

**RULES
OF
THE HOLSTEIN – FRIESIAN ASSOCIATION OF AUSTRALIA
INCORPORATED
September 2016**

TABLE OF CONTENTS

PART 1—PRELIMINARY	3
1 Name	3
2 Purposes	3
3 Financial year	3
4 Definitions	3
PART 2—POWERS OF ASSOCIATION	4
5 Powers of Association	4
6 Not for profit organisation	4
PART 3—MEMBERS, DISCIPLINARY PROCEDURES AND GRIEVANCES	5
Section 1—Membership	5
7 Minimum number of members	5
8 Who is eligible to be a member	5
9 Application for membership	5
10 Consideration of application	5
11 New membership	5
12 Annual subscription and fee on joining	6
13 General rights of members	6
14 Associate members	6
15 Rights not transferable	6
16 Ceasing membership	7
17 Resigning as a member	7
18 Register of members	7
Section 2—Disciplinary action	7
19 Grounds for taking disciplinary action	7
20 Disciplinary committee	7
21 Notice to member	8
22 Decision of committee	8
23 Appeal rights	8
24 Conduct of disciplinary appeal meeting	9
Section 3—Grievance procedure	9
25 Application	9
26 Parties must attempt to resolve the dispute	10
27 Appointment of mediator	10
28 Mediation process	10
29 Failure to resolve dispute by mediation	10
PART 4—GENERAL MEETINGS OF THE ASSOCIATION	10
30 Annual general meetings	10
31 Special general meetings	11
32 Special general meeting held at request of members	11
33 Notice of general meetings	11
34 Proxies	12
35 Use of technology	12
36 Quorum at general meetings	12
37 Adjournment of general meeting	13
38 Voting at general meeting	13

39	Special resolutions	13
40	Determining whether resolution carried	13
41	Minutes of general meeting	14
PART 5—BOARD		14
Section 1—Powers of Board		14
42	Role and powers	14
43	Delegation	15
Section 2—Composition of Board and duties of members		15
44	Composition of Board	15
45	General Duties	15
46	President and Vice-President	15
47	Secretary	16
48	Audit	16
Section 3—Election of Board members and tenure of office		16
49	Who is eligible to be a Board member	16
50	Board Operations	16
Section 4—Meetings of Board		23
51	Meetings of Board	23
52	Notice of meetings	23
53	Urgent meetings	23
54	Procedure and order of business	23
55	Use of technology	23
56	Quorum	24
57	Voting	24
58	Conflict of interest	24
59	Minutes of meeting	24
60	Leave of absence	24
Section 5—Management of the Association		25
61	Chief Executive Officer	25
62	Breed Development and Conformation Committee	25
63	Strategic Directions Committee	25
PART 6—FINANCIAL MATTERS		26
64	Source of funds	26
65	Management of funds	27
66	Financial records	27
67	Financial statements	27
PART 7—GENERAL MATTERS		27
68	Common seal	27
69	Registered address	28
70	Notice requirements	28
71	Custody and inspection of books and records	28
72	Winding up and cancellation	29
73	Alteration of Rules	29
74	Indemnity and Insurance	29
PART 8—BYLAWS		29
75	Bylaws	29
PART 9—TRANSITIONAL PROVISIONS		30
76	Transitional Provisions	30

**RULES OF
THE HOLSTEIN – FRIESIAN ASSOCIATION OF AUSTRALIA INCORPORATED**

PART 1—PRELIMINARY

1 Name

The name of the incorporated association is "*THE HOLSTEIN – FRIESIAN ASSOCIATION OF AUSTRALIA INCORPORATED*" and in these Rules called "the Association".

2 Purposes

The purposes of the Association are: — to ensure the integrity and continual development of the Holstein breed, promoting the benefits of the breed through the provision of high quality, independent and valued information services to the dairy industry.

3 Financial year

The financial year of the Association is each period of 12 months ending on 30 June in each financial year.

4 Definitions

In these Rules unless the contrary intention appears:—

absolute majority, of the Board, means a majority of the Board members, otherwise referred to as Directors, currently holding office and entitled to vote at the time (as distinct from a majority of Board members present at a Board meeting);

AGM means the Annual General Meeting

Appendix register means the recording of animals pedigree;

associate member means a member referred to in rule 14(1);

Board means the Board having management of the business of the Association;

Board meeting means a meeting of the Board held in accordance with these Rules;

Board member means a member or a director of the Board elected or appointed under Section 3 of Part 5;

Bylaws means the rules and regulations determined by the Board from time to time to provide a framework for the Association's operation and management;

Chairperson, of a general meeting or Board meeting, means the person chairing the meeting as required under rule 46;

disciplinary appeal meeting means a meeting of the disciplinary appeals committee as appointed under rule 23(3);

disciplinary appeals committee means the committee appointed under rule 23(3);

disciplinary meeting means a meeting of the Board convened for the purposes of rule 22;

disciplinary committee means the committee appointed under rule 20;

financial year means the 12 month period specified in rule 3;

general meeting means a general meeting of the members of the Association convened in accordance with Part 4 and includes an annual general meeting, a special general meeting and a disciplinary appeal meeting;

Herd Book means the record that includes an animals name, pedigree and ownership;

member means a member of the Association;

member entitled to vote a member who under rule 13(2) is entitled to vote at a general meeting;

Pedigree means the ancestry of any animal that is included in the Herd book.

Region means an operational unit of the Association as determined from time to time by the Board;

Regional Representative means a member who has nominated for the position and been elected by members of that region in which the member operates, to become that Region's representative;

special resolution means a resolution that requires not less than 75% of the members voting at a general meeting, whether in person or by proxy, to vote in favour of the resolution;

Sub-Branch means an operational unit within a Region as determined from time to time by the Board;

the Act means the **Associations Incorporation Reform Act 2012** and includes any regulations made under that Act;

the Registrar means the Registrar of Incorporated Associations.

PART 2—POWERS OF ASSOCIATION

5 Powers of Association

- (1) Subject to the Act, the Association has power to do all things incidental or conducive to achieve its purposes.
- (2) Without limiting sub-rule (1), the Association may—
 - (a) acquire, hold and dispose of real or personal property;
 - (b) open and operate accounts with financial institutions;
 - (c) invest its money in any security in which trust monies may lawfully be invested;
 - (d) raise and borrow money on any terms and in any manner as it thinks fit;
 - (e) secure the repayment of money raised or borrowed, or the payment of a debt or liability;
 - (f) appoint agents to transact business on its behalf;
 - (g) enter into any other contract it considers necessary or desirable.
- (3) The Association may only exercise its powers and use its income and assets (including any surplus) for its purposes.

6 Not for profit organisation

- (1) The Association must not distribute any surplus, income or assets directly or indirectly to its members.
- (2) Sub-rule (1) does not prevent the Association from paying a member—

- (a) reimbursement for expenses properly incurred by the member; or
 - (b) for goods or services provided by the member —
- if this is done in good faith, and on terms no more favourable than if the member was not a member.

PART 3—MEMBERS, DISCIPLINARY PROCEDURES AND GRIEVANCES

Section 1—Membership

7 Minimum number of members

The Association must have at least five (5) members.

8 Who is eligible to be a member

Any person who supports the purposes of the Association and is approved for membership as provided for in the Bylaws is eligible for membership. The Board from time to time may create categories of membership within the approved following classes of Ordinary Members, Associate Members, Youth Members, Junior Members and Life Members.

