

Constitution

of

AUSTRALIAN INSTITUTE OF MANAGEMENT NSW & ACT LIMITED

ACN 000 049 669

A company limited by guarantee and not having a share capital

Constitution of Australian Institute of Management NSW & ACT Limited

1 Preliminary

1.1 Name

The name of the company is "Australian Institute of Management NSW & ACT Limited".

1.2 Type of company

- (a) The Institute is a public company limited by guarantee and does not have share capital.
- (b) The liability of the members is limited.

1.3 Objects

The objects of the Institute are to promote and advance the art and science of, and to conduct, promote and advance public education in, Management.

1.4 Income and property to be applied towards objects and no payments to members

- (a) All income and property of the Institute must be solely applied towards the promotion of the objects of the Institute.
- (b) Subject to clause 1.4(c), no part of the income or property of the Institute may be paid by way of dividend, bonus or otherwise to the members.
- (c) Nothing in this constitution prevents the Institute from making payment in good faith:
 - (1) of reasonable and proper remuneration to any employee of the Institute or, with the approval of the Board, to any director;
 - (2) to any member in relation to any contract, right or claim in which that member is interested or which arises other than by virtue of the member's membership;
 - (3) of reasonable interest on any money lent to the Institute by any member; and
 - (4) of reasonable or proper rent for premises let by any member.

2 Definitions and interpretation

2.1 Definitions

Unless the context otherwise requires, in this constitution the following terms have the following meanings:

"Act" means the Corporations Act 2001 or any re-enactment, amendment or replacement of that Act from time to time.

"Advisory Council" means an advisory council comprised of Councillors appointed in accordance with clause 10.

"Affiliate" means a member of the Affiliate category of membership.

"ASIC" means the Australian Securities and Investments Commission.

"Associate Fellow" means a member of the Associate Fellow category of membership.

"Automatic Expulsion Event" means, in respect of a member that the member:

- (a) becomes disqualified under the Act from managing corporations; or
- (b) has been convicted in criminal proceedings brought in connection with a contravention of the Act or otherwise relating to actions or omissions of that person in managing corporations or for an offence involving fraud or dishonesty.

"Board" means the board of directors of the Institute.

"Business Day" means a day on which the banks are open for business in New South Wales, excluding Saturday, Sunday and public holidays.

"Chairperson", **"Deputy Chairperson"**, **"Auditor"**, **"Chief Executive Officer"** and **"Secretary"** mean the persons appointed by the Board or, in the case of Auditors the Board or Institute in general meeting, to fulfil the duties of those offices.

"Code of Conduct" means the code of conduct of the Institute as amended by the Board.

"Councillor" means a member of an Advisory Council.

"director" means a director for the time being of the Institute.

"Emeritus Member" means a person appointed as such under clause 9.5.

"Executive Director" means a person who is a director of the Institute and at the same time is also an employee of the Institute or any related body corporate of it.

"Expulsion Event" means in respect of a member:

- (a) that member has been found by a Court of competent jurisdiction to have contravened a civil penalty provision of the Act or otherwise relating to actions or omissions of that person in managing corporations;
- (b) a breach of this constitution;
- (c) a breach of the Code of Conduct; or

- (d) the conduct of the member, in the opinion of the Board, is unbecoming of a member or prejudicial to the objects, interests or reputation of the Institute.

"Fellow" means a member of the Fellow category of membership.

"Honorary Fellow" means a member of the Honorary Fellow category of membership.

"includes" means includes without limitation.

"Information Sheet" means an information sheet about a nominee for election as a director in a form stipulated by the Board from time to time and which includes:

- (a) the full name, address and age of the nominee for election as a director;
- (b) the current occupation and degrees and qualifications of the nominee;
- (c) particulars of the nominee's present and past employment;
- (d) particulars of directorships in other Organisations;
- (e) particulars of any actual or potential business or personal interest of the nominee which does or might conflict with the interests of the Institute or its related bodies corporate of which the nominee is aware; and
- (f) any other details specified by the Board.

"Institute" means the Australian Institute of Management NSW & ACT Limited ACN 000 049 669.

"Locally Built Asset" means any asset within a Region so designated by the Board.

"Management" means the art and science of management and includes the communication and understanding of the theories, techniques and practices of establishing, organising and administering industry, trade, commerce and communications, agricultural, pastoral and other forms of primary production, public enterprise and government administration.

"member" means a member of the Institute.

"Member" means a member of the Member category of membership.

"Nomination Form" means a form nominating a Qualified Person for election as a director in the form or to the effect of the form set out in clause 4.3(h).

"Non Executive Director" means a person who is a director but who is not an employee of the Institute or any related body corporate of it.

"Organisation" includes an incorporated or unincorporated group or entity or government department, instrumentality or agency, or any other body whatsoever, including business units or divisions of any group or entity, but does not include the Institute or a related body corporate of the Institute.

"Organisational Member" means an Organisation which is a Member or an Affiliate.

"Personal Member" means a natural person who is an Honorary Fellow, a Fellow, an Associate Fellow, a Member or an Affiliate and includes such other categories of membership as may be designated by the Board.

"Qualified Person" means a Personal Member who is not a person to whom clause 4.2(b) applies and who:

- (a) is a Fellow or an Honorary Fellow;
- (b) has been a member for at least 3 years or commits to be a member for at least 3 years if appointed as a director; and
- (c) has not transferred to the Retired List.

"register of members" means the register of members established pursuant to Chapter 2C of the Act.

"Region" means a geographical area designated as a region in accordance with clause 10.1.

"Regional Director" means a director appointed pursuant to clause 10.4(a).

"related body corporate" has the meaning given in the Act.

"Replaceable Rules" has the meaning given in the Act.

"Representative" means a natural person who is appointed under clause 14.2(b) as the representative of an Organisational Member.

"Retired List" means the list of retired members under clause 9.3

"Scrutineer" means the Auditor, or, if the Auditor is not prepared to act as scrutineer, such other reasonably qualified independent party appointed by the Board.

"Voting Member" means a member who is an Honorary Fellow, a Fellow, an Associate Fellow, a Member and such other member of a category determined by the Board, if the Board has determined that members of the category are to be Voting Members, but does not include an Affiliate or a member whose name has been entered in the Retired List.

"Voting Papers" means:

- (a) information in relation to each nominee for election as a director derived from that nominee's Information Sheet;
- (b) a ballot paper with the nominated candidates in alphabetical order with the names of retiring directors marked with an asterisk;
- (c) a card bearing a distinctive number and provision for the member to sign the card and print his or her name and membership number;
- (d) an outer envelope marked "Ballot Paper" and addressed to the Scrutineer; and
- (e) an inner envelope for the ballot paper.

