

PROPOSED CHANGES TO THE NATSIWA RULE BOOK

As per resolution at the Special General Meeting to be held from 9.00am – 10.00am on 24 November 2017 at George William Hotel, 317 – 325 George Street, Brisbane QLD 4000

- 1 Delete 2 – *Definitions* in its entirety
- 2 Delete 3 – *Aims and Objectives* and replace it with 2 *Objectives*
- 3 Delete 4 – *Structure* in its entirety
- 4 Delete 5 Heading – *Membership* and replace it with:

Number 3 *Members*

3.1 Who is eligible?

Individual Membership

An individual may apply for membership if the person is:

- a) An Aboriginal and / or Torres Strait Islander woman; and
- b) 18 years and over.

Organisational membership

An organisation that represents the interests of Aboriginal and Torres Strait Islander women at a national, regional, state or territory level may apply for membership if it meets at least three of the following criteria:

- a) be incorporated as an organisation, company or association at least 51% of the organisation's members are Aboriginal and or Torres Strait Islanders
- b) at least 51% of the organisation's members are female
- c) at least 51% of the organisation's Board/Committee/Council members are Aboriginal and/or Torres Strait Islander
- d) that the principal purpose and activity of the organisation is related specifically to Aboriginal and/or Torres Strait Islanders.

An organisational member can nominate an Aboriginal and Torres Strait Islander woman as their representative. An organisation's representative will be granted one vote on behalf of the organisation. If that woman is also an individual member then she will have two votes, one in her individual capacity, and one on behalf of the organisational member.

- 5 Delete Number 5.1 (c)
- 6 Delete Number 5.3 *State and Territory Affiliate* in its entirety
- 7 Delete Number 6 How to become a member in its entirety and replace it with

3.2 How to become a member

- a) person applies in writing.
- b) Person needs to be eligible under rule 0.
- c) provide copy of confirmation of Aboriginality

The directors accept the application by resolution at a directors' meeting.

The directors must consider all applications for membership within a reasonable period after they are received.

The person's name, address and date they became a member is put on the register of members.

The directors may refuse to accept a membership application. If they do so, they must write to the applicant about the decision and the reasons for it.

A person does not become a member until their name is entered on the corporation's register of members. This must be done within 14 days after the directors accept the membership application. However, the corporation must not enter the person on the register of members until after the relevant general meeting or annual general meeting (AGM) has been held if:

- a person applies for membership after a notice has been given for a general meeting or AGM, and
- the general meeting or AGM has not been held when the directors consider the person's application.

Note: An application for membership form is at **Error! Reference source not found.** of this rule book.

8 Delete 7 *Members Rights* in its entirety and replace with

3.3 Members' rights

A member can:

- attend, speak and vote at general meetings
- be made a director (if the member is eligible to be a director— see rule 5.3 on eligibility of directors)
- put forward resolutions at general meetings, including under rule **Error! Reference source not found.**
- ask the directors to call a general meeting under rule **Error! Reference source not found.**
- look at the members' register free of charge
- look at the minutes of general meetings and AGMs free of charge
- look at the rule book or get a copy (free of charge)
- raise a dispute and have a dispute dealt with using rule **Error! Reference source not found.**
- look at the books of the corporation if the directors have authorised it or the members pass a resolution at a members' meeting which approves it.

9 Delete 8 *Members Responsibilities* in its entirety and replace with

3.4 Members' responsibilities

A member must:

- follow the corporation's rules
- let the corporation know if they change their address
- treat other members with respect.
- Abide by the code of Conduct and Code of Ethics

Members should also attend general meetings (including AGMs) or give their apologies.

10 Insert **3.5 No membership fee**

The members of the corporation are not required to pay fees to join or for ongoing membership of the corporation.

