from exercising this right. This right shall not extend to members who are natural persons.
18. "Material" when used in the Constitution shall include any copyright or other intellectual property vested in the Institute.
19. In other respects, the rights and obligations conferred or imposed upon members or voting members shall not affect the corporation.
20. A natural person, or Group title scheme under clause 15 ( or corporation under clause 16.1 ) may be admitted to membership of the Institute provided that:-
  - 20.a. they have applied in writing for membership of the Institute, by completion of the form prescribed by the Directors, and has provided any information required by the Directors. The form shall advise the person, Group title scheme or corporation that as a member of the Institute they shall be bound to comply with the Code of Practice and / or Ethics adopted or amended from time to time by the Institute;
  - 20.b. their application has been signed by them and by a voting member of the Institute or fellow of the Institute, who proposes them for membership, and to whom the person, Group title scheme or corporation is personally known;

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- 20.c. the Directors have resolved to admit the person, Group title scheme or corporation to membership; and
- 20.d. their membership of the Institute has not ended in any way.
21. A natural person may be a fellow of the Institute or a fellow of a Chapter provided that:-
- 21.a. the Directors by secret vote recommend that they be offered fellowship, in recognition of their contribution to the affairs of the Institute or to the practice or advancement of the management of Group title properties; and
- 21.b. the recommendation of the Directors is approved by the members at a general meeting of the Institute.
- 21.c. The Directors may appoint a member as a life member provided that they have been a member for a continuous period of twenty (20) years, or such other period as the Directors may determine in any particular case. A life member shall not be liable to pay any annual subscription.
22. Compliance with clause 17 is not necessary for admission to fellowship or life membership of the Institute.
23. The Directors or the Executive Committee under clause 82 shall consider an application for admission to membership of the Institute at their meeting next following receipt of the application. The Directors are not obliged in any case to give any reason for their decision.
24. The Secretary- General Manager shall advise the applicant in writing of the decision of the Directors. If the Directors approve the application, the Secretary-General Manager shall require payment by the applicant of their entrance fee and first year subscription within twenty-one (21) days of the request for payment or such other period as the Directors may determine.
25. A certificate of membership issued by the Institute remains the property of the Institute.
26. The Directors may determine the entrance fee and annual subscription payable by members.
27. The Institute may levy on members and Extraordinary Levy pursuant to a resolution of the members in general meeting.
28. All annual subscriptions shall become due and payable on the first day of January in each year.
29. All levies imposed on members pursuant to clause 23.2 shall be due and payable by each member within thirty (30) days of the date of the levy notice.

## DESIGNATION


30. A voting member may use the following designation after their name and may include this designation on printed material such as business cards. A member may also include the Institute logo within the design of such material: -
- MISTM (Lic) or FISTM (Lic) – Member or Fellow or Licensed Manager Chapter
  - MISTM (Assoc) or FISTM (Assoc) – Member or Fellow of Associate Chapter
  - MISTM (Supp) or FISTM (Supp)– Member or Fellow of Supplier Chapter
  - MISTM (Scheme) – Member of Group Title Scheme Chapter
  - FISTM – Fellow of the Institute
  - MISTM (Life) - A life member of the Institute
  - LISTM – A person that has passed the Institute Strata Managing Agents Licentiate Course.

- A voting member may only use a designation where they have satisfied fully the requirements of the Institute professional development programme policy as determined by the Directors from time to time. A Fellow or Life member will not be required to satisfy the requirements of the professional development programme to retain use of their designation.
- On such conditions as they consider appropriate the Directors may issue practising certificates to voting members who have satisfied the requirements of the Institute Strata Managing Agents Licensing or Licentiate Course. Persons awarded this qualification shall be entitled to become a Licentiate of the Institute of Strata Title Management and may use the designation LISTM.