9 Application for membership

- (1) To apply to become a member of the Association, a person must submit a written application to the Secretary in such form and with such detail as the Bylaws require stating that the person—
 - (a) wishes to become a member of the Association; and
 - (b) supports the purposes of the Association; and
 - (c) agrees to comply with these Rules and the Bylaws.
- (2) The application—
 - (a) must be signed by the applicant; and
 - (b) to be accompanied by the payment of such fees and annual subscription as determined by the Board from time to time.

10 Consideration of application

- (1) As soon as practicable after an application for membership is received, the Secretary shall initiate consideration of that application in accordance with the Bylaws and must decide whether to accept or reject the application.
- (2) The Secretary must notify the applicant in writing of the decision as soon as practicable after the decision is made.
- (3) If the Secretary rejects the application, the Association must return any money accompanying the application to the applicant.
- (4) No reason need be given for the rejection of an application.

11 New membership

- (1) If an application for membership is approved by the CEO —

- (a) the decision to accept the membership must be recorded in the minutes of the Board meeting following; and
 - (b) the CEO must, as soon as practicable, enter the name and address of the new member, and the date of becoming a member, in the register of members.
- (2) A person becomes a member of the Association and, subject to rule 13(2), is entitled to exercise his or her rights of membership from the date on which —
- (a) the Board approves the person's membership.

12 Annual subscription and fee on joining

- (1) The Board will at least on an annual basis determine—
- (a) the amount of the annual subscription for the following financial year; and
 - (b) the date for payment of the annual subscription.
- (2) The rights of a member (including the right to vote) who has not paid the annual subscription (if applicable) for a period of three (3) calendar months after it becomes due is suspended until the subscription is paid in full.

13 General rights of members

- (1) A member of the Association who is entitled to vote has the right—
- (a) to receive notice of general meetings and of proposed special resolutions in the manner and time prescribed by these Rules; and
 - (b) to submit items of business for consideration at a general meeting; and
 - (c) to attend and be heard at general meetings; and
 - (d) to vote at a general meeting; and
 - (e) to have access to the minutes of general meetings and other documents of the Association as provided under these Rules; and
 - (f) to inspect the register of members.
- (2) A member is entitled to vote if—
- (a) the member is a member other than an associate member or a Junior member; and
 - (b) more than 10 business days have passed since he or she became a member of the Association; and
 - (c) the member's membership rights are not suspended for any reason.

14 Associate members

- (1) Associate members of the Association include—
- (a) any person over the age of 18 years who are not breeders of registered Holstein cattle, and who shall not be permitted to register cattle in the Pedigree or Appendix Register of the Herdbook, unless they convert to Ordinary membership of the Association; and
 - (b) any other category of member as determined by the Board from time to time in line with the Bylaws.
- (2) An associate member cannot vote but may have other rights as determined by the Board or by resolution at a general meeting.

15 Rights not transferable

The rights of a member are not transferable and end when membership ceases.

16 Ceasing membership

- (1) The membership of a person ceases on resignation, expulsion or death.
- (2) If a person ceases to be a member of the Association, the Secretary must, as soon as practicable, enter the date the person ceased to be a member in the register of members.

17 Resigning as a member

- (1) A member may resign by notice in writing given to the Association.
- (2) A member is taken to have resigned if—
 - (a) the member's annual subscription is more than 12 months in arrears; or
 - (b) where no annual subscription is payable—
 - (i) the Secretary has made a written request to the member to confirm that he or she wishes to remain a member; and
 - (ii) the member has not, within 3 months after receiving that request, confirmed in writing that he or she wishes to remain a member.

18 Register of members

- (1) The Secretary must keep and maintain a register of members that includes—
 - (a) for each current member—
 - (i) the member's name;
 - (ii) the address for notice last given by the member;
 - (iii) the date of becoming a member;
 - (iv) the class of member;
 - (v) any other information determined by the Board; and
 - (b) for each former member, the date of ceasing to be a member.
- (2) Any member may, at a reasonable time and free of charge, inspect the register of members.

Section 2—Disciplinary action

19 Grounds for taking disciplinary action

The Association may take disciplinary action against a member in accordance with this Section if it is determined that the member—

- (a) has failed to comply with these Rules; or
- (b) refuses to support the purposes of the Association; or
- (c) has engaged in conduct prejudicial to the Association.

20 Disciplinary committee

- (1) If the Board is satisfied that there are sufficient grounds for taking disciplinary action against a member, the Board may appoint a disciplinary committee to hear the matter and determine what action, if any, to take against the member.
- (2) The members of the disciplinary committee—
 - (a) may be Board members, members of the Association or anyone else, and will comprise of no more than three (3) persons; but

(b) must not be biased against, or in favour of, the member concerned.

21 Notice to member

- (1) Before disciplinary action is taken against a member, the Secretary must give written notice to the member—
 - (a) stating that the Association proposes to take disciplinary action against the member; and
 - (b) stating the grounds for the proposed disciplinary action; and
 - (c) specifying the date, place and time of the meeting at which the disciplinary committee intends to consider the disciplinary action (the *disciplinary meeting*); and
 - (d) advising the member that he or she may do one or both of the following—
 - (i) attend the disciplinary meeting and address the disciplinary committee at that meeting;
 - (ii) give a written statement to the disciplinary committee at any time before the disciplinary meeting; and
 - (e) setting out the member's appeal rights under rule 23.
- (2) The notice must be given no earlier than 28 days, and no later than 14 days, before the disciplinary meeting is held.

22 Decision of committee

- (1) At the disciplinary meeting, the disciplinary committee must—
 - (a) give the member an opportunity to be heard; and
 - (b) consider any written statement submitted by the member.
- (2) After complying with sub rule (1), the disciplinary committee may—
 - (a) take no further action against the member; or
 - (b) subject to sub rule (3)—
 - (i) reprimand the member; or
 - (ii) suspend the membership rights of the member for a specified period; or
 - (iii) expel the member from the Association.
- (3) The disciplinary committee may not fine the member.
- (4) The suspension of membership rights or the expulsion of a member by the disciplinary committee under this rule takes effect immediately after the vote is passed.

23 Appeal rights

- (1) A member whose membership rights have been suspended or who has been expelled from the Association under rule 22 may give notice to the effect that he or she wishes to appeal against the suspension or expulsion.
- (2) The notice must be in writing and given—
 - (a) to the Secretary not later than 48 hours after the vote.
- (3) If a member has given notice under sub rule (2), the Secretary within 48 hours is to inform the Chairperson of the Disciplinary Appeals Committee who is to convene a meeting of the Disciplinary Appeals Committee to hear the matter and determine what action, if any, to take against the member.

- (4) The members of the Disciplinary Appeals Committee—
 - (a) are to comprise a suitably qualified person who is appointed by the Board as the Chairperson and in addition two (2) other appointed persons, one of whom is to be a Board member and another person of good standing in the Association; but
 - (b) none may be biased against, or in favour of, the member concerned.
 - (c) shall be different from the Discipline Committee
- (5) Notice of the Disciplinary Appeal Committee meeting must be given to each member of the Disciplinary Appeals Committee as well as the member concerned as soon as practicable and must—
 - (a) specify the date, time and place of the meeting; and
 - (b) state—
 - (i) the name of the member against whom the disciplinary action has been taken; and
 - (ii) the grounds for taking that action; and
 - (iii) that at the Disciplinary Appeals Committee meeting the Committee members present must decide in the absence of the member concerned on whether the decision to suspend or expel the member should be upheld or revoked.