11 Delete 10 *Member Complaint* in its entirety.

12 Delete 11 *How to stop being a member* in its entirety and replace with

3.7 How to stop being a member

A person stops being a member if:

- they resign in writing
- they pass away
- their membership is cancelled in accordance with rule **Error! Reference source not found.** or **Error! Reference source not found.**

13 Delete 12 *Cancelling membership* in its entirety and replace with

3.8 Cancelling Membership

A person's membership can be cancelled by members passing a special resolution at a general meeting if the member:

- can't be contacted for two years
- misbehaves
- is not an Aboriginal or Torres Strait Islander person (if this is a requirement for membership). The directors must give the person notice of the cancellation of their membership at the person's last known address as soon as possible after the special resolution is passed.

When a person's membership is cancelled, the corporation must put their name, address and the date they stopped being a member on the register of former members.

14 Insert **3.9 Directors' limited right to cancel membership**

For grounds not covered by rule **Error! Reference source not found.**, a person's membership can be cancelled by the directors passing a resolution at a directors' meeting if the member is not or stops being eligible for membership as set out in rule 0.

To do this, the directors must:

- write to the member to tell them:
 - the directors are going to cancel their membership
 - the member has 14 days to object to the planned cancellation
 - if the member objects, they must write to the corporation to say so
- allow the member 14 days to object in writing to the intended cancellation.

If the member does not object, the directors must cancel the membership by passing a resolution at a directors' meeting. Then give the former member a copy of the resolution.

If the member objects, the directors cannot cancel the membership. The membership can only be cancelled by members passing a resolution at a general meeting.

IMPORTANT!

Before the directors try to remove a member under this rule, they must take reasonable steps to make sure the member is not or has stopped being eligible according to rule 0.

15 Delete 13 *The register of members and former members* in its entirety and replace with

3.10 The register of members and former members

The register/s must contain:

- the names and addresses of members and former members
- the date when each person's name was added to the register
- if a person is not an Aboriginal or Torres Strait Islander person (if rule 0 allows non-Aboriginal or non-Torres Strait Islander members)
- for former members, the date when they stopped being a member.

The register/s of members and former members must be kept at the corporation's document access address or, if it is a large corporation, its registered office.

The register of members must be made available at the AGM.

16 Delete 14 *Calling a general meetings*, 15 *Annual General Meeting (AGM) timing*, 16 *General Meeting Business*, 17 *Quorum at general meetings* and 18 *Chairing General meetings* in their entirety and replace with

4.1 AGM timing

An AGM must be held before the end of November in each year.

4.2 AGM business

AGM business includes:

- checking the register of members
- confirming the minutes of the previous general meeting
- presenting reports: general, financial, directors'

- asking questions about how the corporation is managed
- electing directors (if required)
- choosing an auditor (if required) and agreeing on the fee.

4.3 Calling general meetings

The directors can call a general meeting or AGM by passing a resolution in a directors' meeting or by circulating resolution.

The required number of members can request the directors to call a general meeting.

Number of members in corporation	Number of members required to request a general meeting
2 to 10 members	= 1 member
11 to 20 members	= 3 members
21 to 50 members	= 5 members
51 members or more	= 10 per cent of members

The members' request must:

- be in writing
- state any resolutions to be proposed at the meeting
- be signed by the members making the request
- nominate a member to be the contact member on behalf of the members making the request
- be given to the corporation.

Within the 21 days of receiving the request the directors must either call the meeting or apply to the Registrar to deny the request.

Directors agree to the request

If the directors agree to the request they must call the general meeting within 21 days of receiving the members' request.

Directors apply to the Registrar to deny the request

If the directors resolve that:

- the request is frivolous or unreasonable or
- complying with the request would be contrary to the interests of the members as a whole

a Director, on behalf of all of the directors, may apply to the Registrar for permission to deny the request to call a general meeting.

The directors' application to the Registrar to deny the members' request must:

- be in writing
- set out the reasons why they wish to deny holding the meeting
- be made within 21 days after the members' request for a meeting was made.

The directors must give notice to the contact member that they have applied to the Registrar to deny the request.

4.4 General meeting business

General meetings business includes:

- confirming the minutes of the previous general meeting
- considering the business or resolutions in the notice of meeting.
- To receive notice of the election/appointment of Directors

4.5 Notice for general meetings and AGMs

At least 21 days' notice must be given.

