

REGISTERED RULES OF



Hamilton North Bowling Club Co-Operative Limited

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Chapter 1 Preliminary

1 Application of these rules

These rules are the rules of the **Hamilton North Bowling Club Co-Operative Limited**.

2 Definitions

In these rules, unless the context otherwise requires:

- (1) **“active member”** means a member who is in active membership within the provisions of Rule 5(2)(a);
- (2) **“alter”** or similar word or expression used in relation to a rule amendment includes add to, substitute and rescind;
- (3) **“annual general meeting”** means the annual general meeting held each year as required by the Law and these rules;
- (4) **“auditor”** means an auditor or auditors for the time being of the co-operative appointed in accordance with Rule 55;
- (5) **“ballot paper”** means a ballot paper in paper or electronic form;
- (6) **“banking account”** includes an account with a credit union or building society registered, or authorised to operate, under the Australian Prudential Regulation Authority Act and the Banking Act into which the co-operative’s monies may be paid;
- (7) **“basic minimum financial statements”** means the financial statement required of a small co-operative under the National Regulations;
- (8) **“board”** means the whole or any number of the directors assembled at a meeting of the directors or transacting business in accordance with Rule 33, being not less than a quorum or majority, as the case may be; of the co-operative;
- (9) **“business day”** means a day that is not a Saturday or Sunday or a public holiday or bank holiday in New South Wales;
- (10) **“chairperson”** includes deputy chairperson;
- (11) **“club member”** means a person who is an Ordinary member, Life member, Honorary member, Temporary member or Provisional member, member of the co-operative;
- (12) **“CNL”** is a reference to the Cooperatives National Law as applying in this jurisdiction;

- (13) **“director”** includes;
- (a) a person who occupies or acts in the position of a director or member of the board of the co-operative, whether or not the person is called a director and whether or not the person is validly appointed or duly authorised to act in the position; and
 - (b) a person in accordance with whose directions or instructions the directors or members of the board of the co-operative are accustomed to act;
- (14) **“financial year”** means the financial years of the co-operative as specified in Rule 53;
- (15) **“guest”** in relation to a Bowling member, Ordinary member, Life member, Honorary member, Multiple member, Junior member, Temporary member, Provisional member or Social member, means a person:
- (a) whose name and address, countersigned by the member are entered in a register kept for the purpose by the co-operative; and
 - (b) who, at all times while on the co-operative premises, remains in the reasonable company of the member; and
 - (c) who does not remain on the co-operative premises any longer than the member;
- (16) **“honorary member”** means a person who, under the rules of the co-operative, is a honorary member of the club;
- (17) **“life member”** means a person who is elected to membership of the co-operative for life;
- (18) **“may”** or a similar word or expression used in relation to a power of the Board indicates that the power may be exercised or not exercised at the Board’s discretion;
- (19) **“month”** means a calendar month;
- (20) **“notice board”** means the board or boards provided on the co-operative premises on which notices for the information of members is posted;
- (21) **“officer”** includes the President, Directors, Chief Executive Officer, Secretary, duly appointed Manager or person who is concerned or takes part in the management of the co-operative;
- (22) **“ordinary member”** means a person who, under the rules of the co-operative, is a ordinary member of the club
- (23) **“postal ballot”** includes a special postal ballot;
- (24) **“prescribed”** means prescribed by the Law or under the Law by regulation;

- (25) **“provision”** in relation to the Law, means words or other matter that form or forms part of the Law, and includes;
- (a) a chapter, part, division, subdivision, section, subsection, paragraph, subparagraph, sub-subparagraph, or schedule of or to the Law; and
 - (b) a section, clause, subclause, item, column, table or form of or in a schedule to the Law; and
 - (c) the long title and any preamble to the Law;
- (26) **“provisional member”** means a person who has applied for admission as a full member of the co-operative, has paid the subscription appropriate for the membership category applied for, and is awaiting a decision on the application;
- (27) **“regulation”** means a regulation made under the Law-and any regulation that applies to a co-operative by way of a transitional regulation made under the law;
- (28) **“regulations”** means regulations made by the board that are currently in force;
- (29) **“rules”** mean the registered rules of the co-operative as amended from time to time and references to particular rules has a corresponding meaning;
- (30) **“shall”** or a similar word or expression used in relation to a power of the board indicates that the power must be exercised, subject to the Law or the rule granting the power;
- (31) **“special resolution”** means a resolution which is passed in accordance with Rule 32;
- (32) **“temporary member”** means a person who, under the rules of the co-operative, is a temporary member of the club;
- (33) **“the club”** means the Hamilton North Bowling Club Co-Operative Limited;
- (34) **“the clubs act”** means the Registered Clubs Act;
- (35) **“the co-operative”** means the Hamilton North Bowling Club Co-Operative Limited;
- (36) **“the law”** means the Co-operatives National Law as applying in this jurisdiction;
- (37) **“the national regulations”** means the Co-operatives National Regulations as applying in this jurisdiction;
- (38) **“the registrar”** means the Registrar of Co-operatives or any person delegated the Registrar’s functions
- (39) **“the secretary”** means any person appointed by the board as secretary of the co-operative in accordance with the rules;
- (40) **“the state”** means the State of New South Wales;

- (41) **“writing”** includes printing, typing, lithography and other modes of representing or reproducing words in a visible form and written has a corresponding meaning;
- (42) **“words”** importing one gender include the other gender;
- (43) **“words”** in the singular include the plural and vice versa;

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

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

The name of the cooperative is Hamilton North Bowling Club Co-Operative Limited.