31. A corporate member may use the following designation after its name and may include this designation on printed material such as corporate stationery and marketing literature. A corporate member may also include the Institute logo within the design of such material: -
- MISTM (Lic) – A corporate member that is a licensed strata managing agency.
  - MISTM (Supp) – A corporate member that is the employer of a natural person or persons that are members of the Supplier Chapter.

## CONDUCT & COMPETENCY OF MEMBERS

32. The Institute by special resolution may adopt a Code of Practice and / or Ethics ("the Code"). It may amend the Code in the same way. The Code may incorporate provisions applicable to particular Chapters.
33. All members of the Institute are bound to comply with the Code.
34. If the Institute receives from any person a complaint in writing (containing the particulars of the allegations on which the complaint is founded) that a member has: -
- 34.a.i. committed any breach of the Code; or
  - 34.a.ii. wilfully refused or neglected to comply with a provision of the Constitution of the Institute; or
  - 34.a.iii. conduct themselves in a manner which is unbecoming of a member or which justifies the taking of disciplinary action against them; or
  - 34.a.iv. conduct themselves in a manner which is prejudicial to the interests of the Institute,
- the Directors must consider the complaint as soon as practicable. The Directors (or any person or persons appointed by the Directors for the purpose) then may do any one or more of the following: -
- 34.a.v. they may require the complainant to provide further particulars of the complaint;
  - 34.a.vi. they may carry out an investigation into the complaint;
  - 34.a.vii. they may attempt to resolve the complaint by reconciliation;
  - 34.a.viii. they may decline to entertain the complaint (because, for example, the complaint is frivolous, vexatious, misconceived or lacking in substance); and/or
  - 34.a.ix. they may conduct a hearing into the complaint.
35. After a hearing of the complaint against a member, the Directors, if they find the complaint substantiated, may do any one or more of the following: -
- 35.a. caution or reprimand the member;
  - 35.b. direct the member to rectify a breach of the Code and specify the manner in which the member is to do so;
  - 35.c. cancel right to Professional Designation or other forms of recognition referred to in clauses 25 and 26 and issued to the member;

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- 35.d. impose conditions as to the carrying on of the member's business;
- 35.e. require the member to complete a specified course of training or instruction;
- 35.f. require the member to report about the carrying on of the member's business at the times, in the manner and to the persons specified by the Directors;
- 35.g. order the member to obtain advice about the carrying on of the member's business, from such persons as are specified by the Directors; and/or
- 35.h. expel or suspend the member from membership of the Institute.

- The name of any member expelled from membership shall be removed from the register of members.
- If the Directors do not find the complaint substantiated, they must dismiss the complaint.
- Within thirty (30) days of its decision, the Institute must give a written statement of the decision to the complainant and the member against whom the complaint was made. The statement must include the reasons for the decision.

36. The complainant and the member about whom the complaint is made are not entitled to legal representation during attempts to resolve the complaint by conciliation, but are entitled to call witnesses and to have legal representation during a hearing into the complaint. If a member does not appear at any hearing into the complaint, the Institute may deal with the member in their absence.
37. No matter or thing done or omitted by the Institute or by a person acting in accordance with a resolution of the Institute subjects the Institute or the person to any liability if the matter or thing was done or omitted in good faith for the purpose of implementing the procedure specified in the Constitution for the determination of complaints and the disciplining of members.
38. At any time prior to twenty-four (24) hours before the scheduled time of the hearing into a complaint by the Directors (or other person or persons appointed by the Directors for the purpose), the member may advise the Secretary-General Manager by notice in writing that they elect to have the complaint against them dealt with by the Institute in general meeting. The Secretary-General Manager then shall convene a general meeting of the Institute as soon as practicable. If that meeting determines by a majority of those present and entitled to vote that the complaint is substantiated, then the member shall be dealt with in the manner determined by the general meeting.
39. A member may resign from membership by notice in writing to the Secretary-General Manager. They shall remain liable for any moneys due by them to the Institute at the date of their resignation. They shall also remain liable to contribute to the assets of the Institute according to clause 7 of the Constitution.
40. The Directors may expel a member if:-
- 40.a. the member has failed to pay to the Institute monies due but unpaid for thirty (30) days;
- 40.b. the Institute has served Demand Notice on the member specifying the amount owing and requiring payment of the monies owing within fourteen (14) days;
- 40.c. the member has failed to comply with the Demand Notice;
- 40.d. the Directors have served the member with Notice of Intention to Expel at least fourteen (14) days' before the proposed expulsion; and
- 40.e. the member has failed to make payment of the monies owing to the Institute within the fourteen (14) day period specified in clause 40(d).