2.2 Interpretation

Unless the contrary intention appears in this constitution:

- (a) headings and underlinings are for convenience only and do not affect the interpretation of this constitution;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include every other gender;

- (d) words used to denote persons generally or importing a natural person include any company, corporation, body corporate, body politic, partnership, joint venture, association, board, group or other body (whether or not the body is incorporated);
- (e) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws varying, consolidating or replacing them and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute; and
- (f) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.

3 Replaceable Rules

The Replaceable Rules do not apply in respect of the Institute except to the extent that this constitution expressly replicates a Replaceable Rule.

4 Board

4.1 Size of the Board

- (a) The minimum number of directors is 5.
- (b) The maximum number of directors (excluding the Chief Executive Officer and any Regional Director) is 9 unless the Institute in general meeting determines to fix the maximum number which may be greater or less than 9.
- (c) In calculating the number of directors any Regional Director (appointed to the Board pursuant to clause 10.4(a)) and the Chief Executive Officer (if he or she is appointed as a director by the Board pursuant to clause 7.2) are to be disregarded.
- (d) The Board must ensure that at all times the number of Non-Executive Directors exceeds the number of Executive Directors.

4.2 Appointment and election of directors

- (a) Only a Qualified Person may be appointed or elected as a director.
- (b) A person is not eligible to be appointed or elected as a director if, at the time he or she would take office as a director, there is a serving director who is:
 - (1) a partner or employer of the person;
 - (2) employed by the same Organisation as the person; or
 - (3) employed by an Organisation which is controlled by the same Organisation as the Organisation which employs the person.

- (c) A Qualified Person may be:
 - (1) appointed as a director by the Board either:
 - (A) as an addition to the Board or to fill a casual vacancy; or
 - (B) as a Regional Director pursuant to clause 10.4; or
 - (2) elected as a director by the members of the Institute in general meeting,but the number of directors must not exceed the maximum fixed in accordance with clause 4.1(b).

4.3 Rotation of directors at annual general meeting

- (a) At each annual general meeting of the Institute:
 - (1) one third of the directors who are subject to retirement by rotation at that annual general meeting in accordance with clause 4.3(b) (rounded down if necessary to nearest whole number);
 - (2) any director appointed under clause 4.2(c)(1)(A) as an addition to the Board since the immediately preceding annual general meeting; and
 - (3) any director who has served as a director for 10 years or more, must retire from office as a director and are eligible for re-election.
- (b) For the purposes of clause 4.3(a)(1), the directors who are subject to retirement by rotation at an annual general meeting are all of the directors except:
 - (1) a director who was appointed as an addition to the Board under clause 4.2(c)(1)(A) since the immediately preceding annual general meeting;
 - (2) the Chief Executive Officer if he or she has been appointed under clause 7.2; and
 - (3) any Regional Director appointed pursuant to clause 10.4(a).
- (c) The directors who must retire at an annual general meeting in accordance with clause 4.3(a)(1) are those who have been longest in office since their last election (For the purposes of this clause, a director who has served as a director for 10 years or more is taken to have been last elected when they were last elected under clause 4.3(a)(1) and any election of that director under clauses 4.3(a)(3) is to be disregarded). As between persons who were last elected as directors on the same day, those to retire must be determined by agreement among themselves or, in the absence of agreement, by lot. A person appointed to fill a casual vacancy pursuant to clause 4.2(c)(1)(A) is deemed to have been elected on the day that the person he or she replaces was elected, and if that person was appointed to fill a casual vacancy, at the time that person was deemed to have been elected by one or more applications of this deeming provision.

- (d) For the purpose of determining the period of service of a director under clause 4.3(a)(3) disregard any service as a director by a person which occurred before a continuous 3 year period during which the person was not a director.
- (e) The retirement of a director from office under clause 4.3(a) and the election or re-election of the director or the election of another person to that office (as the case may be) takes effect at the conclusion of the meeting at which the re-election or election occurs.
- (f) A Qualified Person may only be elected to the office of a director under this clause if he or she:
 - (1) is a director retiring from office under clause 4.3(a) who does not indicate that he or she will not stand for re-election; or
 - (2) is a person nominated for election by the Board by resolution of the Board; or
 - (3) has nominated for election in accordance with clause 4.3(g).
- (g) A Qualified Person may be nominated for election as a director if:
 - (1) a Nomination Form signed by two Voting Members and countersigned by the nominee; and
 - (2) an Information Sheet which is current at that time,
 is left with the Secretary at the office of the Institute not less than 25 Business Days before the date set for the annual general meeting.
- (h) The Nomination Form must be in the following form or to that effect:

AUSTRALIAN INSTITUTE OF MANAGEMENT NSW & ACT LIMITED

We hereby propose

for election as a director at the next annual general meeting.

Dated:..... 20.....

Name of Voting Member	Address	Signature
.....		
.....		

I consent to the above nomination and confirm that I am a Fellow/an Honorary Fellow (delete whichever is not applicable) and either:

- I have been a member of the Institute for at least 3 years; or
- by virtue of this nomination, I commit to being a member of the Institute for the next three years.

(delete whichever is not applicable)

Dated: 20.....

Signed

4.4 Automatic election

If the number of candidates available for election as a director is less than or equal to the number of vacancies to be filled by election or re-election of directors who retire under clause 4.3(a) or by candidates nominated by the Board, the Chairperson must declare those candidates to be elected at the annual general meeting.

4.5 Elections by ballot

If there are more candidates for election as a director than vacancies to be filled by election or re-election of directors who retire under clause 4.3(a) or by candidates nominated by the Board, an election by ballot of the Voting Members must be conducted in the following manner:

- (a) The Secretary must, at least 15 Business Days before the date fixed for the annual general meeting of the Institute, send the Voting Papers to each Voting Member. The non-receipt by any Voting Member of Voting Papers does not invalidate the ballot.
- (b) The Voting Member must clearly indicate on the ballot paper each candidate for whom he or she wishes to vote, and a vote must be cast for the exact number of directors to be elected in the ballot.
- (c) If the Voting Member wishes to post or deliver the ballot paper, the Voting Member must:
 - (1) sign the ballot paper;
 - (2) place the ballot paper in the inner envelope and seal it;
 - (3) print or caused to be printed on the numbered card in legible form the Voting Member's full name and membership number and sign the card;
 - (4) place the card and the inner envelope in the outer envelope and seal the outer envelope; and
 - (5) send it or have it delivered to the registered office of the Institute or the address of the Scrutineer which appears on the outer envelope.
- (d) If a Voting Member wishes to send the ballot paper to the Institute by facsimile transmission, the Voting Member must:
 - (1) complete the numbered card in accordance with clause 4.5(c)(3); and
 - (2) send a copy of the signed ballot paper and the numbered card, clearly addressed to the Scrutineer, to the facsimile number notified to the Voting Member in the Voting Papers.
- (e) If a Voting Member wishes to send the ballot paper to the Institute by electronic means, the Voting Member must:

- (1) complete the numbered card in accordance with clause 4.5(c)(2); and
 - (2) scan a copy of the signed ballot paper and the numbered card and send them electronically to an electronic address of the Scrutineer notified to the Voting Member in the Voting Papers.
- (f) A ballot paper may be completed, and a numbered card may be signed only by:
 - (1) the Voting Member; or
 - (2) an attorney for the Voting Member if a copy of the power of attorney certified as a true copy by a justice of the peace or a solicitor has been given to the Institute before the time for counting the ballot; or
 - (3) the Representative of the Organisation which is a Member.
- (g) All formal ballot papers received by the Scrutineer or the Institute in accordance with clauses 4.5(c), (d), (e) and (f) no later than 5 pm on the day which is 4 Business Days before the day fixed for the annual general meeting must be counted in the ballot. Ballot papers received after that time cannot be counted in the ballot.
- (h) After the ballot closes, the Scrutineer must:
 - (1) check the eligibility of Voting Members who have returned ballot papers to vote by comparing them with the records of the Institute to the membership numbers of the Voting Members who have returned ballot papers;
 - (2) count the votes; and
 - (3) reject as informal any ballot paper which, in the opinion of the Scrutineer, does not clearly indicate how a vote was cast, or which is not received in accordance with the provisions of clauses 4.5(c), (d), (e) or (f).
- (i) The Scrutineer may refer any question about the formality of any ballot paper or any vote cast to the Chairperson whose decision is final.
- (j) The Scrutineer must report the result of the ballot to the Chairperson in writing and:
 - (1) if there is an equality of votes in favour of two or more candidates the Chairperson has a casting vote so as to ensure the election of not more than the necessary number of candidates to fill the vacancies;
 - (2) the Chairperson must, as soon as convenient after receiving the report, certify under his or her hand the names of the candidates who have received the greatest number of votes and who have been elected, and the Chairperson's certificate will be final and conclusive of the result of the ballot in the absence of manifest error; and
 - (3) the result of the ballot must be announced at the annual general meeting.

- (k) If the Chairperson is absent or unable or unwilling to act, then the Deputy Chairperson must perform the Chairperson's functions under clauses 4.5 (i) and (j), and if the Chairperson and the Deputy Chairperson are absent or unable or unwilling to act, then the Secretary must perform the functions of the Chairperson under clauses 4.5 (i) and (j).
- (l) The Board may direct the Scrutineer to destroy the ballot papers at any time after one month from the day on which the annual general meeting at which the result is declared is held.

4.6 Disqualification of directors

- (a) The office of a director is vacated:
 - (1) if the director ceases to be a member or transfers to the Retired List;
 - (2) in the circumstances prescribed by the Act;
 - (3) if the director cannot effectively participate in the management of the Institute because of his or her mental incapacity and is a person whose estate or property has had a personal representative or trustee appointed to administer it;
 - (4) if the director dies or resigns office by notice in writing to the Institute; or
 - (5) in the case of an employee of the Institute or a related body corporate, if the director ceases to be so employed, unless the Board otherwise determines.
- (b) For the avoidance of doubt, directors do not vacate office by reason of being a director or member of any corporation, firm, society or association which enters into contracts with, or does any work for, the Institute.

4.7 Remuneration

- (a) The directors are entitled to be:
 - (1) paid for their services an annual sum to be determined by the Institute in general meeting plus any amount or benefits arising by law or as a statutory entitlement (including by reason of the payment of the annual sum such as superannuation entitlements and contributions); and
 - (2) reimbursed for all expenses properly incurred:
 - (C) in attending or in connection with their attendance at any meeting of the Institute or of the Board or any committee of directors;
 - (D) in attending any general meetings of the Institute; and
 - (E) in connection with the Institute's business.

- (b) In addition to the remuneration referred to in clause 4.7(a), a director may receive special remuneration and expense reimbursement for performing extra services in connection with the Institute's business.
- (c) The amount determined by the Institute under clause 4.7(a)(1) is to:
 - (i) be divided amongst the directors as determined by the Board and, failing agreement, not at all; and
 - (ii) continue to be paid annually to the directors until the Institute determines that the directors are entitled to be paid a different amount annually.
- (d) For the purposes of clause 4.7(a) any remuneration payable to the Chief Executive Officer or an Executive Director is to be disregarded in determining the annual sum to be divided amongst the directors.

4.8 Interests of directors

- (a) Subject to clause 4.7 and clause 7.2, a director other than an Executive Director may not hold any office or a position of profit under the Institute or under any company promoted by the Institute or in which the Institute is a member or otherwise interested.
- (b) Notwithstanding any rule of law or equity to the contrary, a director may contract, transact or enter into an arrangement with the Institute and no such contract, transaction or arrangement entered into by or on behalf of the Institute or any other contract, transaction or arrangement in which a director is in any way interested, is avoided or rendered voidable because of that person being a director.
- (c) A director who has a material personal interest in a matter that relates to the affairs of the Institute must give the other directors notice of the interest unless section 191(2) of the Act says otherwise.
- (d) A director who has a material personal interest in a matter that is being considered at a Board meeting must not:
 - (1) be present while the matter is being considered at the meeting; or
 - (2) vote on the matter,unless,
 - (3) clauses 4.8(e), (f) or (g) allow the director to be present; or
 - (4) the interest does not need to be disclosed under section 192 of the Act.
- (e) The director may be present and vote if directors who do not have a material personal interest in the matter have passed a resolution that:
 - (1) identifies the director, the nature and extent of the director's interest in the matter and its relation to the affairs of the Institute; and
 - (2) states that those directors are satisfied that the interest should not disqualify the director from voting or being present.

- (f) The director may be present and vote if so entitled under a declaration or order made by ASIC under section 196 of the Act.
- (g) If there are not enough directors to form a quorum for a Board meeting because of clause 4.8(d)(1) or (2), 1 or more of the directors (including those who have a material personal interest in that matter) may call a general meeting and the general meeting may pass a resolution to deal with the matter.

4.9 Defect in appointment

Notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person to be a director, or a member of a committee, or to act as a director, or that a person so appointed was disqualified, all acts done by any Board meeting or a meeting of a committee of directors or by any person acting as a director are valid as if the person had been duly appointed and was qualified to be a director or to be a member of the committee.