4 Registered Clubs Requirements

Subject to the provisions of the Clubs Act:

- (1) liquor shall not be sold, supplied or disposed of on the premises of the club to any person, other than a member, except on the invitation and in the company of a member. This paragraph does not apply if the club is the holder of a Certificate of Registration under the Clubs Act in respect of the sale or disposal of liquor to any person at a function in respect of which authority is granted to the club under the Clubs Act;
- (2) liquor shall not be sold, supplied or disposed of on the premises of the club to any person under the age of eighteen (18) years;
- (3) a person under the age of eighteen (18) years shall not use or operate poker machines on the premises of the club;
- (4) all visible promotional and advertising matter relating to the facilities of the club must include a statement that is at least as visible as the promotional or advertising matter and is to the effect that the matter is for the information of members and their guests;
- (5) all audible promotional and advertising matter relating to the facilities of the club must include a statement that is at least as audible as the promotion or advertising matter and is to the effect that the matter is for the information of members and their guests.

Chapter 2 Membership

Division 1 Membership generally

5 Active membership provisions (CNL ss112(2), 114, 148 & 156-166)

(1) Primary activity

For the purposes of Part 2.6 of the Law, the primary activities of the co-operative are the operation, maintenance and carrying on of a club.

(2) Active membership requirements

A member must

(a) Be an ordinary member who pays an annual subscription of not less than two (2) dollars in accordance with Rule 7; or

(b) Be a life member in accordance with Rule 6 (4)(b),

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

Note: Failure to maintain active membership may lead to cancellation of membership (see Rule 17).

6 Qualifications for membership (CNL s112)

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

(2) A person shall not be admitted as a member of the co-operative unless;

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

(b) the person is over the age of eighteen (18) years; and

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

(3) Club membership shall consist of the following categories;

(a) Ordinary members;

(b) Life members;

(c) Honorary members;

(d) Temporary members;

(e) Provisional members;

(4) The rights, duties and entitlements of the various categories of membership are as follows:

(a) **Ordinary members**

(i) Ordinary membership is divided into the following classes:

(I) Club Member

(II) Multiple member

(III) Junior member

(IV) Social member

(ii) A person may be elected as an Ordinary member if the person is of or over the age of eighteen (18) years of age.

(iii) The entitlement to, rights and privileges of each class of ordinary membership are as follows:

(I) Club Member

(A) shall mean a bowling or non bowling member, male or female, of the co-operative, who shall pay the full annual subscription or, in the case of a new member joining after the first day of October and prior to the 30th day of April following, such proportion of the full annual subscription (being not less than \$2.00) as decided by the Board. Each applicant for Bowling membership shall indicate on the application form that they intend to play bowls. Non Bowling members shall not participate in any bowling activities sanctioned by any of the relevant bowling associations.

(B) Bowling members are entitled to all rights and privileges of the co-operative, including social privileges, the right to vote at any general meeting of the co-operative and the right to nominate, vote at the elections of and hold office as directors of the co-operative.

(C) Bowling members are entitled to play bowls on a regular basis.

(II) Multiple member

(A) A person may be elected as a Multi member if:

1. the person is of or over the age of eighteen (18) years of age; and
2. is registered with Bowls NSW or NSW Women's Bowling Association and a District Bowling Association at another bowling club.

(B) Multiple members shall not be eligible to hold office in the co-operative

(C) Multiple members shall otherwise be entitled to all rights and privileges of the co-operative, including social privileges, the right to vote at any general meeting of the co-operative and the right to nominate and vote at the elections of directors of the co-operative.

(III) Junior member

(A) A person may be elected as a Junior member if:

1. the person is under the age of eighteen (18 years) but has attained the "minimum age" as determined from time to time by Bowls NSW or the NSW Women's Bowling Association; and
2. the board has received written consent from the applicant's parent or guardian to that person becoming a Junior member and taking part in the sporting activities of the club.

(B) Junior members shall not be required to, nor permitted to vote at any meeting of the co-operative.

(C) Junior members shall not be eligible to hold office in the co-operative.

(D) Junior members shall otherwise be entitled to all rights and privileges of, and be subject to the duties and obligations of, a member of the co-operative, during good behaviour, and while retaining active membership.

(IV) Social member

- (A) A person may be elected as a Social member if the person is of or over the age of eighteen (18) years of age.
- (B) Social members shall not be eligible to hold office in the co-operative.
- (C) Social members shall otherwise be entitled to all rights and privileges of the co-operative, including social privileges, the right to vote at any general meeting of the co-operative and vote at the elections of directors of the co-operative.

(b) Life members

- (i) A Life member is a person who has had life membership conferred on him/her by the co-operative at a general meeting.
- (ii) A proposal to elect a Life member shall be in writing, signed by an Ordinary member and seconded by at least two (2) other members who are ordinary members and the nomination handed to the board.
- (iii) If the board approves the nomination, it shall be submitted in the form of a resolution at the next annual general meeting.

(iv) The board, of its own motions may submit the name of an Ordinary member for election as a Life member

(v) A nominee for Life membership must be a person who, in the opinion of the board, has given exceptional, unusual or meritorious and outstanding service to the co-operative over and above the course of his/her normal duties as a member and who has been an Ordinary member for a continuous period of not less than ten (10) years.

(vi) A life member shall:

(I) not be liable to pay an annual subscription; and

(II) enjoy all the privileges of an Ordinary Bowling member

(c) Honorary Members

(i) The following may be made an Honorary member of the club:

(I) the patron or patrons of the co-operative for the time being; and

(II) any prominent person visiting the co-operative for a special occasion.

(d) Temporary members

(i) A Temporary member shall be a person of or over the age of eighteen (18) years; and

(I) whose ordinary place of residence is more than five (5) kilometres from the premises of the registered club; or

(II) a person whose ordinary place of residence in New South Wales is less than five (5) kilometres from the premises of the registered club and the person is;

(A) a member of another registered club with similar activities/objects to those of the co-operative; or

(B) a member of another registered club who is attending the premises of the co-operative for the purpose of an organised sport or competition to be conducted by the co-operative on that day.

(ii) Temporary members shall not be required to, nor permitted to vote at any meeting of the co-operative.