## GENERAL MEETINGS

41. The Institute shall hold Annual General Meetings in accordance with the provisions of the Corporations Law.
42. The business of the Annual General Meeting shall include the following:-
  - 42.a. the consideration of the accounts and balance sheets;
  - 42.b. the consideration of the report of the Directors;
  - 42.c. the consideration of the report of the auditors;
  - 42.d. the appointment of Directors for the succeeding year; and
  - 42.e. the appointment of auditors.
43. An Extraordinary General Meeting, being any meeting that is not an Annual General Meeting, shall be convened upon request by not less than three (3) directors (and the request shall specify the business to be conducted at the Extraordinary General Meeting) or by requisition according to the Corporations Law.
44. Subject to the provisions of the Corporations Law relating to special resolutions, at least twenty one (21) days' notice of a general meeting shall be given to the persons entitled to receive notice of it (excluding the day on which the notice is deemed to be served and the day of the meeting). The notice shall specify the place, the day and hour of commencement of the general meeting, and the general nature of each item of business to be addressed at the meeting.
45. The Institute shall give notice of a general meeting to every voting member who has given written notice of the address within Australia for the giving of notices to them, and the auditor for the time being of the Institute. No other person shall be entitled to receive notice of a general meeting except that where the business of the general meeting deals with the rights and / or obligations of associate members of the Institute these non voting members must also receive notice of the general meeting.
46. No matter shall be considered at a general meeting unless there is a quorum present. Persons present in person or by proxy and entitled to vote and constituting not less than ten (10) per centum of the number of members who would be entitled to vote if present in person or by proxy, shall be a quorum. If a quorum is not present at the expiry of one half hour from the time the matter arises for consideration, fifty (50) persons then present in person or by proxy and entitled to vote shall be a quorum for matters still to be considered at the meeting.
47. The President shall preside as Chairperson at a general meeting of the Institute. In the absence of the President at a general meeting, the Senior Vice President shall preside as Chairperson. In the absence of the President and Senior Vice President at a general meeting, the Vice President that is a member of the Licensed Manager Chapter shall preside as Chairperson.
  - 47.a.i. 47.a Subject to these Articles, each fellow, life member and voting member shall be entitled to one vote at general meetings of the Institute.
  - 47.a.ii. 47.b Associates shall have no right to vote at general meetings of the Institute.
  - 47.a.iii. 47.c Members of the Group Title Scheme Chapter shall have no right to vote at general meetings of the Institute except in respect of the appointment of the Director for the Group Title Scheme Chapter.
- 48) No person shall be entitled to vote at any general meeting if any payment of moneys due by him to the Institute is in arrears by more than one (1) month at the date of the meeting.