5 Powers, Duties And Responsibilities of the Board

5.1 Management of the Institute

- (a) The Institute is to be managed by, or under the direction of the Board.
- (b) The Board may exercise all of the powers of the Institute which are not by the Act or by this constitution, required to be exercised by the Institute in general meeting.
- (c) Without limiting any other power or right, the Board may delegate any of its powers to the Chief Executive Officer. The Chief Executive Officer must exercise any power delegated to him or her in accordance with the directions of the Board.
- (d) The Chief Executive Officer may, subject to any restrictions imposed by the Board, delegate in writing any of the powers delegated to him or her under clause 5.1(c) to any committee or person appointed by him or her. Any delegation by the Chief Executive Officer may be made subject to any restrictions or conditions imposed by the Chief Executive Officer and the delegation may be amended or modified by the Chief Executive Officer or the Board by written notice to the delegate.

5.2 Committees of the Board

Without limiting any other power or right, the Board may delegate any of its powers to a committee or committees consisting of such number of directors as it thinks fit. A committee to which any powers are delegated must exercise the powers in accordance with any directions of the Board. The provisions of this constitution applying to meetings and resolutions of the Board apply, so far as they can and with such changes as are necessary, to meetings and resolutions of committees of the Board.

5.3 Other delegations

The Board may:

- (a) appoint or employ any person to be an agent or attorney of the Institute for such purposes and with such powers, discretions and duties (including powers, discretions and duties vested in or exercisable by the Board) for any period and upon any conditions the Board thinks fit;
- (b) authorise any agent or attorney to delegate all or any of the powers, discretions and duties vested in the officer, agent or attorney;
- (c) subject to any agreement entered into with the relevant agent or attorney, remove or dismiss the agent or attorney at any time with or without cause; and
- (d) a power of attorney may contain such provisions for the protection and convenience of the attorney or persons dealing with the attorney as the Board thinks fit.

5.4 Negotiable instruments

The Board may determine how cheques, promissory notes, bankers drafts, bills of exchange or other negotiable instruments must be signed, drawn, endorsed or otherwise executed by or on behalf of the Institute.

5.5 Use of the seal

- (a) Subject to clause 5.5(b), the seal may only be used with the authority of the Board or of a committee of the Board authorised by the Board to authorise the use of the seal.
- (b) The authority to use the seal may be given before or after the seal is used.
- (c) Until the Board otherwise determines, every document to which the seal is affixed must be signed by a director and countersigned by another director, the Chief Executive Officer, the Secretary or by some other person appointed by the Board for the purpose.
- (d) The Institute must keep a seal register and, upon the affixing of the seal to any document must enter in the register particulars of the document giving in each case the date of the document, the names of the parties to the document, a short description of the document and the names of the persons signing and countersigning the document under clause 5.5(c).
- (e) The register must be produced at meetings of the Board for confirmation of the use of the seal since confirmation was last given under this clause 5.5.
- (f) Failure to comply with clause 5.5(d) or (e) does not invalidate any document to which the seal is properly affixed.

6 Proceedings of the Board

6.1 Chairperson and Deputy Chairperson

- (a) The Board must elect a Chairperson and may elect a Deputy Chairperson.
- (b) The Chief Executive Officer may not be appointed as either the Chairperson or the Deputy Chairperson.
- (c) Each of the Chairperson and the Deputy Chairperson holds office until:
 - (1) he or she:
 - (A) resigns from his or her office; or
 - (B) is removed by resolution of the Board; or
 - (2) the first Board meeting after each annual general meeting, and when the office becomes vacant, the Board must elect a new Chairperson and may elect a new Deputy Chairperson. A person is not disqualified from election as Chairperson or Deputy Chairperson by reason of having previously held that office.
- (d) The Chairperson and the Deputy Chairperson must each be a Non Executive Director.

6.2 Records

- (a) The Institute must keep minute books in which it records within 1 month:
 - (1) proceedings and resolutions of meetings of the members;
 - (2) proceedings and resolutions of Board meetings (including meetings of a Board committee);
 - (3) resolutions passed by members without a meeting; and
 - (4) resolutions passed by directors without a meeting.
- (b) The Institute must ensure that minutes of a meeting are signed within a reasonable time after the meeting by either:
 - (1) the chairperson of the meeting; or
 - (2) the chairperson of the next meeting.
- (c) The Institute must keep the minute books of the Institute at:
 - (1) the Institute's registered office;
 - (2) the Institute's principal place of business in Australia; or
 - (3) another place approved by ASIC.
- (d) The Institute must ensure that the minute books for the meetings of its members are open for inspection by members free of charge.
- (e) The Board may but is not required to authorise a member to inspect books of the Institute.

- (f) The Board may determine whether and to what extent, and at what times and places, and under what conditions or regulations, the financial records of the Institute, or any of them, are to be opened to the inspection of members (not being directors), and no member (not being a director) has any right to inspect any financial record of the Institute, except as conferred by statute or authorised by the Board.

6.3 Quorum

- (a) No business may be transacted at a meeting of the Board unless a quorum is present at the time the meeting proceeds to business. A meeting of the Board at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Board.
- (b) A quorum consists of 3 directors.
- (c) If a vacancy in the office of director occurs, the remaining directors may act, but if the number of directors is not sufficient to constitute a quorum at a meeting of the Board, the remaining directors may act only for the purpose of increasing the number of directors to a number sufficient to constitute a quorum or of convening a general meeting of the Institute.

6.4 Board meetings

- (a) The directors may meet together for the despatch of business and adjourn and otherwise regulate their meetings as they think fit. Reasonable notice of Board meetings must be given to all directors.
- (b) The Chairperson or the Chief Executive Officer may at any time require a meeting of the Board to be convened by the Secretary. Any other director may require a meeting to be convened by the Secretary if the request is in writing and clearly sets out the reasons for convening the meeting.
- (c) The Chairperson, or in his or her absence, the Deputy Chairperson must take the chair at Board meetings and if at any meeting neither the Chairperson nor the Deputy Chairperson is present within ten minutes after the time appointed for holding the meeting, the directors present must choose one of their number to be chairperson of the meeting.
- (d) Resolutions of the Board must be passed by a majority of votes cast by directors entitled to vote on the resolution. Each director present at a Board meeting has 1 vote on each resolution of the Board upon which he or she is entitled to vote. In the case of equality of votes on a resolution, the chairperson of the meeting has a second or casting vote which the chairperson must exercise by voting for or against the resolution.
- (e) No resolution passed at a Board meeting may be rescinded at any subsequent meeting unless notice of the intention to propose the rescission is given in the notice convening the meeting.
- (f) The contemporaneous linking together by telephone or other method of audio or audio visual communication of a number of the directors sufficient to constitute a quorum constitutes a Board meeting and:

- (1) all the provisions in this constitution related to Board meetings, so far as they can and with such changes as are necessary, apply to meetings of the Board by telephone, audio or audio visual communication;
 - (2) a director participating in a meeting by telephone or audio or audio visual communication is to be taken to be present in person at the meeting; and
 - (3) a meeting by telephone or audio or audio visual communication is to be taken to be held at the place determined by the chairperson of the meeting provided that at least one of the directors involved was at that place for the duration of the meeting.
- (g) If a document containing a statement to the effect that an act, matter or thing has been done or a resolution has been assented to by all of the directors, that act, matter or thing or resolution is to be taken to have been done at or passed by a meeting of the Board. The document will be taken to be a minute of the meeting. For the purposes of this clause:
- (1) the meeting is to be taken to have been held:
 - (A) if the directors assented to the document on the same day, on the day on which the document was assented to and at the time at which the document was last assented to by a director; or
 - (B) if the directors assented to the document on different days, on the day on which, and at the time at which, the document was last assented to by a director;
 - (2) 2 or more separate documents in identical terms each of which is assented to by one or more directors are to be taken as constituting one document; and
 - (3) a director may signify assent to a document by signing the document or by notifying the Institute of the director's assent in person or by post, facsimile transmission, telephone, email, electronically or other method of written, audio or audio visual communication,

and where a director signifies assent to a document otherwise than by signing the document, the director must by way of confirmation sign the document at the next meeting of the Board attended by that director, but failure to do so does not invalidate the act, matter, thing or resolution to which the document relates.

7 Chief Executive Officer

7.1 Appointment of Chief Executive Officer

A Chief Executive Officer may be appointed by the Board, and the Board may terminate that appointment. The terms of employment of the Chief Executive Officer, including duration, remuneration and benefits must be determined by the Board and may be revoked or varied at any time. The Chief Executive Officer

must be an employee of the Institute and may not, without the consent of the Board, engage in any activity reasonably likely to detract from his or her full attention to the affairs of the Institute.

7.2 Appointment of Chief Executive Officer as a director

The Board may appoint the Chief Executive Officer as a director and while he or she holds office as such, the Chief Executive Officer is not subject to retirement by rotation or to be taken into account in determining the directors subject to retirement by rotation, but his or her appointment as a director automatically terminates if he or she ceases from any cause to be Chief Executive Officer.

7.3 Powers and duties of Chief Executive Officer

- (a) If the Chief Executive Officer is not appointed as a director, he or she has a right to receive notice of all Board meetings and to attend and speak at those meetings, but not to vote.
- (b) The Chief Executive Officer is the chief executive of the Institute and he or she:
 - (1) must arrange for the safe custody and control of all the books, papers, and documents of the Institute;
 - (2) has control of the affairs of the Institute while the Board is not in session; and
 - (3) may, using due care and diligence, delegate any of his or her powers, but the Chief Executive Officer must appropriately supervise his or her delegate.

8 Secretary

8.1 Appointment and removal

The Board must appoint at least one Secretary. The Board may appoint additional Secretaries as it deems fit. At least one of the Secretaries must ordinarily reside in Australia. The Board may remove any Secretary.

8.2 Convening of meetings

The Secretary must, on the request of the Chairperson, the Chief Executive Officer or any other director pursuant to clause 6.4(b), convene a meeting of the Board.

8.3 Defect in appointment

Notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person as a Secretary, an act done by the person as Secretary is valid as if the person had been duly appointed and was qualified to be a Secretary.

8.4 Terms and conditions of office of Secretary

- (a) A Secretary holds office on the terms and conditions (including as to remuneration) that the Board determines.
- (b) The director may vary, terminate or suspend any appointment of a person as a Secretary.

9 Membership

9.1 Categories of membership

- (a) The categories of membership are:
 - (1) Honorary Fellow;
 - (2) Fellow;
 - (3) Associate Fellow;
 - (4) Member;
 - (5) Affiliate; and
 - (6) such other categories as may be determined by the Board.
- (b) Any person or Organisation which is admitted or elevated to membership will continue as a member in the category to which they were admitted or elevated so long as the name of the person or Organisation is in the register of members as such.
- (c) An Organisation may either be a Member or an Affiliate, and a Personal Member may be an Honorary Fellow, a Fellow, an Associate Fellow, a Member or an Affiliate, or any other category of membership that the Board has determined.

9.2 Admission of members

- (a) The Board may admit, upon any terms and subject to any restrictions as it may from time to time deem advisable, any person or Organisation to any of the various categories of membership of the Institute upon being satisfied that the person or Organisation satisfies the requirements for admission to that category.
- (b) A candidate for membership of the Institute (whether a natural person or an Organisation) must submit an application on the form prescribed by the Board from time to time and must provide all the information requested in the form. No applicant may be admitted to membership in any category until they are first approved by the Board.
- (c) An application for re-admission of a former member will be regarded as a first application for membership and will be subject to the qualifications for membership applicable at the time of application for re-admission.
- (d) The name of a candidate whose application for membership is rejected must not be re-submitted for admission within twelve months after the rejection.

- (e) Only Voting Members are entitled to receive notice of and to attend and vote at general meetings. All other members are subject to all obligations of membership and are entitled to such privileges of membership as the Board determines are appropriate to any particular category but are not entitled to receive notice of, or to attend or vote at, general meetings.

9.3 Retired List

The Board may transfer to the Retired List any person who has retired from full-time business life and such members, except to the extent specified in this constitution, continue to be subject to and entitled to the same obligations and privileges as any other member of the same category except that he or she is not eligible for appointment as a director and cannot be a Voting Member.

9.4 Designation Of members

- (a) Members having occasion to designate themselves as belonging to the Institute may state the category to which they belong according to the abbreviated forms or any other forms which may be determined by the Board as follows:
 - (1) Honorary Fellow - Hon FAIM;
 - (2) Fellow – FAIM;
 - (3) Associate Fellow – AFAIM;
 - (4) Member – AIMM;
 - (5) Affiliate – AIMAff; and
 - (6) any other category of membership determined by the Board – such abbreviated form determined by the Board.
- (b) Members whose names have been transferred to the Retired List may state the category to which they belonged at the date on which their names were transferred to the Retired List in the same manner, without having to indicate that their names have been transferred to the Retired List.

9.5 Emeritus Member

- (a) The title "Emeritus Member" may be conferred at the discretion of the Board upon any person or member who has assisted the Institute to expand and develop its activities and who the Board considers deserves special recognition.
- (b) The Board and the Chief Executive Officer may seek the counsel and advice of an Emeritus Member concerning any matter affecting the Institute or the objects of the Institute.

9.6 Entrance fees And subscriptions

- (a) The entrance fee and annual subscriptions for members will be such amounts as may from time to time be fixed by the Board as the sums payable by different categories of members. The Board may fix different

rates for Personal Members and Organisations in the same category of membership.