- (iii) Temporary members shall not be eligible to hold office in the co-operative.
- (iv) Temporary members shall otherwise be entitled to all rights and privileges of, and be subject to the duties and obligations of, a member of the co-operative, during good behaviour, for the period of their appointment.
- (v) The period of appointment of a Temporary member shall not exceed seven (7) days and may be revoked at any time by the board, or any member of the board, without assigning reasons.

(e) Provisional members

- (i) A person is a Provisional member if:
 - (I) they have applied for admission as a member of the club;
 - (II) paid the annual subscription appropriate for their class of membership; and
 - (III) are awaiting a decision on their application.

7 Regular subscriptions and Entry fees (CNL s124)

- (1) The annual subscription for each class of membership shall be determined from time to time by the board and published at the registered office or on the website of the co-operative. The annual subscription fee shall be set at a maximum fee of \$200.
- (2) A one-off entry fee to access the premises of the co-operative may apply to Honorary and Temporary members. This fee shall be determined from time to time by the board and published at the registered office or on the website of the cooperative.

8 Membership applications

- (1) Applications for membership must be lodged at the registered office in the application form approved by the board and should be accompanied by payment of any applicable entry fee or subscription set under Rule 7.
- (2) Every application must be considered by the board.
- (3) If the board approves of the application, the applicant's name and any other information required under the Law must be entered in the register of members within twenty-eight (28) days of the board's approval.
- (4) The applicant may be notified in writing of the entry in the register and the applicant is then entitled to the privileges attaching to membership.

- (5) The board may, at its discretion, refuse an application for membership.
- (6) The board need not assign reasons for the refusal.
- (7) On refusal, any amounts accompanying the application for membership must be refunded within twenty-eight (28) days without interest.

9 Cessation of membership (CNL s117)

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

- (1) if their membership ceases in any circumstances specified in section 117 of the Law;
- (2) if the member no longer qualifies for membership under Rule 5.

10 Disciplinary action by a Club, District or Zone

(1) For a bowls related incident:

(a) If a Bowling member, through the due process of a disciplinary hearing conducted by a club, district or zone, is found guilty of an incident of misconduct which;

(i) directly relates to the game of bowls; and/or

(ii) occurs during the course of an Associated Event; and/or

(iii) is deemed by the hearing to have brought the game of bowls into disrepute;

that Bowling member shall be ineligible to play or officiate at any level of bowls at any club for a period which shall be equal to the term of suspension imposed by the hearing up to a maximum period of one (1) year from the date of the disciplinary hearing, whichever is greater.

(b) A Bowling member who is under an order of suspension or expulsion, or who has resigned their membership of a club because of an impending disciplinary hearing or citation for a bowls related incident shall not be eligible to apply for or receive a Club Clearance or transfer to another club.

(c) A Disciplinary Notification Form must be completed and signed by the Club, District or Zone imposing the disciplinary penalty and sent to the Association Office (C/o the Chief Executive Officer) within fourteen (14) days from the date of the disciplinary hearing or otherwise from the date of any subsequent appears being resolved.

(d) Any notification received outside of a fourteen (14) day period shall not be accepted.

(e) Details which must be notified to the Association on the Disciplinary Notification Form are:

- (i) Full Name and Registration Number of the disciplined Bowling members;
- (ii) Date and venue of the Disciplinary Hearing and/or Appeal Hearing (if any);
- (iii) Confirmation that the Disciplinary Hearing was conducted in compliance with the Club, District or Zone Constitution and the Disciplinary Policy;
- (iv) Name of Club, District or Zone that conducted the hearing;
- (v) Confirmation that the incident or misconduct was bowls related in accordance with Bowls NSW Regulation 8.1; and
- (vi) Any other documentation deemed relevant.

(2) For a Non-bowls related incident:

- (a) If an individual is suspended or expelled by a Club for an incident, which is deemed by a Disciplinary Hearing, not to be directly related to the game of bowls and/or not to bring the game of bowls into disrepute, it is at the discretion of the Club as to whether the individual is permitted to play or officiate at their Club during the term of suspension.
- (b) If an individual is under a term of suspension at their Declared Club for a Non-bowls related incident, the individual may enter and play in any Association Events which are not played at their Declared Club.
- (c) If a Registered Player is under a term of suspension at their Declared Club for a Non-bowls related incident, it is at the discretion of their Declared Club as to whether the Registered Player is permitted to enter or play in Association Events, regardless of the venue.

(3) Appeals

A Bowling member has a right of appeal in accordance with the Bowls NSW Appeals Policy.

11 Expulsion of members (CNL s117)

(1) A member may be expelled from the co-operative by special resolution to the effect:

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

- (i) prevented or hindered the cooperative in carrying out its primary activity or one or more of its primary activities; or
 - (ii) brought the co-operative into disrepute; or
 - (iii) been contrary to one or more of the co-operative principles as defined in section 10 of the Law and has caused the co-operative harm.
- (2) Written notice of the proposed special resolution must be given to the member at least twenty-eight (28) days before the date of the meeting at which the special resolution is to be moved, and the member must be given a reasonable opportunity of being heard at the meeting.
- (3) At the general meeting when the special resolution for expulsion is proposed the following procedures apply:
- (a) at the meeting, the member must be afforded a full opportunity to be heard and is entitled to call witnesses and cross-examine witnesses called against the member;
 - (b) if the member fails to attend at the time and place mentioned, without reasonable excuse, the member's alleged conduct must be considered and the co-operative may decide on the evidence before it, despite the absence of the member;
 - (c) once the alleged conduct is considered, the co-operative may decide to expel the member concerned;
 - (d) the co-operative must not make a decision on the alleged conduct or on expulsion, except by vote by secret ballot of the members present, in person and entitled to vote;
 - (e) a motion for the decision is not to be passed unless two-thirds of the members present in person vote in favour of the motion.
- (4) An expelled member must not be re-admitted as a member unless the re-admission is approved by special resolution.