24 Conduct of disciplinary appeal meeting

- (1) At a disciplinary appeal meeting—
 - (a) no business other than the question of the appeal may be conducted; and
 - (b) the Disciplinary Appeals Committee must state the grounds being considered for suspending or expelling the member and the reasons for proposing the taking of such action; and
 - (c) the member whose membership has been suspended or who has been expelled must be given an opportunity to be heard prior to a decision being taken by the Committee.
- (2) After complying with sub rule (1), the members present and entitled to vote at the meeting must decide on the question of whether the decision to suspend or expel the member should be upheld or revoked.
- (3) The deliberation process which follows the conclusion of the gathering of evidence, leading to a decision of the Disciplinary Appeals Committee is taken without the presence of the member concerned.

Section 3—Grievance procedure

25 Application

- (1) The grievance procedure set out in this Section applies to disputes under these Rules between—
 - (a) a member and another member;
 - (b) a member and the Board;
 - (c) a member and the Association.
- (2) A member must not initiate a grievance procedure in relation to a matter that is the subject of a disciplinary procedure until the disciplinary procedure has been completed.

26 Parties must attempt to resolve the dispute

The parties to a dispute must attempt to resolve the dispute between themselves within 14 days of the dispute coming to the attention of each party.

27 Appointment of mediator

- (1) If the parties to a dispute are unable to resolve the dispute between themselves within the time required by rule 26, the parties must within 10 days—
 - (a) notify the Board of the dispute; and
 - (b) agree to or request the appointment of a mediator; and
 - (c) attempt in good faith to settle the dispute by mediation.
- (2) The mediator must be—
 - (a) a person chosen by agreement between the parties; or
 - (b) in the absence of agreement—
 - (i) if the dispute is between a member and another member—a person appointed by the Board; or
 - (ii) if the dispute is between a member and the Board or the Association—a person appointed or employed by the Dispute Settlement Centre of Victoria.
- (3) A mediator appointed by the Board may be a member or former member of the Association but in any case must not be a person who—
 - (a) has a personal interest in the dispute; or
 - (b) is biased in favour of or against any party.

28 Mediation process

- (1) The mediator to the dispute, in conducting the mediation, must—
 - (a) give each party every opportunity to be heard; and
 - (b) allow due consideration by all parties of any written statement submitted by any party; and
 - (c) ensure that natural justice is accorded to the parties throughout the mediation process.
- (2) The mediator must not determine the dispute.

29 Failure to resolve dispute by mediation

If the mediation process does not resolve the dispute, the parties may seek to resolve the dispute in accordance with the Act or otherwise at law.

PART 4—GENERAL MEETINGS OF THE ASSOCIATION

30 Annual general meetings

- (1) The Board must convene an annual general meeting of the Association to be held within five (5) months after the end of each financial year.
- (2) Despite subrule (1), the Association may hold its first annual general meeting at any time within 18 months after its incorporation.
- (3) The Board may determine the date, time and place of the annual general meeting.
- (4) The ordinary business of the annual general meeting is as follows—

- (a) to confirm the minutes of the previous annual general meeting and of any special general meeting held since then;
- (b) to receive and consider—
 - (i) the annual report of the Board on the activities of the Association during the preceding financial year; and
 - (ii) the financial statements of the Association for the preceding financial year submitted by the Board in accordance with the Act.
- (5) The annual general meeting may also conduct any other business of which notice has been given in accordance with these Rules.

31 Special general meetings

- (1) Any general meeting of the Association, other than an annual general meeting or a disciplinary appeal meeting, is a special general meeting.
- (2) The Board may convene a special general meeting whenever it thinks fit.
- (3) No business other than that set out in the notice under rule 33 may be conducted at the meeting.

32 Special general meeting held at request of members

- (1) The Board must convene a special general meeting if a request to do so is made in accordance with subrule (2) by at least 10% of the total number of members.
- (2) A request for a special general meeting must—
 - (a) be in writing; and
 - (b) state the business to be considered at the meeting and any resolutions to be proposed; and
 - (c) include the names and signatures of the members requesting the meeting; and
 - (d) be given to the Secretary.
- (3) If the Board does not convene a special general meeting within one month after the date on which the request is made, the members making the request (or any of them) may convene the special general meeting.
- (4) A special general meeting convened by members under subrule (3)—
 - (a) must be held within 3 months after the date on which the original request was made; and
 - (b) may only consider the business stated in that request.
- (5) The Association must reimburse all reasonable expenses incurred by the members convening a special general meeting under subrule (3).

33 Notice of general meetings

- (1) The Secretary (or, in the case of a special general meeting convened under rule 32(3), the members convening the meeting) must give to each member of the Association—
 - (a) at least 21 days' notice of a general meeting if a special resolution is to be proposed at the meeting; or
 - (b) at least 14 days' notice of a general meeting in any other case.
- (2) The notice must—
 - (a) specify the date, time and place of the meeting; and

- (b) indicate the general nature of each item of business to be considered at the meeting; and
 - (c) if a special resolution is to be proposed—
 - (i) state in full the proposed resolution; and
 - (ii) state the intention to propose the resolution as a special resolution; and
 - (d) comply with rule 34(5).
- (3) This rule does not apply to a disciplinary appeal meeting.

34 Proxies

- (1) A member may appoint another member as his or her proxy to vote and speak on his or her behalf at a general meeting other than at a disciplinary appeal meeting.
- (2) The appointment of a proxy must be in writing and signed by the member making the appointment.
- (3) The member appointing the proxy may give specific directions as to how the proxy is to vote on his or her behalf, otherwise the proxy may vote on behalf of the member in any matter as he or she sees fit.
- (4) If the Board has approved a form for the appointment of a proxy, the member may use any other form that clearly identifies the person appointed as the member's proxy and that has been signed by the member.
- (5) Notice of a general meeting given to a member under rule 33 must—
 - (a) state that the member may appoint another member as a proxy for the meeting; and
 - (b) include a copy of any form that the Board has approved for the appointment of a proxy.
- (6) A form appointing a proxy must be given to the Chairperson of the meeting before or at the commencement of the meeting.
- (7) A form appointing a proxy sent by post or electronically is of no effect unless it is received by the Association no later than 24 hours before the commencement of the meeting.

35 Use of technology

- (1) A member not physically present at a general meeting may be permitted to participate in the meeting by the use of technology that allows that member and the members present at the meeting to clearly and simultaneously communicate with each other.
- (2) For the purposes of this Part, a member participating in a general meeting as permitted under subrule (1) is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

36 Quorum at general meetings

- (1) No business may be conducted at a general meeting unless a quorum of members is present.
- (2) The quorum for a general meeting is the attendance (physically, by proxy or as allowed under rule 35) of 20 of the members entitled to vote.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a general meeting—

- (a) in the case of a meeting convened by, or at the request of, members under rule 32—the meeting must be dissolved;
 - (b) in any other case—
 - (i) the meeting must be adjourned to a date not more than 21 days after the adjournment; and
 - (ii) notice of the date, time and place to which the meeting is adjourned must be given at the meeting and confirmed by written notice given to all members as soon as practicable after the meeting.
- (4) If a quorum is not present within 30 minutes after the time to which a general meeting has been adjourned under subrule (3)(b), the members present at the meeting (if not fewer than 3) may proceed with the business of the meeting as if a quorum were present.