Notice must be given to:

- each member individually
- the directors
- the contact person or secretary
- the auditor (if the corporation has one).

The notice must set out:

- the place, date and time for the meeting
- the business of the meeting
- if a special resolution is being proposed, the exact wording of it
- any technology to be used in the meeting (if required)
- if a member can appoint a proxy.

Notices must be given to each member individually. This can be done by sending by post to their address, by fax, by email or via social media. In addition to individual notice

a corporation can also give notice in a manner which follows Aboriginal or Torres Strait Islander custom.

A notice of meeting:

- sent by post is taken to be given three days after it is posted
- sent by fax, or other electronic means, is taken to be given on the business day after it is sent.

17 Delete 19 *Members Resolutions* in its entirety and replace with

4.4 General meeting business

The required number of members can propose a resolution by giving notice of it to the corporation.

Number of members in corporation	Number of members required to propose a resolution
2 to 10 members	= 1 member
11 to 20 members	= 3 members
21 to 50 members	= 5 members
51 members or more	= 10 per cent of members

The notice must set out the resolution in writing and must be signed by the members proposing it.

The corporation must give notice of the resolution to all members in the same way as rule **Error! Reference source not found.**

The corporation must consider the resolution at the next general meeting which is being held more than 28 days after the notice from the members has been given to the corporation.

18 Delete 20 *Special Resolutions* in its entirety

19 Insert

4.7 Quorum at general meetings and AGMs

Number of members in corporation	Number of members to make a quorum
2 to 30 members	= 2 members
31 to 90 members	= 5 members
91 members or more	= 10 members

The quorum must be present during the whole meeting. If there is no quorum after one hour, the meeting is adjourned until the next week at the same time and at the same place. If there is still no quorum, the meeting is cancelled.

How to count the quorum

To work out if there is a quorum:

- count each member present at the meeting (if a member also holds a proxy, that member is only counted once)
- if rule **Error! Reference source not found.** allows a non-member to hold a proxy for a member, count each non-member present at the meeting holding a proxy (if the non-member proxy holder holds more than one proxy, the non-member is only counted once)
- if rule **Error! Reference source not found.** allows proxies and a member has appointed more than one proxy and each of those proxy holders are at the meeting, count only one of them
- if rule **Error! Reference source not found.** allows proxies and a member has appointed one or more proxies and the member is also present at the meeting, do not count the member's proxy holders.

4.8 Chairing general meetings and AGMs

The directors can elect someone to chair the meeting. If they don't, the members must elect someone.

- 20 Delete 25 *Using Technology* in its entirety and replace with

4.9 Using technology at general meetings and AGMs

General meetings and AGMs can be held at more than one place using any technology that gives members a way of taking part but the type of technology to be used must be set out in the notice of meeting

- 21 Delete 26 *STATE/TERRITORY/TORRES STRAIT ISLANDER MEMBERS MEETINGS* in its entirety.
- 22 Delete 21 *Voting* in its entirety.
- 23 Delete 22 *Offensive material* in its entirety.
- 24 Delete 23 *Voting procedures for Annual General Meetings* and replace with

4.10 Voting at general meetings and AGMs

Each member has one vote.

The chairperson has one vote (if she is a member) plus a casting vote.

A challenge to a right to vote at a meeting may only be made at the meeting, and must be determined by the chairperson, whose decision is final.

A resolution is decided by majority on a show of hands, unless a poll is demanded under rule **Error! Reference source not found.**. The chairperson tells the meeting whether they have received any proxy votes and how they are to be cast.

The chairperson declares the results of the vote, on a show of hands, or when a poll is demanded.

- 25 Replace 24 *Demanding a poll* with

4.11 Demanding a formal count (ie a poll)

26 Insert

4.12 Proxies at general meetings and AGMs

Members can appoint another member as their proxy to attend meetings and vote for them.

A person appointed by a member as their attorney under a power of attorney may not give a proxy to another member or person to attend meetings and vote for them.

A proxy appointment must contain the member's name and address, the corporation's name, the proxy's name, the meeting where the proxy is going, and it must be signed by the member.