12 Resignation of members (CNL s117)

A member may resign from the co-operative by giving seven (7) days notice in writing in the form approved by the board.

13 Monetary consequences of expulsion or resignation (CNL s128)

- (1) If a member is expelled or resigns from the co-operative, all amounts owing by the former member to the co-operative become immediately payable in full.
- (2) Subject to section 128 of the Law, payment to the expelled or resigning member of any amount owing by the co-operative to the former member:

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

14 Suspension of members

- (1) The board of the co-operative may suspend a member for not more than one (1) year, who does any of the following:
 - (a) contravenes any of these rules or regulations;
 - (b) fails to discharge obligations to the co-operative, whether under these rules or a contract;
 - (c) acts detrimentally to the interests of the co-operative; or
 - (d) whose presence on the premises of the co-operative renders the co-operative or the secretary of the co-operative liable to a penalty under the NSW Government Legislation.
- (2) In order to suspend a member, the procedure for expulsion of a member set out in Rule 11 is to be followed as if references to expulsion were references to suspension.
- (3) During the period of suspension, the member:
 - (a) loses any rights arising as a result of membership;
 - (b) is not entitled to a refund, rebate, relief or credit for membership fees paid, or payable to the co-operative; and
 - (c) remains liable for any fine that may be imposed.

Division 2 Members' liability

15 Fines payable by members (CNL ss56 & 126)

- (1) The board may impose on a member a maximum fine of \$1000.00 for a contravention of these rules.

Note: The maximum amount to be inserted must not be more than \$1000 or \$500 for a co-operative with a charitable purpose (see section 56 of the Law and National Regulation 2.1)

- (2) A fine must not be imposed on a member under subrule (1) unless:
 - (a) written notice of intention to impose the fine and the reason for it has

been given to the member; and

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

16 Liability of members to co-operative (CNL ss117(2) & 121)

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

Division 3 Member cancellations

17 Forfeiture and cancellations (CNL ss 156-163)

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

- (1) The whereabouts of the member are not presently known to the co-operative and have not been known to the co-operative for a continuous period of at least one (1) year; or
- (2) the member is not presently active and has not been active within the meaning of Rule 5 in the past two (2) years.

Division 4 Deceased or incapacitated members

18 Value of interest of deceased member (CNL ss156-163)

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

Note: Membership ceases on death (see section 117 of the Law and Rule 5). Sections 102-104 of the Law deal with the transfer of shares and other interests on death. Section 105 of the Law requires the rules to determine the value of the deceased member's interest.

19 Rights and liabilities of members under bankruptcy or mental incapacity

- (1) If a person's membership ceases because of bankruptcy, the value of the person's membership interest calculated in accordance with Rule 18 may be transferred to the Official Trustee in Bankruptcy.
- (2) A person appointed under a law of a State or Territory to administer the estate of a member who, through mental or physical infirmity, is incapable of managing his or her affairs, may be registered as the holder of the member's

interest in the co-operative and the rights and liabilities of membership vest in that person during the period of the appointment.

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

Chapter 3 General meetings, resolutions and voting

20 Annual general meeting (CNL s252)

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

21 Members' power to requisition a general meeting (CNL s 257)

- (1) The board may, whenever it considers appropriate, call a special meeting of the co-operative.
- (2) The board must call a general meeting of the co-operative on the requisition in writing by members who together are able to cast at least 20% of the total number of votes able to be cast at a meeting of the co-operative.
- (3) The provisions of section 257 of the Law apply to a meeting requisitioned by members.

22 Notice of general meetings (CNL ss239, 254 & 611)

- (1) At least fourteen (14) days notice of a general meeting (not including the day on which the notice is served or taken to be served, but including the day for which notice is given) must be given.
- (2) Notice must be given to each member of the co-operative any other persons who are, under these rules or the Law, entitled to receive notices from the co-operative.
- (3) The notice must state the place, day and hour of the meeting and include ordinary business as specified in Rule 23, and for special business, the general nature of any special business.
- (4) The notice must also include any business members have notified their intention to move at the meeting under subrule (6) (but only if the members' notification has been made under these rules and within time).
- (5) The notice must be served in the manner provided in the Law or Rule 52.

Note 1: Section 611 of the Law makes provision for the service of notices on members of the co-operative. Rule 52 makes additional provision for notice by electronic transmission

Note 2: Non-receipt of the notice does not invalidate the proceedings at the general meeting.

- (6) Members who together are able to cast at least 20% of the total number of votes that are able to be cast at a meeting of the co-operative and who have a resolution to submit to a general meeting must give written notice of it to the co-operative at least 45 days before the day of the meeting.

Note: A co-operative can limit an individual member from proposing a resolution to the general meeting by requiring that there be a minimum number members proposing the resolution before the matter can be considered. This does not prevent an individual from requesting that the board propose a particular resolution at the next meeting.

23 Business of general meetings

- (1) The ordinary business of the annual general meeting of a small co-operative must be:
- (a) to confirm minutes of the last preceding general meeting (whether annual or special); and
 - (b) to receive from the board, auditors or officers of the co-operative:
 - (i) the basic minimum financial statements for the co-operative for the financial year;
 - (ii) a report on the state of affairs of the co-operative;
 - (iii) a directors' solvency resolution as to whether or not, in their opinion, there are reasonable grounds to believe that the co-operative will be able to pay its debts as and when they become due and payable; and
 - (c) to approve any payments of fees to directors.

Note 1: A small co-operative must prepare and send to members minimum financial statements that are specified in regulation 3.10 of the National Regulations (these are referred as "basic minimum financial statements"). A co-operative may require more than the basic minimum financial statements to be provided to members and, if so, the additional financial statements should be specified in this rule.

Note 2: If the small co-operative has consolidated gross assets of less than \$250,000 and consolidated revenue of less than \$750,000, the financial statements for the small co-operative need not include a cash flow statement (as provided in regulation 3.10 of the National Regulations).