37 Adjournment of general meeting

- (1) The Chairperson of a general meeting at which a quorum is present may, with the consent of a majority of members present at the meeting, adjourn the meeting to another time at the same place or at another place.
- (2) Without limiting subrule (1), a meeting may be adjourned—
 - (a) if there is insufficient time to deal with the business at hand; or
 - (b) to give the members more time to consider an item of business.
- (3) No business may be conducted on the resumption of an adjourned meeting other than the business that remained unfinished when the meeting was adjourned.
- (4) Notice of the adjournment of a meeting under this rule is not required unless the meeting is adjourned for 14 days or more, in which case notice of the meeting must be given in accordance with rule 33.

38 Voting at general meeting

- (1) On any question arising at a general meeting—
 - (a) subject to subrule (3), each member who is entitled to vote has one vote; and
 - (b) members may vote personally or by proxy; and
 - (c) except in the case of a special resolution, the question must be decided on a majority of votes.
- (2) If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- (3) If the question is whether or not to confirm the minutes of a previous meeting, only members who were present at that meeting may vote.
- (4) This rule does not apply to a vote at a disciplinary appeal meeting conducted under rule 24.

39 Special resolutions

A special resolution is passed if not less than three quarters of the members voting at a general meeting vote in favour of the resolution.

40 Determining whether resolution carried

- (1) Subject to subsection (2), the Chairperson of a general meeting may, on the basis of a show of hands, declare that a resolution has been—
 - (a) carried; or

- (b) carried unanimously; or
- (c) carried by a particular majority; or
- (d) lost—

and an entry to that effect in the minutes of the meeting is conclusive proof of that fact.

- (2) If a poll (where votes are cast in writing) is demanded by three or more members on any question—
 - (a) the poll must be taken at the meeting in the manner determined by the Chairperson of the meeting; and
 - (b) the Chairperson must declare the result of the resolution on the basis of the poll.
- (3) A poll demanded on the election of the Chairperson or on a question of an adjournment must be taken immediately.
- (4) A poll demanded on any other question must be taken before the close of the meeting at a time determined by the Chairperson.

41 Minutes of general meeting

- (1) The Board must ensure that minutes are taken and kept of each general meeting.
- (2) The minutes must record the business considered at the meeting, any resolution on which a vote is taken and the result of the vote.
- (3) In addition, the minutes of each annual general meeting must include—
 - (a) the names of the members attending the meeting; and
 - (b) proxy forms given to the Chairperson of the meeting under rule 34(6); and
 - (c) the financial statements submitted to the members in accordance with rule 30(4)(b)(ii); and
 - (d) the certificate signed by two (2) Board members certifying that the financial statements give a true and fair view of the financial position and performance of the Association; and
 - (e) any audited accounts and auditor's report or report of a review accompanying the financial statements that are required under the Act.

PART 5—BOARD

Section 1—Powers of Board

42 Role and powers

- (1) The business of the Association must be managed by or under the direction of a Board.
- (2) The Board may exercise all the powers of the Association except those powers that these Rules or the Act require to be exercised by general meetings of the members of the Association.
- (3) The Board may—
 - (a) appoint and remove the Chief Executive Officer ;
 - (b) establish committees consisting of members or anyone else with terms of reference it considers appropriate.

43 Delegation

- (1) The Board may delegate to a member of the Board, a committee or staff or anyone else, any of its powers and functions other than—
 - (a) this power of delegation; or
 - (b) a duty imposed on the Board by the Act or any other law.
- (2) The delegation must be in writing and may be subject to the conditions and limitations the Board considers appropriate.
- (3) The Board may, in writing, revoke a delegation wholly or in part.

Section 2—Composition of Board and duties of members

44 Composition of Board

- (1) The Board consists of—
 - (a) a President and a Vice-President; and
 - (b) a Chair of Finance & Audit Committee
 - (c) a Secretary
 - (d) Ordinary members elected under rule 50; and
 - (e) Special Skills directors appointed by the Board from time to time.

45 General Duties

- (1) As soon as practicable after being elected or appointed to the Board, each member must become familiar with these Rules and the Act.
- (2) The Board is collectively responsible for ensuring that the Association complies with the Act and that individual members of the Board comply with these Rules.
- (3) Board members must exercise their powers and discharge their duties with reasonable care and diligence.
- (4) Board members must exercise their powers and discharge their duties—
 - (a) in good faith in the best interests of the Association; and
 - (b) for a proper purpose.
- (5) Board members and former Board members must not make improper use of—
 - (a) their position; or
 - (b) information acquired by virtue of holding their position—so as to gain an advantage for themselves or any other person or to cause detriment to the Association.
- (6) In addition to any duties imposed by these Rules, a Board member must perform any other duties imposed from time to time by resolution at a general meeting.

46 President and Vice-President

- (1) Subject to subrule (2), the President or, in the President's absence, the Vice-President is the Chairperson for any general meetings.

- (2) If the President and Vice-President are absent, or are unable to preside, the Chairperson of the meeting must be—
 - (a) in the case of a general meeting—another Board member elected by the members present; or
 - (b) in the case of a Board meeting—a Board member elected by the other Board members present.

47 Secretary

- (1) The Secretary must perform any duty or function required under the Act to be performed by the secretary of an incorporated association. The Chief Executive Officer may be appointed to the position of the Association's Secretary.
- (2) The Secretary must—
 - (a) maintain the register of members in accordance with rule 18; and
 - (b) keep custody of the common seal (if any) of the Association and, except for the financial records referred to in rule 70(3), all books, documents and securities of the Association in accordance with rules 72 and 75; and
 - (c) subject to the Act and these Rules, provide members with access to the register of members, the minutes of general meetings and other books and documents; and
 - (d) perform any other duty or function imposed on the Secretary by these Rules and under the Act.
- (3) The Secretary must give to the Registrar notice of his or her appointment within 14 days after the appointment.

48 Audit

- (1) The Directors must cause the financial records and financial documents of the Association to be audited in accordance with the requirements of the Act and any other applicable laws at least once each year. A properly qualified auditor must be appointed by the Association and
- (2) The Board must ensure that a Finance and Audit committee is established and proper review of the accounts and financial records of the Association is carried out.

Section 3—Election of Board members and tenure of office

49 Who is eligible to be a Board member

A member is eligible to be elected or appointed as a Board member if the member—

- (a) is 18 years or over; and
- (b) in the case of an elected member, is entitled to vote at a general meeting.

50 Board Operations

- (1) Subject to this rule, the Board will comprise a minimum number of members of five (5) and a maximum of nine (9) members. This is subject only at all times that at least five (5) and a maximum of seven (7) are to be elected members. The maximum number is to be fixed by the Board, but may not be more than nine (9) of whom up to two (2) are to be appointed by the Board. The Board must not determine a maximum which is less than the number of members in office at the time the determination takes effect.