## POLLING

- 49) Polling
- a) Unless a poll is demanded, a motion put to the meeting shall be decided upon a show of hands.
  - b) Unless a poll is demanded, a declaration by the Chairperson in respect of a show of hands that a motion has been carried or carried unanimously or carried by a particular majority or lost, and the entry of a minute of that declaration in the minute book of the Institute, shall be conclusive evidence of the result of the vote without proof of the number or proportion of the votes cast in favour of or against the motion.
  - c) A poll may be demanded by the Chairperson or by at least three (3) members present in person or by proxy and entitled to vote.
  - d) A poll may be demanded before or after a declaration by the Chairperson of the result of voting on a show of hands.
  - e) A poll shall be taken immediately and in the manner directed by the Chairperson
  - f) The result of the poll shall be the resolution of the meeting.
- 50) A person entitled to vote may do so in person or by proxy, providing that, in the case of a proxy:-
- a) The instrument appointing the proxy is deposited at the registered office of the Institute, or another place specified for that purpose in the notice of meeting, not less than forty-eight (48) hours before the time of commencement of the meeting according to the notice of meeting;
  - b) The instrument appointing the proxy is in the form currently approved by the Directors, or any other form, which the Chairperson considers express, a clear intention on the part of the person entitled to vote, to appoint a nominated person to vote in their place at a specified meeting of the Institute.
  - c) An instrument appointing a proxy confers authority on the proxy to demand and to join in demanding a poll.
  - d) A person who is entitled to vote and whose estate has been vested in a trustee or another representative because of unsoundness of mind may vote by that trustee or representative. The trustee or representative may themselves vote in person or by proxy.
  - e) Subject to clause 48, a vote cast by a properly appointed proxy shall be valid notwithstanding the death or disability of the appointing member or the revocation of the appointment, unless notice is received by the Chairperson or the Secretary-General Manager of the Institute before the commencement of the meeting or, in the case of a vote cast by the proxy after the resumption of an adjourned meeting, before the resumption of the meeting.

## THE DIRECTORS AND OFFICE-BEARERS

- 51) a) The Board of Directors shall consist of five (5) Group A and six (6) Group B Directors. Group A Directors vacate their office each even year and Group B Directors vacate their office each odd year

The Board of Directors shall comprise eleven (11) voting members of the Institute as follows:-


### Group A

- Two (2) Directors that are members of the Licensed Manager Chapter;
- Two (2) Directors that are a member of the Supplier Chapter; and
- One (1) Director that is a member of the Associate Chapter.

### Group B

- Three (3) Directors that are members of the Licensed Manager Chapter;
- One (1) Director that is a member of the Supplier Chapter;
- One (1) Director that is a member of the Associate Chapter; and
- One (1) Director that is a member of the Group Title Scheme Chapter.

- b) A director appointed at any succeeding Annual General Meeting shall hold office for a period of two (2) years (subject always to clause 53).
- c) At each Annual General Meeting, to fill the office vacated by a director from a Chapter, the members shall appoint as a director a member from that Chapter elected by its members.
- 52) The Institute by majority resolution of its general meeting may change the number of persons to be appointed to the Board of Directors.
- 53) The procedure for nomination and election of Directors shall be as follows:-
- a) any voting member of the Institute may be nominated for election as a Director representing the membership of his Chapter by two persons who are entitled to vote that are members of the Chapter the candidate is to represent;
- b) the nomination must be in writing, signed by the candidate and the nominating persons and lodged with the Secretary-General Manager at least fourteen (14) days before the general meeting A list of candidates and the persons who nominated them shall be displayed at the registered office of the Institute for the three (3) business days immediately preceding the general meeting;
- c) if, when the time for nominating candidates ends, the number of candidates is less than the number of members to be elected, the Directors shall appoint one or more of their number from the applicable Chapter whose offices are to be vacated, to be candidates so that the number of candidates is equal to the number of members to be elected: and
- d) if the number of candidates exceeds the number of members to be elected, each member of the relevant Chapter entitled to vote may vote for so many candidates as are required to constitute the Board of Directors, by indicating the names of those candidates appearing on a ballot-paper.