Note 3: A small co-operative may decide whether its financial

statements are to be either audited or reviewed, or neither.

- (2) The annual general meeting may also transact special business of which notice has been given to members under these rules.
- (3) All business of a general meeting, other than business of the annual general meeting that is ordinary business is special business.

24 Quorum at general meetings

- (1) An item of business cannot be transacted at a general meeting unless a quorum of members is present when the meeting is considering the item.
- (2) Unless these rules state otherwise, twenty-five (25) members present in person, each being entitled to exercise a vote, constitute a quorum.
- (3) If a quorum is not present within half an hour after the appointed time for a meeting, the meeting, if called on the requisition of members, must be dissolved. In any other case it must be adjourned to the same day, time and place in the next week.
- (4) If a quorum is not present within half an hour after the time appointed for an adjourned meeting, the members present constitute a quorum.

25 Chairperson at general meetings

- (1) The President, if any, of the board may preside as chairperson at every general meeting of the co-operative.
- (2) If there is no chairperson, or if at a meeting the chairperson is either not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as chairperson, the members present must choose someone from their number to be chairperson (until the chairperson attends and is willing to act).
- (3) The chairperson may, with the consent of a meeting at which a quorum is present (and must if directed by the meeting) adjourn the meeting from time to time and from place to place. However, the only business that can be transacted at an adjourned meeting is the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned meeting must be given just as for the original meeting. Apart from this it is not necessary to give notice of an adjournment or the business to be transacted at an adjourned meeting.

26 Attendance and voting at general meetings (CNL ss 228 & 256)

- (1) The right to vote attaches to prescribed membership classes.
- (2) A resolution, other than a special resolution, must be decided by simple majority.

Note: The requirements for a special resolution are in section 239 of the Law.

- (3) Subject to subrules (7) and (8), a question for decision at any general meeting must be decided on a show of hands of members present at the meeting.
- (4) A poll may be demanded on any question for decision.
- (5) If before a vote is taken or before or immediately after the declaration of the result on a show of hands:
 - (a) the chairperson directs that the question is to be determined by a poll;
or
 - (b) at least 5 members present in person or represented by proxy demand a poll, the question for decision must be determined by a poll.
- (6) The poll must be taken when and in the manner that the chairperson directs.
- (7) A poll on the election of a chairperson or on the question of adjournment must be taken immediately and without debate.
- (8) Once the votes on a show of hands or on a poll have been counted then, subject to subrule(8), a declaration by the chairperson that a resolution has been carried (unanimously or by a particular majority) or lost is evidence of that fact.
- (9) The result of the vote must be entered in the minute book.

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

On a show of hands at a general meeting, each member:

- (1) present;

28 Voting on a poll

On a poll called at a general meeting, each member:

- (1) present;

may exercise one vote.

***Note 1:** A person can hold an unlimited number of proxies unless the rules restrict the number of proxies any one person can hold. If the vote on a show of hands is likely not to represent the views of the members who have given a proxy, a poll may be demanded.*

Section 256(2) of the Law provides that a question is to be decided by a poll if a poll is required by the chairperson of the meeting or by any 5 members present at the meeting or represented at the meeting by proxy.

***Note 2:** Most decisions are made by ordinary resolution, but in certain cases the Law requires a special resolution.*

29 Determining the outcome where equality of votes (CNL s228)

- (1) This rule applies where the votes in favour and against a resolution are equal.
- (2) The chairperson of the meeting may exercise a second or casting vote.
- (3) If the chairperson decides not to exercise a second or casting vote, the outcome of an equality of votes is to be taken to have been decided in the negative.

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

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

Note: Requisitioning members may be liable for the cost of a postal ballot if the special resolution is not passed.

- (2) If a postal ballot is requisitioned by members under subrule (1), the requisition should specify whether the postal ballot is to be a secret ballot.
- (3) A postal ballot requisitioned under subrule (1) is to be conducted with the National Regulations and in the form and manner determined by the board.
- (4) The board may determine in a particular case whether the special resolution by postal ballot should be a secret ballot and whether votes may be returnable by fax or other electronic means or both.
- (5) If the board decides to conduct a secret postal ballot, it must ensure that the method used to conduct the ballot will ensure that votes can be counted without identifying the way each member has voted.
- (6) The board is to appoint a returning officer to conduct the postal ballot. In default of such an appointment, the secretary is the returning officer.
- (7) Ballot papers (in such form and with such content as the board may approve) must be sent to all voting members giving:
 - (a) particulars of the business in relation to which the postal ballot is being conducted; and
 - (b) an explanation of how to lodge a valid vote and the majority required to pass the vote; and
 - (c) notice of the closing date and closing time of the postal ballot;and must be sent to members so that they arrive (assuming standard postal times) at least 21 days before the closing date of the postal ballot.
- (8) This rule does not apply in relation to special postal ballots.

31 Special postal ballots (CNL ss248 & 249)

- (1) This rule applies where a special postal ballot is required.
- (2) Ballot papers (in such form and with such content as the board may approve) must be sent to all voting members so that they arrive (assuming standard postal times) at least 28 days before the closing date of the special postal ballot.
- (3) The board may determine in a particular case whether the special resolution by postal ballot should be a secret ballot and whether votes may be returnable by fax or other electronic means or both.
- (4) If the board decides to conduct a secret postal ballot, it must ensure that the method used to conduct the ballot will ensure that votes can be counted without identifying the way each member has voted.

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

32 Special resolutions (CNL ss238-241)

- (1) A special resolution is a resolution that is passed:
 - (a) by a two-thirds majority at a general meeting; or
 - (b) by a three-quarters majority in a special postal ballot of members.
- (2) A notice of a special resolution is required to be given to members at least 21 days before the vote or ballot time (or 28 days notice in the case of a special postal ballot).
- (3) The notice of the special resolution must state:
 - (a) the intention to propose the special resolution; and
 - (b) the reasons for proposing the special resolution; and
 - (c) the effect of the special resolution being passed.