- (2) The Board comprising of the elected members is to have, as far as is practicable and without being limited, a mixture of skills, expertise and knowledge reflective of the following:-
 - (i) Dairy and or Agriculture
 - (ii) Financial
 - (iii) State and Regional matters
 - (iv) Compliance and regulatory
 - (v) Corporate governance
 - (vi) Marketing and communications
 - (vii) Stakeholder engagement
 - (3) All elected members shall be elected for a three (3) year term and each director is entitled to serve up to four (4) terms or in aggregate for a period of twelve (12) years maximum.
 - (4) The President and Vice-President shall be elected annually by and from the members of the Board. Any director having already been in the role of President or that of Vice-President for a period in the aggregate of three (3) years in that particular role of President or Vice-President, is ineligible to seek their further election in that same role.
 - (5) Nominations for the positions of elected Board member shall be made in writing to the Secretary by a member and countersigned by the person nominated. The nominee must confirm that they are a member.
 - (6) The Secretary shall call for nominations at least forty-nine (49) days prior to the date of the AGM. Nominations shall be in the hands of the Secretary by the close of business thirty-five (35) days prior to the date of the AGM.
 - (7) A returning officer must be appointed by the Board to oversee the election.
 - (8) A list of the names of the candidates, in random order, as well as ballot papers (if necessary), shall be sent to members at least twenty eight (28) days prior to the to the date of the AGM and displayed on the web site of the Association.
 - (9) If there be only the required number of nominees to fill the vacancies, no ballot will be necessary and the Chairperson of the AGM shall declare those nominees duly elected.
 - (10) Ballot papers shall be prepared (if necessary) containing the names of the candidates, and each voting member shall be entitled to vote for any number of candidates not exceeding the number of vacancies.
 - (11) Each member eligible to and wishing to vote must complete the ballot paper and return it to the secretary so that the ballot paper is received by the Returning Officer at least seven (7) days prior to the AGM.
 - (12) The decision of the Returning Officer as to the formality or informality of any vote shall be final.
 - (13) The results of the ballot must be announced at the AGM and recorded in the Minutes of the meeting.
 - (14) The candidates with the most number of votes shall be duly elected until all vacancies are filled.
 - (15) If two (2) or more candidates for a vacancy obtain an equal number of votes then the Returning Officer must determine between them by lot which of them shall be excluded.
 - (16) Appointing and removing directors
-

- (a) The Board may appoint any individual who is a member in the case of a casual vacancy or a non-member of the Association in the case of an appointment as a director, either to fill a casual vacancy or as an addition to the existing elected directors, provided:
- (i) the number of directors does not exceed the maximum number allowed under these Rules; and
 - (ii) before appointing the director, the proposed director signs a consent to act as a director.
 - (iii) Where the positions of the two (2) Special Skills directors are to be appointed the Board is to give full consideration to the minimum competence of the person to be appointed. The competence could be determined via conducting a Skills Matrix of the current Board and determining those skills / expertise / knowledge as follows:-
 - Good understanding of the Association issues
 - Commercial and Financial experience
 - Corporate governance experience
 - Marketing / communications / stakeholder engagement experience

(17) Retirement of directors by rotation

- (a) A director appointed by the Board, holds office only until the conclusion of the next annual general meeting following his or her appointment.
- (b) At every annual general meeting if the number of directors, (after excluding any directors appointed by the Board),
 - (i) is five (5) or less, then in consecutive years there are to be two (2) and then two (2) and then one (1), or such other number to ensure that no director continues for a period longer than three (3) years or the directors must retire from office; or
 - (ii) if the number is more than five (5), then in the first year there are to be one third of those directors (to be rounded up to the nearest whole number) and then in the subsequent two (2) years, like selection of the Board members, such to ensure that no director in any three (3) year period, continues for a period longer than three (3) years, as such directors must retire from office.
 - (iii) No director may hold office without re-election beyond the third annual general meeting following the meeting at which the director was last elected or re-elected.
 - (iv) The directors to retire under these rules are those directors who wish to retire and not offer themselves for re-election, those directors required to retire and, so far as is necessary to obtain the number required, those who have been longest in office since their last election or appointment if a casual replacement director. As between directors who were last elected on the same day, those to retire must, unless they can agree among themselves, be decided by lot.
 - (v) The directors to retire under these rules (both as to number and identity) are decided having regard to the composition of the board of directors at the date of the notice calling the annual general meeting. A director is not required to retire and is not relieved from retiring because of a change in the number or identity of the directors after the date of the notice but before the meeting closes.

- (vi) An elected director retiring from office is entitled if eligible, to seek re-election for a further three (3) year term, provided that if re-elected the director will not have completed in aggregate of more than twelve (12) years as a Board member. If the elected director retiring from office if eligible, has served in aggregate for up to twelve (12) years, then the retiring director is not entitled to seek re-election, having completed the maximum term permitted under these rules. No person having served in aggregate of twelve (12) years on the Board is entitled to again stand for a position on the Association Board.
- (vii) The retirement of a director from office and the re-election of the director or the election of another person to that office (as the case may be) takes effect at the conclusion of the meeting at which the retirement and re-election or election occur.

(18) Vacation of office

- (a) The office of a director becomes vacant:
 - (i) in the circumstances prescribed by the Act;
 - (ii) if the director becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
 - (iii) if the director is removed from office by resolution of the members in accordance with the Act;
 - (iv) if the director fails to attend meetings of the directors for at least three (3) consecutive meetings or at least four (4) meetings over a period of 12 months without leave of absence; or
 - (v) if the director resigns by written notice to the Secretary.

(19) Directors may contract with the Association and hold other offices

- (a) The directors may make regulations requiring the disclosure of interests that a director, and any person considered by the directors as related to or associated with the director, may have in any matter concerning the Association or a related body corporate. Any regulations made under these Rules bind all directors but no act, transaction, agreement, instrument, resolution or other thing with a third party is invalid or voidable only because a director fails to comply with the regulations.
- (b) Unless the Act permits, a director who has a material personal interest in a matter that is being considered at a Board meeting must disclose the nature and extent of that interest to the Board and must not:
 - (i) be present while the matter is being considered at the meeting; or
 - (ii) vote on the matter.
- (c) A director is not disqualified from contracting or entering into an arrangement with the Association as vendor, purchaser or in another capacity, merely because the director holds office as a director or because of the fiduciary obligations arising from that office, provided that such contract or arrangement is approved by the Board.
- (d) A contract or arrangement entered into by or on behalf of the Association in which a director is in any way interested is not invalid or voidable merely because the director holds office as a director or because of the fiduciary obligations arising from that office.

(20) Office Bearers and Secretary

- (a) The office-bearers of the Association are the President and the Vice-President who are elected annually by the Board, from amongst their own ranks at a Board meeting convened as soon after the conclusion of the AGM as is practicable.
- (b) The Board is to appoint the Secretary and the Secretary must consent in writing to their holding of the position of Secretary.

(22) Proceedings of directors

- (a) The directors may meet together and adjourn and otherwise regulate their meetings as they think fit.
- (b) A meeting by telephone or other electronic means or technology is taken as held at the place decided by the chairperson of the meeting, as long as at least one of the directors involved was at that place for the duration of the meeting.
- (c) If, before or during the meeting, any technical difficulty occurs as a result of which one or more directors cease to participate, the chairperson may adjourn the meeting until the difficulty is remedied or may, where a quorum of directors remains present, continue with the meeting.

(23) Convening meetings of directors

- (a) Any three (3) directors may convene a meeting whenever it is thought fit.
- (b) A Secretary must, on the requisition of any three (3) or more directors, convene a meeting of the directors.