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- 54) A person vacates their office as a Director of the Institute upon the election of Directors at the second Annual General Meeting following their appointment, or if they-
- a) resigns their office by notice in writing to the Institute;
  - b) ceases to be a voting member of the Institute;
  - c) is declared bankrupt or makes any arrangement or composition with their creditors generally;
  - d) pursuant to the Corporations Law, ceases to be a Director or is prohibited from being a director of a company;
  - e) becomes of unsound mind or is dealt with under the law relating to mental health;
  - f) for more than six (6) months is absent from meetings of the Directors without the permission of the Directors;
  - g) holds any office of profit of the Institute;
  - h) is directly or indirectly interested in any agreement or proposed agreement with the Institute unless the fact and extent of their proposed interest is made known to the Directors before it is resolved that the Institute enter into the agreement; or
  - i) is replaced as a Director by a majority resolution of the Institute in general meeting.
- 55) The Directors may appoint a member from the appropriate Chapter of the Institute to replace a person who has vacated his office as a Director (except under clause 53(i)). Subject to clause 53, the person so appointed shall hold office for the balance of the period of two (2) years for which the person replaced by them as a Director would have held office but for their vacation of the office.
- 56) The Institute may by resolution remove any Director before the expiration of their period of office if that Director has been absent from three (3) or more consecutive meetings of the Directors without just and reasonable cause.

## **POWERS AND DUTIES OF THE DIRECTORS**

- 57)
- a) At the conclusion of each Annual General Meeting the Directors must appoint Directors from the Licensed Manager Chapter to be the President and Senior Vice President of the Institute.
  - b) At the conclusion of each Annual General Meeting the Directors must appoint a Director from each of the Licensed Manager Chapter and the Supplier Chapter to be a Vice President of the Institute.
    - each of the officers referred to in this Article shall vacate their office:
  - c) after two (2) years;
  - d) by vacating their office as a Director;
  - e) by resigning from their office by notice in writing to the Institute; or
  - f) by assuming another of the offices referred to in this Article.

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- 58) If the President vacates their office, the Senior Vice President shall replace the President
- 59) If the Senior Vice President vacates their office, the Vice President from the Licensed Manager Chapter shall replace the Senior Vice President.
- 60) If a Vice President vacate their office, the Directors must appoint one of their number from their Chapter to replace the Vice President.
- 61) The President shall preside as Chairperson of Directors. In the absence of the President at the meeting, the Senior Vice President shall preside as Chairperson. In the absence of the President and Senior Vice President, the Vice-President that is a voting member of the Licensed Manager Chapter will be Chairperson of the meeting.
- 62) Directors may meet and adjourn and regulate their meetings (subject to these Articles) as they may think fit.
- 63) Without limiting clause 56, a Director may convene a meeting of the Directors at any time.
- 64) No business shall be conducted at a meeting of the Directors unless there is a quorum present. A quorum shall be six (6) Directors present (at least three (3) of which must be members of the Licensed Manager Chapter), or a greater number determined by the Directors.
- 65) Directors may elect to hold meetings by instantaneous communications device(s). For the purpose of this rule, the contemporaneous linking together by instantaneous communication device a number of consenting Directors, not less than the quorum, whether or not any one or more of the Directors is out of Australia, is deemed to constitute a meeting of Directors and all the provisions of the Constitution as to the Meetings of the Directors shall apply to such meetings held by instantaneous communication device
  - a) all the Directors for the time being entitled to receive notice of the Meeting of Directors are entitled to notice of a Meeting by instantaneous communication device and to be linked by instantaneous communication device for the purposes of such a meeting. Notice of any such meeting may be given by the instantaneous communication device or in any other manner permitted by this Constitution;
  - b) at the commencement of the Meeting each of the Directors taking part in the Meeting by instantaneous communication device is able to hear each of the other Directors taking part;
  - c) at the commencement of the Meeting each Director shall acknowledge the Director's presence for the purpose of a Meeting of the Directors of the Institute to all the other Directors taking part;
  - d) a Director shall not leave the Meeting by disconnecting the Director's instantaneous communication device unless the Director has previously obtained the express consent of the Chairperson of the Meeting. A Director is conclusively presumed to have been present and to have formed part of a quorum at all times during the Meeting by instantaneous communication device unless the Director has previously obtained the express consent of the Chairperson of the Meeting to leave the meeting; and
  - e) a minute of the proceedings of a Meeting by instantaneous communication device is sufficient evidence of those proceedings and of the observance of all necessary formalities if certified as a correct minute by the Chairperson.
- 66) Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the event of an equality of votes, the Chairperson shall have a casting vote.
- 67) If a motion for a proposed resolution has been approved by a majority of votes in writing or other electronic means of communication, with the requirement that a quorum shall be six (6) Directors (at least three (3) of which must be members of the Licensed manager Chapter), or a greater number determined by the Directors, by all of the Directors, the resolution shall be as valid as if it had been passed at a duly convened meeting of Directors.