- (b) Where a subscription remains unpaid for two months after the due date, or a longer period determined by the Board from time to time, the Chief Executive Officer must notify the member by letter that unless payment is received within one month from the date of posting of the letter the member will cease to be a financial member of the Institute and that unless the member becomes financial within the further time stipulated in the letter the member will cease to be a member of the Institute and the member's name will be removed from the register of members.
- (c) The Board may reinstate a member on satisfactory grounds being shown for the failure of payment.
- (d) A member on paying the member's subscription and entrance fee (if any) is thereby considered to have agreed to be bound by this constitution and on these conditions alone is entitled to enjoy the advantages and privileges of the Institute.

9.7 Resignation

Any member wishing to resign the member's membership must give notice in writing of its desire to the Chief Executive Officer on or before 31 December in any year, failing which the member will be liable to pay the annual subscription for the following year.

9.8 Suspension or expulsion

- (a) If an Expulsion Event occurs in respect of a member the Board may resolve to expel the member or suspend the member for such a period as the Board may determine provided that before passing any resolution under this clause 9.8(a) the Board:
 - (1) must give the member notice of the directors' intention to pass the resolution and allow the member 10 Business Days to provide an explanation of why the Board should not pass the resolution; and
 - (2) may adopt other procedures to aid in the resolution of the matter.
- (b) If an Automatic Expulsion Event occurs in respect of a member, the member is immediately expelled as a member of the Institute.
- (c) The Board may reinstate a person as a member who has been expelled or suspended on any terms and at any time as the Board resolves provided that a person who is serving a term of imprisonment or is disqualified from managing a corporation due to any event which would have been an Automatic Expulsion Event is not eligible to be a member.
- (d) If a resolution is passed under clause 9.8(a) the Institute must give the member notice of the resolution.
- (e) The Board is not required to provide reasons for any resolutions or decisions made under this clause 9.8.

9.9 Death

A person ceases to be a member on his or her death or upon the winding up of a member which is an Organisation.

9.10 Rights of membership

The rights and privileges of a member are personal, non transferable and cease on the cessation of a member's membership.

10 Advisory Councils and Committees

10.1 Establishment of Regions and Advisory Councils

The Board may at any time and from time to time designate a specified geographical area as a Region for the purposes of this constitution and may determine that there is an Advisory Council for that Region. There must not be more than four Regions at any time.

10.2 Appointment of Councillors

The first Councillors of a Region will be appointed by the Board and thereafter will comprise those persons determined in accordance with the regulations established by the Advisory Council pursuant to clause 10.3(d).

10.3 Functions of the Advisory Councils

Each Advisory Council has the following functions, and such other functions as may from time to time be conferred upon it by the Board:

- (a) to advise the Board on issues relevant to the Region and to make recommendations on membership and business development relevant to the Region;
- (b) to advise and support the Board, management and staff of the Institute located in the Region in designing and conducting activities within the Region;
- (c) to represent the Institute on local bodies and at inquiries relevant to that Region on such basis as is agreed from time to time with the Board or with the Chief Executive Officer;
- (d) to determine regulations to enable the Advisory Council to implement the functions set out in clauses 10.3(a), (b) and (c) and such other functions as may from time to time be conferred upon the Advisory Council by the Board; and
- (e) to consult with the Chief Executive Officer on the ongoing job performance of senior local staff.

10.4 Regional Directors

- (a) Subject to clause 4.2(b), in each year, each Advisory Council may nominate one Qualified Person to be a Regional Director by giving written notice to the Secretary.

- (b) The Board may appoint a Qualified Person nominated pursuant to clause 10.4(a) or clause 10.(d) as a Regional Director and must consult with the Advisory Council if it proposes not to appoint such a nominee as a director.
- (c) Each Regional Director will hold office from the date he or she is appointed by the Board until the earliest of:
 - (1) the conclusion of the first meeting of the Board which follows the next annual general meeting of the Institute. A Qualified Person who retires under this paragraph is eligible to be reappointed as a Regional Director if so nominated by the Advisory Council in accordance with clause 10.4(a);
 - (2) he or she retires by notice in writing; or
 - (3) he or she ceases to be a director pursuant to clause 4.6.
- (d) If a Regional Director retires or ceases to be a director before the time specified in clause 10.4(c)(1), the Advisory Council may nominate a Qualified Person to replace the Regional Director for the balance of his or her term as a director.

10.5 Locally Built Assets

The Board must consult with the Advisory Council of a Region on the disposal of a Locally Built Asset situated in that Region.

10.6 Advisory committees

- (a) The Board may constitute an advisory committee or committees consisting of such number of persons having specialised knowledge or who may provide advice or assistance to the Board as the Board thinks fit.
- (b) An advisory committee must conduct its activities in accordance with the terms of reference prescribed by the Board, and the advisory committee cannot exercise powers of the Board.
- (c) The provisions of this constitution applying to meetings and resolutions of the Board apply, so far as they can and with such changes as are necessary, to meetings and resolutions of the advisory committee.

11 Notices

11.1 Notices to members

- (a) Subject to the Act and this constitution, the Institute may give notice to a member:
 - (1) by serving it on the member personally;
 - (2) by post or delivery to the postal address of the member as recorded in the register of members;

- (3) by sending it by fax or other electronic means to the fax number or electronic address of the member recorded in the register of members;
 - (4) by any other means consented to by the member; or if the member does not have a registered address and has not supplied another address to the Institute for the giving of notices, by exhibiting it at the registered office of the Institute.
- (b) Each member must notify the Institute in writing of an address for the purpose of receiving notices, and to the extent applicable, the member should supply an address in each of the following categories:
 - (1) postal address;
 - (2) any electronic address; and
 - (3) such other form of address as the Board may from time to time specify.
- (c) These addresses and details must be recorded in the register of members.
- (d) If a member notifies the Institute of more than one of a postal address, electronic address or such other means of written communication the Board in its discretion nominates, the Institute may in its discretion choose which to record in the register of members notwithstanding any advice to the contrary by the member.
- (e) If a member notifies the Institute of more than one of a postal address, electronic address or such other means of written communication the Board in its discretion nominates, the Institute may in its discretion choose which address to use to give any notice to that member notwithstanding any advice to the contrary by the member.
- (f) A signature on any notice given by the Institute to a member may be in writing or a facsimile printed or affixed by some mechanical or other means.
- (g) A certificate signed by a director or Secretary to the effect that a notice has been given in accordance with this constitution is conclusive evidence of that fact.

11.2 Notice to directors

Subject to the Act and this constitution, the Institute may give notice to a director:

- (a) by serving it on the director personally;
- (b) by post or delivery to the postal address of the director as recorded in the register of members;
- (c) by sending it to the fax number or electronic address of the director as recorded in the register of members;
- (d) by any other means consented to by the director; or
- (e) if the director does not have a registered address and has not supplied another address to the Institute for the giving of notices, by exhibiting it at the registered office of the Institute.