(24) Notice of meetings of directors

- (a) Subject to these Rules, notice of a meeting of directors must be given to each person who is at the time of giving the notice a director, except a director on leave of absence approved by the directors.
- (b) A notice of a meeting of directors:
 - (i) must specify the time and place of the meeting;
 - (ii) need not state the nature of the business to be transacted at the meeting;
 - (iii) must give reasonable notice of the meeting; and
 - (iv) may be given in person or by post, telephone, fax or other electronic means.
- (c) A director may waive notice of a meeting of directors by notifying the Secretary to that effect in person or by post, telephone, fax or other electronic means.
- (d) The non-receipt of notice of a meeting of directors by, or a failure to give notice of a meeting of directors to, a director does not invalidate anything done or resolution passed at the meeting if:
 - (i) the non-receipt or failure occurred by accident or error;
 - (ii) the director has waived or waives notice of that meeting under subrule 50.24 (c) before or after the meeting;
 - (iii) the director has notified or notifies the Secretary of his or her agreement to that matter or resolution personally or by post, telephone, fax or other electronic means before or after the meeting; or
 - (iv) the director attended the meeting.
- (e) Attendance by a person at a meeting of directors waives any objection which that person may have to a failure to give notice of the meeting.

(25) Quorum at meetings of directors

- (a) No business may be transacted at a meeting of directors unless a quorum of directors is present at the time the business is dealt with.
- (b) A quorum consists of at least four (4) directors of whom three (3) must be elected and in attendance at the meeting.
- (c) If there is a vacancy in the office of a director then, subject to these Rules, the remaining directors may act.
- (d) If the number of directors in office at any time is not sufficient to constitute a quorum, or is less than the minimum number of directors fixed under this Rules, the remaining directors must act as soon as possible to appoint additional directors,

(26) Chairperson of directors

- (a) If the President is not in attendance, unavailable, or elects for whatever reason, not to assume the Chairperson role for a particular meeting, then the Vice-President is to act as the Chairperson, or in their absence for whatever reason the directors may elect one of their number to act as chairperson of directors and may decide the period for which that director is to be the chairperson.
- (b) The Chairperson of directors must preside as Chairperson at each meeting of directors if present within 10 minutes after the time appointed for the meeting and willing to act.
- (c) If there is no chairperson of directors or both the conditions in subrule 15.27(b) have not been met, the directors present must elect one of the directors as chairperson of the meeting.

(27) Decisions of directors

- (a) A meeting of directors at which a quorum is present may exercise all the powers and discretions vested in or exercisable by the directors under these Rules.
- (b) Questions arising at a meeting of directors must be decided by a majority of votes cast by the directors present. Such a decision is for all purposes a decision of the directors.
- (c) Where the votes on a proposed resolution are equal the chairperson of the meeting shall have a second or casting vote.

(28) Written resolutions of directors where a meeting in person is not held

- (a) A resolution is taken to have been passed by a meeting of directors if:
 - (i) all of the directors (other than any director on leave of absence approved by the directors, any director who disqualifies himself or herself from considering the resolution in question and any director who would be prohibited by the Act from voting on the resolution in question) sign or consent to a written resolution; and
 - (ii) the directors who sign or consent to the resolution would have constituted a quorum at a meeting of directors held to consider that resolution.
- (b) A director may consent to a resolution by:
 - (i) signing the document containing the resolution (or a copy of that document);
 - (ii) giving to the Association at its registered office a written notice (including by fax or other electronic means) addressed to the secretary or to the chairperson

of directors signifying assent to the resolution and either setting out its terms or otherwise clearly identifying them; or

- (iii) telephoning the secretary or the chairperson of directors and signifying assent to the resolution and clearly identifying its terms.

(29) Minutes of meetings and minutes of resolutions

- (a) The directors must ensure minutes of proceedings and resolutions of general meetings and of meetings of directors (including committees of directors) are recorded in books kept for the purpose, within one month after the relevant meeting is held.
- (b) The directors must ensure minutes of resolutions passed by directors (and committees of directors) without a meeting are recorded in books kept for that purpose within one month after the resolution is passed.
- (c) The minutes of a meeting must be signed within a reasonable time by the chairperson of the meeting

(30) Committees of Board

- (a) The Board may delegate any of their powers to one or more committees consisting of a number of directors and anyone else they think fit; the committees are determined by the Board from time to time.
- (b) Each Board committee shall comprise of at least one (1) director and the chairperson of that committee will be a director as nominated and approved by the Board.
- (c) A committee to which any powers have been delegated must exercise the powers delegated in accordance with any directions given by the Board.
- (d) The Board committees are expected to comprise at least the following:
 - (i) Finance and Audit
 - (ii) Remuneration
 - (iii) Youth
 - (iv) Discipline
 - (v) Discipline Appeals
 - (vi) Breed Development and Conformation
- (e) the provisions of these Rules that apply to meetings and resolutions of directors apply, so far as they can and with any necessary changes, to meetings and resolutions of a committee of directors.

(31) Delegation to individual directors

- (a) The directors may delegate any of their powers to one director.
- (b) A director to whom any powers have been delegated must exercise the powers delegated in accordance with any directions given by the directors.

(32) Validity of acts

- (a) An act done by a person acting as a director, a meeting of directors, or a committee of directors attended by a person acting as a director, is not invalidated merely because of one of the following circumstances, if that circumstance was not known by the person, the directors or the committee (as applicable) when the act was done:

- (i) a defect in the appointment of the person as a director;
- (ii) the person being disqualified to be a director or having vacated office; or the person not being entitled to vote.

Section 4—Meetings of Board

51 Meetings of Board

- (1) The Board must meet at least four (4) times in each year at the dates, times and places determined by the Board.
- (2) The date, time and place of the first meeting must be determined by the members of the Board as soon as practicable after the annual general meeting of the Association at which the members of the Board were elected.
- (3) Special Board meetings may be convened by the President or by any three (3) members of the Board.

52 Notice of meetings

- (1) Notice of each Board meeting must be given to each board member no later than 7 days before the date of the meeting.
- (2) Notice may be given of more than one Board meeting at the same time.
- (3) The notice must state the date, time and place of the meeting.
- (4) If a Special Board meeting is convened, the notice must include the general nature of the business to be conducted.
- (5) The only business that may be conducted at the Special Board meeting is the business for which the meeting is convened.

53 Urgent meetings

- (1) In cases of urgency, a meeting can be held without notice being given in accordance with these rules provided that as much notice as practicable is given to each Board member by the quickest means practicable.
- (2) Any resolution made at the meeting must be passed by an absolute majority of the Board.
- (3) The only business that may be conducted at an urgent meeting is the business for which the meeting is convened.

54 Procedure and order of business

- (1) The procedure to be followed at a meeting of a Board must be determined from time to time by the Board.
- (2) The order of business may be determined by the members present at the meeting.

55 Use of technology

- (1) A Board member who is not physically in attendance at a Board meeting may request to participate in the meeting by the use of technology that allows that member and the members present at the meeting to clearly and simultaneously communicate with each other.
- (2) For the purposes of this Part, a Board member participating in a Board meeting as permitted under subrule (1) is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

56 Quorum

- (1) No business may be conducted at a Board meeting unless a quorum is present.
- (2) The quorum for a Board meeting is the attendance (in person or as allowed under these rules of a majority of the members holding office.
- (3) If a quorum is not present within 30 minutes after the notified commencement time of a Board meeting—
 - (a) in the case of a special meeting—the meeting lapses;
 - (b) in any other case—the meeting must be adjourned to a date no later than 14 days after the adjournment and notice of the time, date and place to which the meeting is adjourned must be given in accordance with these rules.