Note: An appointment of proxy form is at **Error! Reference source not found.** of this rule book.

The corporation must receive the proxy's appointment at least 48 hours before the meeting.

Proxies may speak at meetings and join in demanding a poll.

27 Delete 26 *STATE/TERRITORY/TORRES STRAIT ISLANDER MEMBERS MEETINGS* in its entirety.

28 Insert

4.13 Other people at general meetings and AGMs

A person appointed by a member as their attorney under a power of attorney may not in their capacity as attorney attend general meetings and AGMs or vote for the member, whether personally or through a proxy.

The chairperson may allow any person (excluding an attorney) other than a corporation director, member, proxy (if proxies are allowed) or auditor to attend general meetings and AGMs. But the person cannot propose or vote on resolutions.

29 Insert

4.14 Postponing a general meeting or AGM

After notice, has been given for a general meeting or AGM the directors can decide to postpone the meeting (this means, delay or reschedule the meeting for a later date) if

there are exceptional reasons for doing so (such as the death of a community person or a natural disaster).

The directors postpone the meeting by passing a resolution in a directors' meeting. A postponed meeting must be held within 30 days of the date that the meeting was due to occur.

The directors must give reasonable notice of the postponement and give each member individually a notice of the postponed meeting setting the new date, time and place.

30 Insert

5 Directors

5.1 Role of directors

The directors oversee the running of the corporation on behalf of all members, make decisions about the affairs of the corporation, and should always be aware of what the corporation and its employees are doing. The directors manage, or set the direction for managing, the business of the corporation.

The directors may exercise all the powers of the corporation except any that the CATSI Act or this rule book requires the corporation to exercise in a general meeting.

31 Delete *27 Appointment and removal of Directors, Number of Directors* and replace with

5.1 Number of directors

Nine Directors shall be appointed one from each state and Territory.

The corporation may hold State/Territory/Torres Strait member's meetings for the purpose of electing the 9 directors, and engaging in consultation with the members of the corporation within that State/Territory/Torres Strait.

The states include Queensland, New South Wales, Victoria, Tasmania, South Australia and Western Australia. The territories include the Northern Territory and the Australian Capital Territory. The Torres Strait region is defined by the Torres Strait Regional Authority.

A member residing in the Torres Strait is only eligible to stand as director and attend and vote in meetings for the Torres Strait only and not Queensland.

State/Territory/Torres Strait meetings held for the purpose of electing directors must be completed not less than three weeks prior to the corporation's AGM, if the election or appointment of directors is required.

Members shall be given twenty-one (21) days' notice of a State/Territory/Torres Strait meeting.

The directors of the corporation may appoint an individual to Chair a State/Territory/Torres Strait meeting but if a Chairperson has not been elected then the members present at the State/ Territory/ Torres Strait meeting must elect an individual present to Chairperson the meeting.

The Chairperson must adjourn a State/Territory/Torres Strait meeting if the majority of member's present agree or direct that the Chairperson do so.

No member is eligible to vote at a State/Territory/Torres Strait members meeting or to be elected as director unless the corporation register of members lists the member as residing in that State/Territory/Torres Strait.

The quorum for a State/Territory/Torres Strait meeting shall be three (3) members of that State/Territory or Torres Strait.

The quorum must be present at all times during the meeting.

32 Delete 28 *Eligibility of Directors* and replace with

6 Eligibility of directors

A director (other than a director appointed under rule **Error! Reference source not found.**) must be:

- at least 18 years' old
- a member
- an Aboriginal or Torres Strait Islander person.

A person is not eligible to become a director if the person:

- has been convicted of a criminal offence in the last five years and been sentenced to imprisonment for more than 12 months.
- has been disqualified from managing corporations.

33 Delete 29 Composition of the Board of Directors and replace with

6 Majority of director requirements

A majority of directors of the corporation must:

- be individuals who are Aboriginal or Torres Strait Islander people usually reside in Australia
- be members of the corporation
- not be employees of the corporation.

34 Delete 30 *How to become a Director* in its entirety and replace with

6.2 How to become a director

A Director must be nominated by the Members from each State and Territory.