11.3 Notices to the Institute

Subject to this constitution, a notice may be given by a member or director to the Institute by:

- (a) serving it on the Institute at, or by sending it by post in a prepaid envelope to the registered office of the Institute;
- (b) facsimile transmission to the principal facsimile number at the registered office of the Institute; or
- (c) sending it by electronic means to:
 - (1) the email address provided as the email address of the Institute on the page of the website maintained for or on behalf of the Institute providing the contact details for the Institute; or
 - (2) any other electronic address of the Institute notified to the member from time to time.

11.4 Sending notices by post

- (a) A notice sent by post to an address outside the Commonwealth must be sent by airmail.
- (b) Where a notice is sent by post, if a prepaid envelope containing the notice is properly addressed and placed in the post, service of the notice is to be taken to be effected:
 - (1) in the case of a notice of a general meeting, on the day after the date of its posting; or
 - (2) in any other case, on the day two days after the date of its posting..

11.5 Notices sent by facsimile

Where a notice is sent by facsimile transmission, service of the notice is to be taken to be effected if the correct facsimile number appears on the facsimile transmission report generated by the sender's facsimile machine and to have been effected at the time the facsimile transmission is sent.

11.6 Notices sent electronically

A notice sent by email or other electronic means (not being by facsimile) to an electronic address is taken to be given when the notice is sent, unless the sender has been notified, by a system or person involved in the delivery of the notice to the addressee, that the notice has not been successfully delivered.

11.7 Notices at the Institute's registered office

Where the Institute gives a notice by exhibiting it at the registered office of the Institute, service of the notice is to be taken to be effected when the notice was first so exhibited.

11.8 General application

- (a) Clauses 11.1 to 11.8 apply so far as it can and with such changes as are necessary, to the service of any communication or document.

- (b) A reference in this constitution to a notice in writing includes a notice given by facsimile transmission, electronic means or any other form of written communication.

12 General Meetings

12.1 Meetings of members

A general meeting to be called the "annual general meeting" must be held in accordance with the provisions of the Act. All general meetings other than the annual general meetings are called general meetings.

12.2 Calling of meetings of members by the Board

The Board may, whenever it thinks fit, convene a general meeting, and general meetings must also be convened on requisition, or in default may be convened by such requisitionists, as provided by the Act.

13 Calling meetings of members

13.1 Notice of meetings of members to members and directors

Written notice of a meeting of the members must be given individually to each member entitled to vote at the meeting and to each director and the Auditor.

13.2 Notice of adjourned meetings

When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for 1 month or more.

13.3 Cancelled general meetings

When a notice of a meeting has been given, the Board may, by notice given to all persons entitled to be given notice of the meeting, postpone or cancel the meeting. Notice under this clause 13.3 can be given in the same manner as set out in clause 11.1.

13.4 Accidental omission or non-receipt of notice

The accidental omission to give notice of a meeting to any person or the non-receipt by any person of notice of the meeting does not invalidate any proceeding at that meeting unless the court, on the application of the person concerned, a person entitled to attend the meeting or ASIC, declares proceedings at the meeting to be void.

14 Proceedings at general meetings

14.1 General

- (a) A meeting of members must be held for a proper purpose.
- (b) A meeting of members must be held at a reasonable time and place.
- (c) The Institute may hold a meeting of its members at 2 or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.
- (d) All business is deemed to be special that is transacted at a general meeting, and also all that is transacted at an annual general meeting, with the exception of the consideration of the accounts, balance sheets and the reports prescribed by the Act and the announcement of the election of directors under clauses 4.4 or 4.5.
- (e) No business may be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and, except as provided in clause 14.1(f), 10 Voting Members personally present is a quorum.
- (f) If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, must be dissolved. In any other case it must stand adjourned to the same day in the next week, at the same time and place and if at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, the members present constitute a quorum.
- (g) The Chairperson, or in his or her absence the Deputy Chairperson, must preside as chairperson at every general meeting of the Institute.
- (h) If there is no Chairperson or Deputy Chairperson present or willing to act fifteen minutes after the time appointed for holding the meeting then any one of the directors who is present and willing to act as chairperson will be chairperson of the meeting. If no director is present or willing to act as chairperson, the members present must choose someone of their number to be chairperson of the meeting.
- (i) Any question arising at a general meeting relating to the order of business, procedure or conduct of the meeting must be referred to the chairperson of the meeting, whose decision is final.
- (j) The chairperson may, with the consent of any meeting at which a quorum is present (and must if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (k) At any general meeting a resolution put to the vote of the meeting must be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairperson of the meeting or by at least two members present in person or by proxy entitled to vote.
- (l) Except where a poll is demanded in accordance with clause 14.1(k), a declaration by the chairperson of the meeting that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book of the proceedings of the Institute is conclusive evidence of the fact, without proof of the

number or proportion of the votes recorded in favour of or against that resolution.

- (m) A demand for a poll may be withdrawn.
- (n) If a poll is duly demanded (and not withdrawn) it must be taken in such manner as the chairperson of the meeting directs, and unless the meeting is adjourned the result of the poll is deemed to be the resolution of the meeting at which the poll was demanded.
- (o) A poll demanded on the election of a chairperson of the meeting, or on a question of adjournment, must be taken immediately. A poll demanded on any other question must be taken at such time as the chairperson of the meeting directs.
- (p) A demand for a poll does not prevent the continuance of a general meeting or the transaction of any business other than the question on which the poll has been demanded.
- (q) In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place or at which the poll is demanded, has a casting vote in addition to his or her deliberative vote.

14.2 Votes of members

- (a) Subject to clause 14.2(f), every Voting Member has one vote.
- (b) Each Organisation which is a Member is entitled to appoint a Representative and:
 - (1) the name of the Representative must be registered with the Institute;
 - (2) the Organisation may at any time and from time to time revoke the appointment of an existing Representative by advising the Institute of the identity of a replacement Representative; and
 - (3) the Representative is entitled to exercise all of the rights to vote of the Organisation whom he or she represents for and on behalf of that Organisation and to speak at the meeting.
- (c) Subject to this constitution, each Voting Member may vote:
 - (1) in person;
 - (2) by proxy;
 - (3) by attorney; and
 - (4) in the case of an Organisation, by Representative.
- (d) A proxy or attorney must be a Voting Member. A Representative may, but need not be, a Voting Member.
- (e) In the form of proxy, the Voting Member must direct the manner in which a vote must be exercised for each resolution on which the proxy is to vote.
- (f) No Voting Member is entitled to vote at any general meeting unless all moneys presently payable by the member to the Institute have been paid.