# Constitution

- 68) The Directors be responsible for the management of the Institute and the development of policies.
- 69) The Directors may exercise all the powers of the Institute except those that may only be exercised by the Institute in general meeting according to law or to the Constitution of the Institute.
- 70) The Directors shall cause minutes to be kept of general meeting of the Institute and of meeting of Directors.
- 71) Cheques, promissory notes, drafts, bills of exchange and other negotiable instruments may be executed and endorsed on behalf of the Institute in such manner as the Directors may determine.
- 72) The Directors shall provide safe custody of the seal. The seal shall only be affixed to a document by authority of the Directors and in the presence of two (2) Directors one of whom shall be the President or Senior Vice President or, in the presence of the President or Senior Vice President and the Secretary-General Manager, who shall attest the affixing of the seal by their signatures.
- 73) The Directors shall cause proper accounting records to be kept. They shall cause to be prepared and presented to each Annual General Meeting a Balance Sheet and Profit and Loss statement current at a date not more than six (6) months before the date of the meeting.
- 74) The right of any member to inspect the records of the Institute are as conferred by statute or as determined by the Directors or by the Institute in general meeting in accordance with Clause 8 of the Constitution.
- 75) The Directors may delegate any of its powers and functions to committees consisting of members of the Board of Directors.
- 76) The Directors may appoint committees, the members of each of which must include at least one (1) Director, to investigate and to report to the Directors about specific issues. Members of such Committees may be classified as Chapter Executive
- 77) Subject to any rules or directions that may be imposed upon a committee by the Directors, a committee may regulate its own affairs as it considers appropriate.
- 78) The Directors may determine the constitution, rules and regulations of a Chapter provided that they are not inconsistent with the Constitution of the Institute.
- 79) Any act or resolution of the Directors or of a committee is valid although there subsequently be discovered the disqualification of or a defect in the appointment of any director or member of the committee.

## **SECRETARY – GENERAL MANAGER**


- 80) The Directors shall appoint the Secretary-General Manager of the Institute for such term, for such remuneration and upon such conditions as they consider appropriate. The Directors may remove any Secretary-General Manager appointed by them.

## EXECUTIVE COMMITTEE

- 81) The President, Senior Vice President, two Vice Presidents and the Secretary General Manager shall comprise the Executive Committee of the Institute.
- 82) The President shall preside as Chairperson of the Executive Committee. In the absence of the President at a meeting, the Senior Vice President shall preside as Chairperson.
- 83) The members of the Executive Committee may meet and adjourn and regulate their meetings as they think fit, subject to the Constitution.
- 84) The Secretary- General Manager may convene a meeting of the Executive Committee at any time. The Secretary - General Manager shall prepare and distribute an Agenda prior to a meeting of the Executive Committee and shall prepare and distribute minutes of each meeting to the members of the Executive Committee.
- 85) Only the Director members of the Executive Committee shall be entitled to vote. Questions arising at meetings shall be decided by a majority of votes. The Chairperson shall have a casting vote.
- 86) No business shall be conducted at a meeting unless there is a quorum present. A quorum shall be three members of the Executive Committee one of whom must be the President or Senior Vice President.
- 87) The Executive Committee shall instruct the Secretary-General Manager about the management of the Institute within the policy objectives determined by the Board.