The corporation can appoint a director by the members passing a resolution at a general meeting or AGM.

If there is a casual vacancy in a directorship the other directors can pass a resolution in a directors' meeting to fill the vacancy (see rule **Error! Reference source not found.**).

Before being appointed as a director, the person must give the corporation their consent in writing to act as a director.

The corporation must notify the Registrar of the director's appointment and personal details within 28 days after they are appointed.

35 Delete 31 *Director's terms of appointment* in its entirety and replace with

6.2 Director's terms of appointment and rotation

The directors are appointed at the AGM on rotation for a term of two and three year terms, so that half the directors' appointments expire each year. They are eligible to be re-elected.

To implement the rotation system, at the AGM for the year ended 30 June 2017

- Half of the directors of the corporation at the time these rules are approved will only hold office until the next AGM and must retire. They are eligible to be re-elected
- The Directors will agree on which Directors retire at the AGM, if they cannot agree, they must decide by lot conducted by the Directors
- Newly elected Directors have a term of two years which ends at the second AGM after they take office. If a director is replaced during their term, the replacement director holds office for the remainder of the replaced director's term.
- The AGM Minutes must record the term of each Directors appointment.

If, despite the operation of section 246-25(4) of the CATSI Act, the terms of all directors expire so that there are no directors appointed at a particular time, the directors holding office immediately before the expiry will continue to hold office until the members appoint new directors or reappoint the existing directors by resolution at a general meeting.

36 Insert **6.4 Independent or specialist non-member directors**

Independent or specialist non-member directors may be selected because they are independent or have skills in financial management, corporate governance, accounting, law or a field relating to the corporation's activities.

The directors may appoint independent or specialist non-member directors by passing a resolution in a directors' meeting.

Before being appointed as an independent or specialist non-member director, the person must give the corporation their written consent to become a director.

Independent or specialist non-member directors are appointed for the term specified by the directors in their appointment. Independent or specialist non-member directors can be appointed for a term of one year, and they can be reappointed.

37 Delete 32 *How to become an office bearer*.

38 Insert **6.5 How to fill casual vacancies**

The directors can appoint a person as a director to fill a casual vacancy.

A casual vacancy is where a person stops being a director before their term of appointment expires (see rule **Error! Reference source not found.**) and so the position of that director is vacant.

The person must meet the director eligibility criteria in rule **Error! Reference source not found.** and any criteria that applies to the particular vacancy.

The term of an appointment made to fill a casual vacancy is for the balance of the term remaining on the vacant position.

However, a person's appointment to fill a casual vacancy must be confirmed by members passing a resolution at the next general meeting otherwise the person stops being a director at the end of the general meeting.

The directors may fill a casual vacancy even if the number of directors is reduced to less than the number required for a quorum

39 Delete 39 *How to stop being a Director* and replace with

6.6 How to stop being a director

A person stops being a director if:

- the director passes away
- the director resigns in writing
- the director's term of appointment expires
- the director is removed as a director by the members or the other directors
- the director is disqualified from managing a corporation
- the director ceases to be a member, but was a member when they became a director.

The corporation must send the Registrar a notice within 28 days after a person stops being a director.

40 Delete 40 *How to remove a Director* and replace with

6.7 How to remove a director

By resolution of the members in a general meeting:

- A notice for a resolution to remove a director must be given to the corporation at least 21 days before the next general meeting or AGM. (Alternatively, the

members can request a meeting (rule **Error! Reference source not found.**) for the purpose of removing a director)

- The corporation must give the director concerned a copy of the notice as soon as possible.
- The director can give the corporation a written statement and speak at the meeting. The written statement must be given to everyone entitled to notice of the meeting (see rule **Error! Reference source not found.**).

By the other directors:

- Directors can only remove a director if the director fails to attend three or more consecutive directors' meetings without a reasonable excuse.
- Directors must give the director a notice in writing and they must give the director 14 days to object in writing.
- If the director objects, they cannot remove the director. The director can only then be removed at a general meeting or AGM by resolution.