Note: Voting majorities for ordinary and special resolutions and special postal ballots are defined in the Law along with how a majority is counted and the requirements for registration of special resolutions.

Chapter 4 Board of Directors

33 Board (CNL s 172)

- (1) From the annual general meeting in 2004 the number of directors shall be reduced to eight (8), consisting of a President, a Vice President, a Treasurer, and five ordinary directors and shall remain in office for a period of two years. A Publicity Officer shall also be elected, however not as a member of the Board.
- (2) The business of the co-operative is to be managed by the board of directors, and for that purpose the Board may exercise all the powers of the co-operative that are not, by the Act or these rules, required to be exercised by the co-operative in general meeting.
- (3) The acts of a director are valid despite any defect that may afterwards be discovered in the appointment or qualification of the director.
- (4) A breach of a regulation shall be deemed to be an infringement of the rules for the purposes of Rules 11 and 14.
- (5) In lieu of a fine, or in addition to such fine, the board may suspend a member from the use or part or all of the facilities of the co-operative for a period not exceeding twelve (12) months.

34 Qualifications of directors (CNL s 174)

A person is not qualified to be a director of the co-operative unless the person is an individual over the age of eighteen (18) years and is an active member of the co-operative.

35 Secretary (CNL ss 190 & 191)

- (1) The co-operative must have a secretary.
- (2) The board is to appoint the secretary.
- (3) The board may appoint a person to act as the secretary during the absence or incapacity of the secretary.
- (4) A person is not qualified to be appointed as, or to act as, the secretary unless the person is an adult who ordinarily resides in Australia.
- (5) It is the responsibility of the secretary to ensure that the co-operative acts in accordance with the Law and the National Regulations.

36 Chief executive officer (CNL ss 172 & 178)

- (1) The board may, if it considers appropriate, appoint a person to be responsible for the day to day management of the co-operative. The person may be a

director or the secretary or a member of the co-operative or some other person.

- (2) The appointed person is the chief executive officer of the co-operative, and may be called the chief executive officer or (if a director of the board) the managing director.
- (3) The conditions and the period of appointment including termination must be decided by the board.
- (4) The chief executive officer is not entitled to be present or to vote at a meeting of directors on a motion concerning the conditions of his or her own appointment, conditions of service or termination of service.
- (5) The chief executive officer cannot be required to be an active member of the co-operative.
- (6) In the event of any conflict between the terms of the appointment of a person as the chief executive officer and that person's obligations or privileges under the Law, the terms of the Law prevail over the terms of appointment.

37 Election of Directors (CNL ss 173 & 179)

The election of directors and the Publicity Officer shall be conducted in the following manner:

- (1) On the closing of nominations, and where there are more candidates than that required to fill the various positions, ballot papers shall be prepared by the Returning Officer in time for the opening of the ballot, which shall be a day fixed by the Board but not later than eight (8) days prior to the annual general meeting.
- (2) On the day of the ballot the returning officer or deputy returning officer shall be in attendance for the purpose of conducting the ballot. The hours of voting on ballot days shall be from 10.00 am to 6.00 pm.
- (3) Any member desirous of voting shall attend at the clubhouse, produce evidence that he or she is financial and, after signing his/her name in the book provided for the purpose (such book to be retained in the care and custody of the Returning Officer), shall be handed a ballot paper initialled by the Returning Office or Deputy Returning Officer.
- (4) The member shall indicate, in the manner directed, the name of the person or persons for whom he/she desires to vote, being no more and no less than the number required to fill the vacancy or vacancies and shall thereupon place such ballot paper in the ballot box.
- (5) In the event of a member being unable, due to illness, absence from the district or other good and sufficient reason acceptable to the Returning Officer, to attend the clubhouse to vote, he/she may apply in writing to the Returning Officer for the issue to him/her of a ballot paper and may return such ballot paper, duly marked and enclosed in a sealed envelope marked "Ballot Paper", by post or otherwise to the Returning Officer before the close of the ballot. Any such ballot paper shall be placed forthwith by the Returning Officer in the ballot box and be recorded in the book mentioned in (iv) above.
- (6) A sealed ballot box shall be provided and shall remain in the care and custody of the Returning Officer, who alone shall have a key to the box, until the completion of the ballot.

- (7) The Returning Officer shall determine the formality or otherwise of the ballot papers.
- (8). A person shall not hold more than one board position in the co-operative at any one time, not including office on any sub-committee.
- (9) The ballot papers shall list the board positions in the following order:
 - (A) President;
 - (B) Vice President (one only);
 - (C) Treasurer;
 - (D) Ordinary board members (Five only);
- (10) In the event of any candidate, having been nominated for more than one board position, being elected to a higher office, his/her nominations for lower office/s shall be cancelled and votes received for him/her shall not be counted.
- (11) The ballot shall close at 6pm on the day preceding the annual general meeting and it shall be declared by the Returning Officer, or, in the Returning Officer's absence, a Deputy Returning Officer, at the annual general meeting.
- (12) Should there be an insufficient number of nominations, the vacancy or vacancies thus created shall be filled by verbal nomination taken at the annual general meeting and voting shall be by ballot of the members present and entitled to vote.

38 Removal from officer of director (CNL s180)

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

39 Vacation of office of director (CNL s179)

A director vacates office in any of the following cases:

- (1) the director dies;
- (2) the director is a disqualified person under section 181 of the Law;
- (3) the directors absents himself or herself from 3 consecutive ordinary meetings of the board without its leave;
- (4) the director resigns the officer of director by written notice given by the director to the co-operative;
- (5) if the person ceases to hold the qualification because of which the person was qualified to be a director;

(6) if an administrator of the co-operative's affairs is appointed under Part 4.1 of the law;

(7) if the director is removed from office under section 180 of the Law.