57 Voting

- (1) On any question arising at a Board meeting, each member present at the meeting has one vote.
- (2) A motion is carried if a majority of Board members present at the meeting vote in favour of the motion.
- (3) If votes are divided equally on a question, the Chairperson of the meeting has a second or casting vote.
- (4) Voting by proxy is not permitted.

58 Conflict of interest

- (1) A Board member who has a material personal interest in a matter being considered at a Board meeting must disclose the nature and extent of that interest to the Board.
- (2) The member—
 - (a) must not be present while the matter is being considered at the meeting; and
 - (b) must not vote on the matter.
- (3) This rule does not apply to a material personal interest—
 - (a) that exists only because the member belongs to a class of persons for whose benefit the Association is established; or
 - (b) that the member has in common with all, or a substantial proportion of, the members of the Association.

59 Minutes of meeting

- (1) The Board must ensure that minutes are taken and kept of each Board meeting.
- (2) The minutes must record the following—
 - (a) the names of the members in attendance at the meeting;
 - (b) the business considered at the meeting;
 - (c) any resolution on which a vote is taken and the result of the vote;
 - (d) any material personal interest disclosed under rule 58 .

60 Leave of absence

- (1) The Board may grant a director leave of absence from Board meetings for a period not exceeding three (3) months.

- (2) The Board must not grant leave of absence retrospectively unless it is satisfied that it was not feasible for the director to seek the leave in advance.

Section 5—Management of the Association

61 Chief Executive Officer

- (1) Chief Executive Officer
- (a) The Chief Executive Officer shall be appointed by the Board on such terms, and upon such conditions as the Board thinks fit.
 - (b) The Chief Executive Officer may also act as Secretary.
 - (c) The Chief Executive Officer shall manage the Association under the direction of the Board and in accordance with these Rules, the Bylaws and all policies of the Association.

62 Breed Development and Conformation Committee

- (1) Formation
- (a) The Breed Development and Conformation Committee shall consist of six (6) persons comprising:
 - (i) One director who is appointed by the Board and who is to be the Chairperson of the Committee, and who has a second or a casting vote if required when votes are equally tied;
 - (ii) Five (5) members who along with all others expressing an interest when the election to the Committee is advised, are to initially submit a written application to the Secretary who shall submit their names for a position on the Committee, to be elected by those members who are eligible to vote
- (2) Election, Term and Role of the Breed Development and Conformation Committee;
- (a) (i) The Secretary shall call for nominations at least forty-nine (49) days prior to the date of the AGM. Nominations shall be in the hands of the Secretary by the close of business thirty-five (35) days prior to the date of the AGM. If the number of nominations exceeds the number of vacant positions, a vote will occur involving all members.
 - (ii) Each member of the Breed Development and Conformation Committee is entitled to serve in aggregate four (4) x three (3) year terms and thereafter will be ineligible under these rules to stand for this Committee again.
 - (iii) The role of the Breed Development and Conformation Committee shall be to act as provided for within the Bylaws of the Association.

63 Strategic Directions Committee

- (1) Formation
- (a) The Strategic Directions Committee shall be made up of a maximum of 18 persons comprising:
 - (i) Two (2) or three (3) Board members as nominated and approved by the Board;
 - (ii) One (1) Regional Representative from each of the Regions within Australia as created from time to time by the Board;
 - (iii) Three (3) to five (5) members as elected by and from the members who are eligible to vote;

and

- (iv) One (1) Youth Member as nominated and approved by the Board.
- (2) Election, Term and Role of the Strategic Directions Committee
- (a) The Secretary shall call for nominations from members within a Region for the Regional Representative position at least forty-nine (49) days prior to the end of April. Nominations shall be in the hands of the Secretary by the close of business thirty-five (35) days prior to this date. If more than one nomination is received a vote will occur involving all members within that Region.
 - (b) The Secretary shall call for nominations from all members for a member elected Strategic Directions Committee position at least forty-nine (49) days prior to the end of June. Nominations shall be in the hands of the Secretary by the close of business thirty-five (35) days prior to this date. If the number of nominations exceeds the number of vacant positions, a vote will occur involving all members.
 - (c) Each person is entitled to serve a three (3) year term on the Strategic Directions Committee and thereafter is to stand down and is eligible to seek further terms of three (3) years to in aggregate a maximum of twelve (12) years in all.
 - (d) The role of the Strategic Directions Committee shall be to:
 - (i) act as a forum for reflecting the views of Members at large;
 - (ii) participate in the Board's strategic planning process;
 - (iii) consider and recommend to the Board nominations submitted for Life Membership and Distinguished Service Awards and All Australian Judges;
 - (iv) broadly comment on and offer feedback when requested on identified initiatives of the Board, within their field of interest and or expertise;
 - (v) suggest to the Board, matters that can be placed on the Strategic Directions Committee agenda from time to time; and
 - (vi) consider and respond to any matter referred directly to it by the Board.
- (3) Chairperson
- (a) The Chairperson of the Strategic Directions Committee shall be the President for the time being of the Association or in the alternate a Board nominated person.
- (4) Meetings of the Strategic Directions Committee
- (a) The Strategic Directions Committee shall meet at least once per year and one meeting is to coincide with the holding of the Association's Annual General Meeting.
- (5) The Board shall from time to time in the Bylaws determine the composition as well as the appointment and the terms of members of the Strategic Directions Committee.

PART 6—FINANCIAL MATTERS

64 Source of funds

The funds of the Association may be derived from joining fees, annual subscriptions, donations, fund-raising activities, grants, interest and any other sources as approved from time to time by the Board.

65 Management of funds

- (1) The funds of the Association are to be held with one or more financial institutions which enable the Board to discharge its legal and fiduciary duties including the proper oversight of all expenditure of the Association and recording of the Association's revenue.
- (2) Subject to any restrictions imposed by a general meeting of the Association, the Board may approve expenditure on behalf of the Association.
- (3) The Board may authorise the expenditure of funds on behalf of the Association (including by electronic funds transfer) up to a specified limit without requiring approval from the Board for each item on which the funds are expended. In addition the Board may authorise the establishment of Sub-accounts thus facilitating the operation of Regions and Sub-Branches of funds specific to their local operations.
- (4) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments are to be subject to approved delegations of authority as determined from time to time by the Board.

66 Financial records

- (1) The Association must keep financial records that—
 - (a) correctly record and explain its transactions, financial position and performance; and
 - (b) enable financial statements to be prepared as required by the Act.
- (2) The Association must retain the financial records for 7 years after the transactions covered by the records are completed.
- (3) The Chief Executive Officer must keep under his or her control—
 - (a) the financial records for the current financial year; and
 - (b) any other financial records as authorised by the Board.

67 Financial statements

- (1) For each financial year, the Board must ensure that the requirements under the Act relating to the financial statements of the Association are met.
- (2) Without limiting subrule (1), those requirements include—
 - (a) the preparation of the financial statements;
 - (b) the review and external auditing of the financial statements;
 - (c) the certification of the financial statements by the Board;
 - (d) the submission of the financial statements to the annual general meeting of the Association by the Chair of the Finance and Audit Committee ;
 - (e) the lodgement with the Registrar of the financial statements and accompanying reports, certificates, statements and fee.