41 Delete 41 *Directors and officers duties* and replace with

6.8 Directors and officers duties

The duties are:

- a duty of care and diligence
- a duty of good faith and to act in the best interests of the corporation
- a duty to disclose a conflict of interest
- a duty not to improperly use position or information
- a duty to not trade while insolvent.
- Each Director must hold a general meeting of State and Territory members at least 3 times a year. Members are to be given due notice of intended meeting.

42 Delete 44 *Conflict of Interest* in its entirety and replace with

6.9 Conflict of interest

A director who has, or thinks they may have, a conflict of interest in a corporation matter must tell the other directors. This includes, but is not limited to, a material personal interest.

The director must give details of what the interest is and how it relates to the corporation. These details must be given at a directors' meeting as soon as possible, and must be recorded in the minutes of the meeting.

A director who has a conflict of interest must not:

- be present at a directors' meeting while the matter in question is being considered
- vote on the matter
- unless they have been granted approval by:
 - the other directors (those that do not have a conflict of interest) passing a resolution, or
 - the Registrar in writing.

43 Delete 43 *Payment* in its entirety and replace with

6.10 Payments to directors

The directors are not paid, unless they have a contract to provide goods or services (so long as the director has exercised any duty to disclose a conflict of interest and has followed the due process.

The corporation must pay and / or reimburse the directors' travel and other expenses to attend corporation meetings or to attend to other corporation business.

44 Delete 45 *Related party benefit* in its entirety and replace with

6.11 Related party benefit

If a corporation wants to give a financial benefit to a director or other related party (including a spouse, child or parent of a director) it must comply with Part 6.6 of the CATSI Act and, where required, follow the procedure to get the approval of the members.

45 Delete 42 *Delegation of Powers* in its entirety and replace with

6.12 Delegation of Director's powers

The directors can pass a resolution to delegate any of their powers to:

- another director
- a committee of directors
- an employee of the corporation
- any other person.

The delegate must follow the directions of the directors when using the delegated powers.

The exercise of the power by the delegate is as effective as if the directors had exercised it themselves. This means the directors are still responsible for what the delegate does with the powers.

Delegates must report to directors on the exercise of their delegated power.

46 Delete 33 *Directors meetings*, in its entirety and replace with

6.13 Calling and giving notice of directors meetings

Directors must meet at least every three months.

All directors must be given reasonable notice of a directors' meeting.

The directors will usually decide at a meeting when and where the next meeting will be.

47 Delete 34 *Quorum for Directors meetings*, in its entirety and replace with

6.14 Quorum for directors meetings

A majority of the directors must be present at all times during the meeting.

The directors may appoint a person as a director to make up a quorum for a directors' meeting.

48 Delete 35 *Chairperson Directors meetings*, in its entirety and replace with

6.15 Chairing directors meetings

There must be a chair elected for each directors' meeting.

If someone has not already been elected to chair the meeting, or the person previously elected as chair is not available, the directors must elect a director present to chair the meeting (other than the CEO).

When electing a chair, the directors must decide how long that director will be the chair (i.e. just for that meeting, or at every meeting over a certain period of time).

The directors may also remove a chair (but not their appointment as a director) by a resolution of the directors.

49 Insert

6.16 Using technology

Directors' meetings can be held at more than one place using any technology, as long as all directors agree to it. The type of technology to be used may be set out in the notice for a directors' meeting.

50 Delete 36 *Resolutions at Directors meetings* in its entirety and replace with

6.17 Resolutions by Directors

Directors pass a resolution at a directors' meeting by a majority of the votes.

- Each director (including independent or specialist non-member directors) has one vote.
- The chairperson of the meeting also has a casting vote (if required).

Directors can pass a resolution without a directors' meeting if all directors sign a statement saying that they are in favour of it.

51 Delete 47 *Contact person* in its entirety and replace with

7 Contact person or secretary

Small and medium corporations have a contact person. Large corporations have a secretary.

The directors appoint a contact person/secretary.

The contact person/secretary must be at least 18 years old.

The directors decide the contact person/secretary's pay and terms and conditions of employment, if any.