40 Casual vacancies and alternative directors (CNL ss173 & 177)

(1) The board may appoint a qualified person to fill a casual vacancy in the office of director until the next annual general meeting.

(2) The board may appoint a person to act as a director (an alternate director) in the place of an absent director.

(3) An alternate director holds office until the next annual general meeting or until the next general meeting held to elect directors to fill any vacancies (whichever is earlier).

(4) An alternative director for a director (the principle director) vacates office:

(a) in similar circumstances or cases to those in which the principle director would vacate office; or

(b) if the alternate director is removed from office by the board as alternate director for failure, without its leave, to attend a meeting of the board at which the principle director is absent.

41 Remuneration of directors (CNL ss175 & 176)

(1) Directors' shall receive such remuneration for their services as shall be determined at a general meeting.

(2) All necessary expenses incurred by directors in the business of the co-operative shall be refunded to them.

(3) In any case, any remuneration must comply with the provisions of the Law.

Note 1: Remuneration for directors is strictly controlled under the Law and requires the approval of the co-operative in general meeting. However, it is possible for a co-operative to specify in its rules that a director will receive particular remuneration if this is appropriate. It may still be necessary to obtain ratification or approval at a general meeting even in respect of specified remuneration under the rules.

Note 2: An alternate director is treated as a director under the Law, and remuneration of an alternate director is subject to the same restrictions under the Law.

42 Proceedings of the board (CNL ss175 & 176)

(1) Meetings of the board (including meetings conducted outside board meetings pursuant to section 176 of the Law) are to be held as often as may be necessary for properly conducting the business of the co-operative and must be held at

least every three (3) months.

- (2) A meeting may be held with one or more of the directors participating by using a form of communication that allows reasonably contemporaneous and continuous communication between the directors taking part in the meeting.
- (3) Questions arising at a meeting must be decided by a majority of votes.
- (4) If votes are equal, the President or in their absence, an appointed chairperson, has a second or casting vote. If the President or appointed chairperson declines a second or casting vote, the question is resolved in the negative.
- (5) Other than in special circumstances decided by the President, at least 48 hours notice must be given to the directors of all meetings of the board, without which the meeting cannot be held.

43 Quorum for board meetings (CNL s175)

The quorum for a meeting of the board is 50% of the number of directors (or if that percentage of the number of directors is not a whole number, the whole number next higher than one half).

44 Delegation and board committee (CNL s178)

- (1) The board may by resolution delegate to:
 - (a) a director; or
 - (b) a committee of 2 or more directors; or
 - (c) a committee of members of the co-operative; or
 - (d) a committee of members of the co-operative and other persons if members form the majority of persons on the committee; or
 - (e) a committee of directors and other persons;the exercise of the board's powers (other than this power of delegation) specified in the resolution. The co-operative or the board may by resolution revoke all or part of the delegation.
- (2) A power delegated under this rule may, while the delegation remains unrevoked, be exercised from time to time in accordance with the delegation.
- (3) A delegation under this rule may be given on conditions limiting the exercise of the power delegated, or time or circumstances.
- (4) Despite any delegation under this rule, the board may continue to exercise the power delegated.
- (5) If a power is exercised by a director (alone or with another director) and the exercise of the power is evidenced in writing, signed by the director in the

name of the board or in his or her own name on behalf of the board, the power is taken to have been exercised by the board. This is so whether or not a resolution delegating the exercise of the power to the director was in force when the power was exercised, and whether or not any conditions mentioned in subrule (3) were observed by the director exercising the powers.

- (6) A committee may elect a chairperson of their meetings. If no chairperson is elected, or, if at a meeting the chairperson is not present within 15 minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairperson of the meeting.
- (7) A committee may meet and adjourn as it thinks appropriate. Questions arising at a meeting must be decided by a majority of votes of the members present. If the votes are equal, the chairperson has a second or casting vote, and if the chairperson does not exercise this right, the question is resolved in the negative.

45 Other committees

- (1) The board may by resolution appoint committees of members or other person or both, to act in an advisory role to the board and to committees of directors.
- (2) Rule 45 (6) and (7) apply to committees appointed under this rule, with the changes approved by the board.
- (3) The quorum for a meeting of the committee is half the number of committee members (or, if half is not a whole number, the whole number next higher than one half).

46 Minutes

- (1) The board must keep minutes of meetings and, in particular, of:
 - (a) all appointments of officers and employees made by the directors; and
 - (b) the names of the directors present at each meeting of the board and of a committee of the board; and
 - (c) all resolutions and proceedings at all meetings of the co-operative and of directors and of committees of directors.

Note: Section 209 of the Law also requires any declarations of interest by directors to be recorded in the minutes.

- (2) Minutes must be entered into the appropriate records within twenty-eight (28) days or earlier as prescribed by the regulations of the meeting to which they relate was held.
- (3) The minutes are to be signed within a reasonable time after the meeting to which they relate either by the chairperson of that meeting or the chairperson of the next meeting.

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

Chapter 5 Registered Rule Matters

47 Amendments and copies of rules (CNL ss57 & 60-63)

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

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

- (3) A member is entitled to a copy of the rules upon payment of the amount of \$5 to the co-operative.

Chapter 6 Administrative matters

48 Seal (CNL ss49 & 223)

- (1) This rule applies if the co-operative chooses to authenticate a document under the common seal of the co-operative.
- (2) The co-operative's name and registration number must appear on its common seal and any official seal. The common seal must be kept at the registered office in the custody that the board directs.
- (3) The co-operative may have one or more official seals for use outside the State or Territory in place of its common seal. Each of the additional seals must be a facsimile of the common seal with the addition on its face the name of the place where it is to be used.
- (4) The seal of the co-operative must not be affixed to an instrument other than under a resolution of the board. Two directors, or one director and the secretary, must be present and must sign all instruments sealed while they are present.

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

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

Note 1: The rule may instead specify an amount payable for making an entry in the registers. The amount cannot exceed the amount set down in either the National Regulations applying in this jurisdiction or in local regulations.