## MEETINGS OF CHAPTERS

- 88) The members of a Chapter of the Institute may meet do deal with issues specific to that Chapter.
- 89) The Senior Vice-President shall preside as Chairperson of meetings of the Licensed Manager Chapter, in the absence of the Senior Vice President at the meeting the Vice- President that is a member of the Licensed Manager Chapter shall preside as Chairperson.
- 90) The Vice President that is a member of the Supplier Chapter shall preside as Chairperson of meetings of the Supplier Chapter, in the absence of the Vice President at the meeting the Group A Director that is a member of the Supplier Chapter shall preside as Chairperson, in the absence of the Group A Director at the meeting the Group B Director shall preside as Chairperson.
- 91) The Group A Director that is a member of the Associate Chapter shall preside as Chairperson of meetings of the Associate Chapter, in the absence of the Group A Director at the meeting the Group B Director shall preside as Chairman.
- 92) The Director that is a member of the Group Title Scheme Chapter shall preside as Chairman of meetings of the Group Title Scheme Chapter
- 93) The members of a Chapter may meet and adjourn and regulate their meetings as they think fit, subject to the Constitution
- 94) Each Chapter shall appoint from its membership a Secretary who shall convene meetings of the Chapter at any time upon instruction from the person that performs the role of Chapter meeting Chairperson. The Secretary shall prepare and distribute an Agenda to members of the Chapter and to the Secretary-General Manager of the Institute prior to a meeting of the Chapter and shall prepare and distribute minutes of each meeting to the members of Chapter and to the Secretary-General Manager of the Institute.

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- 95) The members of each Chapter shall be entitled to vote at meetings of their respective Chapters. Questions arising at meetings shall be decided by a majority of votes. The Chairperson shall have a casting vote.
- 96) No matter shall be considered at a Chapter meeting unless there is a quorum present. Persons present in person or by proxy and entitled to vote and constituting the lessor of ten (10) per centum of the number of members who would be entitled to vote if present in person or by proxy, or ten (10) members present in person shall be a quorum. The rules applicable to the conduct of general meetings (Clauses 34-40 inclusive) shall apply to Chapter meetings.
- 97) The business of meetings of the various Chapters shall be to debate and decide issues specific to that Chapter that are to be brought to the attention of the Directors of the Institute for its deliberation. The various Chapters shall have no administrative powers.

## **ADVISORY PANEL**

- 98) The Directors may appoint suitably qualified and experienced persons to form an Advisory Panel to whom the Directors may refer matters for deliberation and advice. The Advisory Panel shall nominate a Convenor who shall liaise with the President and Secretary-General Manager regarding instructions to be given to the panel by the Directors or the reporting of its findings to the Directors.
- 99) No specific term applies to the appointment as an Advisory Panel member. The Directors may from time to time and at their absolute discretion appoint or remove members of the Advisory Panel.

## **AUDIT**

- 100) The Institute shall appoint a properly qualified auditor. The auditor's duties shall be regulated in accordance with the Corporations Law and clause 8 of the Constitution.

## **NOTICES**

- 101) The Institute may serve a notice upon a member by giving it to them personally, or by sending it by post or by facsimile transmission to them at the address of which they have notified the Institute in writing for this purpose.
- 102) Where a notice has been sent properly addressed and posted to a member by pre-paid mail, service of a notice shall be deemed to have been effected on the business day after the date of posting of the notice.
- 103) Where a notice is sent by facsimile transmission before 5.00pm on any business day, service shall be deemed to have been effected on that day; where a notice is sent by facsimile transmission at another time, service is deemed to have been effected on the next business day.

## **WINDING-UP**

- 104) Should the Institute be wound-up or dissolved, the provisions of clause 7 of the Constitution shall apply.

## **INDEMNITY**

- 105) Every director, secretary-general manager and other officer or employee of the Institute shall be indemnified out of the assets of the Institute against any liability arising out of or in relation to any duties of their office, including costs incurred in defending legal proceeding against them, insofar as the indemnity is not limited by the Corporations Law and is not provided by and insurance company or companies.