The contact person/secretary must pass on any correspondence received to at least one of the directors within 14 days.

The contact person/secretary must give the corporation their consent in writing to become a contact person/secretary before being appointed.

The corporation must send the Registrar a contact person's/secretary's details within 28 days after they are appointed.

52 Delete 48 *Complaints*

53 Delete 49 *Records* in its entirety and replace with

8 Records

The corporation must keep the:

- minutes of meetings (in writing or as an audio or video recording)
- rule book (constitution)
- register of members and former members
- names and addresses of directors, officers and the contact person/secretary
- written financial records.

54 Delete *Audits and accounts* in its entirety and replace with

9 Finances

The corporation must keep written financial records that:

- correctly record and explain its transactions, financial position and performance
- would enable true and fair financial reports to be prepared and audited.

When the corporation is a trustee it must also keep written financial records for the trust.

The corporation must follow these procedures:

- The corporation must give receipts for all money it receives.
- All money of the corporation must be deposited into a corporation bank account.

- All accounts must be approved for payment at a directors' meeting or in accordance with valid delegations.
- All cheques, withdrawal forms, electronic funds transfer (EFT) transactions, and other banking documents must be signed by at least two people authorised by the directors.
- All payments made out of the corporation's money must be supported by adequate documents which explain the nature and purpose of the payment.
- The corporation must keep adequate records for all cash withdrawals from the corporation's bank accounts (i.e. records that show the cash was used for a proper purpose and in accordance with the corporation's objectives).

The financial records must be retained for seven years after the transactions covered by the records are completed.

55 Delete 51 *Application of funds* in its entirety and replace with

10 Application of funds

The corporation is a not-for-profit corporation.

The directors can use the money and property of the corporation to carry out its objectives (see rule **Error! Reference source not found.**).

The directors cannot directly or indirectly give any money or property of the corporation to members of the corporation. This rule does not stop the corporation from making:

- a reasonable payment to a member in their capacity as an employee or under a contract for goods or services provided
- payment to a member in carrying out the corporation's objectives.

56 Delete 52 *Powers and duties* in its entirety.

57 Delete 53 *Dispute resolution* in its entirety and replace with

11 Dispute resolution

If a dispute arises, the parties must first try to resolve it themselves.

If the dispute is not resolved within 10 business days, any party may give a dispute notice to the other parties.

The dispute notice must be in writing and must say what the dispute is about. It must be given to the corporation.

The directors must help the parties resolve the dispute within 20 business days after the corporation receives the notice.

If the directors cannot resolve the dispute, it must be put to the members to resolve it at a general meeting.

Seeking assistance from the Registrar

- If a dispute or any part of a dispute relates to the meaning of any provision of the CATSI Act or the corporation's rule book, the directors or any party to the dispute may seek an opinion from the Registrar about the correct meaning of the relevant provision.
- The Registrar's opinion will not be binding on the parties to a dispute.
- The right to request assistance from the Registrar does not create a right to request a formal mediation. However, in an appropriate case the Registrar may provide assistance in having the matter resolved.

For more information on members' rights see rule 0.

58 Delete 54 *Changing the rule book* in its entirety and replace with

12 Changing the rule book

The rule book can be changed by the members passing a special resolution at a general meeting or an AGM. The proposed changes must be set out in the notice of the meeting.

Within 28 days after the resolution is passed, the corporation must send the Registrar copies of the:

- rule book changes
- special resolution
- minutes of the meeting.

The changes do not take effect until the new rule book is registered by the Registrar.

59 Delete 55 *Gift fund* in its entirety.

60 Delete 56 *Winding up* in its entirety and replace with

13 Winding up

Surplus assets of the corporation

Where:

- the corporation is wound up, and
- after all debts and liabilities have been taken care of, and costs of winding up have been paid, surplus assets of the corporation exist

the liquidator can decide or the members may pass a special resolution about how the surplus assets of the corporation are to be distributed.

The surplus assets must not be given to any member or to any person to be held on trust for any member and can only be given to a charitable organisation/s with similar charitable purposes.