Note 2: Members and other persons accessing records and registers under section 214 of the Law are restricted in the use of any information obtained.

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

50 Safe keeping of Records

Registers and any other certificates or documents or duplicates of them pertaining to records must be safely kept by the co-operative in the way and with the provision for their security as the board directs.

51 Notices to members (CNL s611)

- (1) This rule applies in addition to section 611 of the Law regarding how a notice or other document may be given to a member of the co-operative.
- (2) A notice or other document required to be given to a member of the co-operative may be given by the co-operative by any form of technology (for example, by fax or email), where the member has given consent and notified

the co-operative of the relevant contact details.

- (3) If a notice is sent by post, service is taken to be effected at the time at which the properly addressed and prepaid letter would be delivered in the ordinary course of post. In providing service by post, it is sufficient to prove that the envelope containing the notice was properly addressed and posted.
- (4) A notice forwarded by some other form of technology is taken to have been served, unless the sender is notified of a malfunction in transmission, on the day of transmission if transmitted during a business day, otherwise on the next following business day.
- (5) A notice may be given by the co-operative to the person entitled to a share in consequence of the death, incapacity or bankruptcy of a member by sending it through the post in a prepaid letter addressed to that person by name. Alternatively, it can be addressed to the person by the title of representative of the deceased or incapacitated person, or trustee of the bankrupt, or by any like description, and:
 - (a) the address should be that supplied for the purpose by the person claiming to be entitled; or
 - (b) if no such address has been supplied, the notice can be given in the manner in which it could have been given if the death, incapacity or bankruptcy had not occurred.

Chapter 7 Accounting and financial matters

52 Financial Year

The financial year of the co-operative ends on 31 May.

53 Accounts

- (1) The board must have at least one financial institution account, electronic or otherwise, in the name of the co-operative, into which all amounts received by the co-operative must be paid as soon as possible after receipt.
- (2) All cheques drawn on the accounts, and all drafts, bills of exchange, promissory notes and other negotiable instruments, of the co-operative must be signed by 2 authorised person.
- (3) The operation of any electronic accounts must be restricted so that there is a requirement for authorisation by 2 authorised persons.
- (4) For the purposes of this rule, an authorised person is:
 - (a) a director; or
 - (b) a person approved by the board

54 Appointing an auditor or reviewer for small co-operative (CNL s298)

- (1) The co-operative may appoint an auditor in respect of its financial statements.
- (2) An auditor approved under this rule is to conduct an audit of the co-operative's financial statements as presented to members.
- (3) The appointment of an auditor under this rule is to be made at an annual general meeting.
- (4) The co-operative may appoint another auditor at a subsequent annual general meeting if there is a vacancy in the office of the auditor.
- (5) The provisions of section 300(2) of the Law apply to an auditor appointed under this rule in the same way (but with any necessary adaptations) as they apply to an auditor appointed for a large co-operative.

***Note 1:** If a co-operative is a small co-operative in a particular financial year, there is no requirement to appoint an auditor, unless the co-operative is directed to prepare audited or reviewed financial statements by its members or by the Registrar. A small co-operative may choose to appoint an auditor or a reviewer to have its financial statements to members either audited or reviewed each financial year where there is no direction from members or the Registrar.*

***Note 2:** A review may be carried out by a person who:*

- Is a member of the Institute of Chartered Accountants in Australia and holds a Certificate of Public Practice issued by that body

- Is a member of CPA Australia Ltd and holds a Public Practice Certificate issued by that body

- Is a member of the Institute of Public Accountants and holds a Professional Practice Certificate issued by that body

Note 3: See section 310 of the Law regarding the removal and resignation of auditors.

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

- (1) If a small co-operative is directed to prepare a financial report under section 271 or 272 of the Law and the direction requires that the financial report be audited or reviewed, the board must appoint an auditor or reviewer (as the case may) within one month of the direction.
- (2) An auditor or reviewer appointed under this rule holds office until the financial report prepared as a result of the direction has been audited or reviewed and sent to members.

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

- (1) The board may retain all or part of the surplus arising in any year from the business of the co-operative, to be applied for the benefit of the co-operative.
- (2) No part of the surplus may be paid or transferred directly or indirectly, by way of profit, to members of the co-operative.

57 Provision for loss

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

58 Financial reports to members (CNL Part 3.3)

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

Note: The financial reports or statements required by the Law to be given to members vary according to the size of a co-operative in a given year. Large co-operatives are required to prepare and lodge with the Registrar full audited financial reports as set out in Part 3.3 of the Law. Small co-operatives are not required to lodge financial reports with the Registrar but are required to lodge an annual return under section 293 of the Law and provide members with basic minimum financial statements set out in the National Regulations. If the basic minimum reports prescribed in the National Regulations are not considered sufficient for a particular co-operative, the rules may include additional financial statements or information.

Chapter 8 Winding up

59 Winding up (CNL Part 4.5)

- (1) The winding up of the co-operative must be in accordance with Part 4.5 of the Law.
- (2) If, on the winding up or dissolution, there remains any property after the satisfaction of all its debts and liabilities, this must not be paid to or distributed among the members of the co-operative but must be given or transferred to an institution or institutions:
 - (a) with objects similar to those of the co-operative; and
 - (b) whose constitution prohibits the distribution of its property among its members; and
 - (c) chosen by the members of the co-operative at or before the dissolution or, in default, by a judge of the court with jurisdiction in the matter.

Chapter 9 By Laws

60 By Laws

- a) The Board shall have power to make by-laws, not inconsistent with the Act, the Regulations, the rules and the constitutions of the Newcastle District Bowling Association Zone 2 Inc. and the Royal New South Wales Bowling Association Inc., relating to the conduct of members on the premises of the co-operative or to the operations of the co-operative.
- b) A breach of a by-law shall be deemed to be an infringement of the rules for the purposes of Rule 15.