- (g) On a poll, a proxy or attorney or Representative is entitled to a separate vote for each Voting Member the person represents in addition to any vote that the person may have as a Voting Member in his or her own right.
- (h) The instrument appointing a proxy must be in writing and under the hand of:
 - (1) the appointor;
 - (2) the attorney of the appointor; or
 - (3) in the case of an Organisation which is a member, its Representative.
- (i) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the registered office of the Institute not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy must not be treated as valid.
- (j) An instrument appointing a proxy may be in any form which the Board approves:
- (k) An instrument appointing an attorney need not be in any particular form but it must be in writing, legally valid and
 - (1) in the case of a natural person, signed by the appointor;
 - (2) in the case of an Organisation which is a member, executed under the seal of the appointor; and
 - (3) in either case, signed by the appointor's attorney.
- (l) The instrument appointing a proxy is deemed to confer authority to demand or join in demanding a poll.
- (m) An objection to the qualification of a person to vote at a general meeting:
 - (1) must be raised before or at the meeting at which the vote objected to is given or tendered; and
 - (2) must be referred to the chairperson of the meeting, whose decision is final.
- (n) A vote not disallowed by the chairperson of a meeting under clause 14.2(m) is valid for all purposes.
- (o) A vote given in accordance with the terms of an instrument appointing a proxy or attorney is valid despite the revocation of the instrument or of the authority under which the instrument was executed if no notice in writing of the revocation has been received by the Institute by the time and at one of the places at which the instrument appointing the proxy or attorney is required to be deposited, tabled or produced under clause 14.2(i).
- (p) The appointment of a proxy or attorney is not revoked by the appointor or the appointor's Representative attending and taking part in the general meeting but, if the appointor or its Representative votes on any resolution,

the proxy or attorney is not entitled to vote, and must not vote, as the appointor's proxy or attorney on the resolution.

15 Accounts and audit

15.1 Accounts and accounting records

- (a) The Board must cause proper accounting and other records to be kept and must distribute copies of the accounts and annexures as required by the Act.
- (b) The Board must determine whether and to what extent and at what times and places and under what conditions the accounting and other records of the Institute or any of them will be open to the inspection of members not being directors and no member (not being a director) has any right of inspecting any account or book or paper of the Institute except as conferred by the Act or authorised by the Board.

15.2 Auditor

The Auditor must be appointed by the Board or the Institute in general meeting as required by the Act and the Auditor's duties regulated in accordance with the Act.

16 Indemnity of officers

16.1 Officers to whom clause 16 applies

Clauses 16.2 and 16.3 apply:

- (a) to each person who is or has been a director or the Chief Executive Officer and of its subsidiaries; and
- (b) to such other officers or former officers of the Institute or its subsidiaries as the Board in each case determines,

each referred to as an "officer" in this clause.

16.2 Indemnity

The Institute must indemnify, on a full indemnity basis and to the full extent permitted by law, each person to whom this clause applies for all losses or liabilities arising directly or indirectly from acts or omissions or facts or circumstances relating to the person serving or having served as an officer of the Institute or a subsidiary including, but not limited to, a liability for negligence and for reasonable costs and expenses:

- (a) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted or which are withdrawn before judgment; or

- (b) in connection with an application in relation to such proceedings whether civil or criminal, in which the court grants relief to the person under the Act,

and it is acknowledged that:

- (c) this indemnity is a continuing obligation of the Institute and survives termination of the person's appointment as an officer;
- (d) where clause 16.1(a) applies, this indemnity relates to losses or liability of the person arising from acts or omissions or facts or circumstances in the period from the date of appointment until the termination of the appointment of the person as an officer and irrespective of whether the appointment occurred before or after the date on which this clause is adopted;
- (e) where clause 16.1(b) applies, this indemnity relates to losses or liability of the person arising from acts or omissions or facts or circumstances in the whole or such part of the period during which the person serves or served as an officer as the Board determines and irrespective of whether any part of that period occurred before or after the date on which this clause is adopted; and
- (f) this clause does not affect any indemnity given, and operates in addition to any right accrued, under a previous version of this constitution.

16.3 Insurance

The Institute may pay a premium for a contract insuring a person who is or has been a director, Secretary or officer of the Institute or its related bodies corporate against:

- (a) any liability incurred by that person as such a director, Secretary or officer which is not prohibited by law; and
- (b) any liability for costs and expenses incurred by that person in defending proceedings relating to that person's position with the Institute, whether civil or criminal and whatever the outcome.

16.4 Voting

Notwithstanding any other provision of this constitution to the contrary, a director may be present at a meeting of the Board while a matter relating to an existing or proposed contract of insurance referred to in clause 16.3 is being considered and may vote on a resolution in relation to it even though that director may have an interest in or benefit under the insurance contract.

17 Privileged Communications

17.1 Communications

All communications correspondence reports minutes and other papers and documents relative to the admission or advancement of members including the reports of examining committees or to the expulsion of any member or to the

investigation of any breach of the regulations or of the conduct of a member are privileged and confidential.

17.2 Officers to maintain secrecy

Every director, Auditor, Chief Executive Officer and other person employed by the Institute must observe a strict secrecy respecting the transactions of the Institute and without limiting the generality of the foregoing must not publish or disclose to any person the minutes of proceedings of the Board except in the course of debate at meetings of the Board, at a general meeting or a sub-committee meeting or when and so far as may be necessary to comply with this constitution or as may be required by a Court.

18 Member contribution to assets

- (a) If the Institute is wound up during the time of a member's membership or within 1 year afterwards, each member undertakes to contribute to the assets of the Institute for payment of:
 - (1) debts and liabilities of the Institute contracted before the member's membership ceases;
 - (2) costs, charges and expenses of the winding up of the Institute; and
 - (3) adjustment of the rights of the contributories amongst themselves, such amount as may be required but not exceeding \$2.00.
- (b) If upon the winding up or dissolution of the Institute, there remains after the satisfaction of all its debts and liabilities any property whatsoever, that property must not be paid or distributed among the members.
- (c) All remaining property of the Institute under clause 18(b) must be paid and applied by the Institute to any entity or organisation which has rules prohibiting the distribution of its assets and income to its members.
- (d) The Board must before or at the time of dissolution or winding up of the Institute select the institution or institutions to which property will be transferred under clause 18(c).
- (e) If after the dissolution or winding up of the Institute the members of the Institute have not made a selection under clause 18(d), the selection will be determined by the Chief Judge of the Equity Division of the Supreme Court of New South Wales or such other judge of that court as may handle or acquire jurisdiction in the matter.
- (f) If effect cannot be given to clauses 18(c) to 18(e) the property under clause 18(b) must be given to a charitable purpose.

19 Amending this constitution

- (a) Subject to the Act, the Institute may modify or repeal this constitution or a provision of this constitution by special resolution.
- (b) A special resolution modifying or repealing this constitution takes effect:

- (1) if no later date is specified in the resolution, the date on which the resolution is passed; or
- (2) on a later date specified in or determined in accordance with the resolution.