PART 7—GENERAL MATTERS

68 Common seal

- (1) The Association may have a common seal.
- (2) If the Association has a common seal—
 - (a) the name of the Association must appear in legible characters on the common seal;

- (b) a document may only be sealed with the common seal by the authority of the Board and the sealing must be witnessed by the signatures of two committee members;
- (c) the common seal must be kept in the custody of the Secretary.

69 Registered address

The registered address of the Association is—

- (a) the address determined from time to time by resolution of the Board; or
- (b) if the Board has not determined an address to be the registered address—the postal address of the Secretary.

70 Notice requirements

- (1) Any notice required to be given to a member under these Rules may be given—
 - (a) by handing the notice to the member personally; or
 - (b) by sending it by post to the member at the address recorded for the member on the register of members; or
 - (c) by email or facsimile transmission.
- (2) Subrule (1) does not apply to notice given under rule 53.
- (3) Any notice required to be given to the Association or the Board may be given—
 - (a) by handing the notice to a member of the Board; or
 - (b) by sending the notice by post to the registered address; or
 - (c) by leaving the notice at the registered address; or
 - (d) if the Board determines that it is appropriate in the circumstances—
 - (i) by email to the email address of the Association or the Secretary; or
 - (ii) by facsimile transmission to the facsimile number of the Association.

71 Custody and inspection of books and records

- (1) Members may on request inspect free of charge—
 - (a) the register of members;
 - (b) the minutes of general meetings;
 - (c) subject to subrule (2), the financial records, books, securities and any other relevant document of the Association, including minutes of Board meetings.
- (2) The Board may refuse to permit a member to inspect records of the Association that relate to confidential, personal, employment, commercial or legal matters or where to do so may be prejudicial to the interests of the Association.
- (3) The Board must on request make copies of these Rules available to members and applicants for membership free of charge.
- (4) Subject to subrule (2), a member may make a copy of any of the other records of the Association referred to in this rule and the Association may charge a reasonable fee for provision of a copy of such a record.
- (5) For purposes of this rule—

relevant documents means the records and other documents, however compiled, recorded or stored, that relate to the incorporation and management of the Association and includes the following—

- (a) its membership records;
- (b) its financial statements;
- (c) its financial records;
- (d) records and documents relating to transactions, dealings, business or property of the Association.

72 Winding up and cancellation

- (1) The Association may be wound up voluntarily by special resolution.
- (2) In the event of the winding up or the cancellation of the incorporation of the Association, the surplus assets of the Association must not be distributed to any members or former members of the Association.
- (3) Subject to the Act and any court order made under section 133 of the Act, the surplus assets must be given to a body that has similar purposes to the Association and which is not carried on for the profit or gain of its individual members.
- (4) The body to which the surplus assets are to be given must be decided by special resolution.

73 Alteration of Rules

- (1) These Rules may only be altered by special resolution of a general meeting of the Association.

74 Indemnity and Insurance

- (1) Every person who is or has been a Director or other Officer is entitled to be indemnified out of the property of the Association against:
 - (i) every liability incurred by the person in that capacity (except a liability for legal costs); and
 - (ii) all legal costs incurred in defending or resisting (or otherwise in connection with) proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity, unless:
 - (A) the Association is forbidden by statute to indemnify the person against the liability or legal costs; or
 - (B) an indemnity by the Association of the person against the liability or legal costs would, if given, be made void by statute.
- (2) The Association may pay or agree to pay, whether directly or through an interposed entity, a premium for a contract insuring a person who is or has been a Director or other Officer against liability incurred by the person in that capacity, including a liability for legal costs, unless:
 - (i) the Association is forbidden by statute to pay or agree to pay the premium; or
 - (ii) the contract would, if the Association paid the premium, be made void by statute.

PART 8—BYLAWS

75 Bylaws

- (1) Subject to any relevant law or these Rules, the following matters will be governed by the Bylaws:

- (a) the regulatory arrangements of the Australian Holstein Herdbook;
 - (b) establishment and conduct of Regions, Board committees and the Strategic Directions Committee;
 - (c) matters involving members;
 - (d) election or appointment of persons to represent the Association in any body or group not covered by these Rules in which the Association may be represented;
 - (i) Industry Groups; and
 - (ii) any other body in which the Association may be represented.
 - (e) any other matters not dealt with by these Rules.
- (2) The Bylaws may be added to, amended or repealed by a three-quarter majority vote (of those present and voting) of the Board members, providing that the Board has given relevant notice as part of their Board agenda and issuance of Board papers to all Directors.

PART 9—TRANSITIONAL PROVISIONS

76 Transitional Provisions

- (1) The Association commences operations under these Rules following the approval of the Rules by the members at the 2016 AGM, and to be effective immediately following midnight of 30 June 2017.
- (2) Notwithstanding anything in these Rules to the contrary, these Rules must be read and construed so that:
 - (a) all members of the Association prior to the adoption of these Rules shall be deemed to be a member under these Rules;
 - (b) all members of the Board under the current Rules, shall be deemed to be Board members elected or appointed in accordance with these Rules;
 - (c) at the next AGM being 2017, following the adoption of these Rules, two (2) Board members are to retire and an election conducted as prescribed for in these Rules.
 - (d) for the following AGM being 2018, another two (2) Board members are to retire and an election conducted as prescribed in these Rules.
 - (e) for the next following AGM being 2019, another one (1) Board member is to retire and an election conducted as prescribed in these Rules.
 - (f) Thereafter these Rules will commence to operate as prescribed.
 - (g) If there is any issue then the Board is authorised to decide the method by which the directors who are to retire in accordance with this Rule are determined;
 - (h) for the 2017 and subsequent annual general meetings following the adoption of these Rules, the rotation of Board members shall be in accordance with these Rules;
 - (i) any register maintained by the Association immediately before the adoption of these Rules will be considered to be a register maintained under these Rules;
 - (j) persons elected or appointed into positions, whether as National Delegate, Branch President, Vice-President, Secretary, Treasurer, or Sub-Branch representative shall continue in those positions until the commencement of the 1st day of July 2017;
 - (k) following the adoption of these Rules, the Board is authorised as of post 1 January 2017 to initiate all necessary actions to enable the confirmation of the membership of the Strategic Directions Committee such that it is capable of operation

immediately upon the coming into effect of these Rules. This will therefore require the Board to oversee the nominations and, as required, the elections of the one (1) Regional Representative from each of the Regions within Australia; the election of at least three (3) members from the members, and the appointment of at least two (2) Board members and one (1) Youth Member as nominated and approved by the Board. As of post 30 June 2017, the Strategic Directions Committee will be fully operational and capable of carrying out its role as set out in these Rules.

- (l) In respect of those members directly appointed from Regions, it is proposed that under ballot 1 to be held by no later than 31 August 2018, and subsequently at the same time each year:
 - (i) Three (3) members be elected in year 1, being 2018, and replace 3 of the current members (suggestion is 1st Victorian region, 1st NSW Region and the SA Region); and
 - (ii) Three (3) members be elected in year 2, being 2019, and replace 3 of the current members (suggestion is 2nd Victorian region, 2nd NSW Region and the Queensland Region); and
 - (iii) Three (3) members be elected in year 3, being 2020, and replace 3 of the current members (suggestion is 3rd Victorian region, the WA Region and the Tasmanian Region).
- (m) Assuming that there are three (3) directly elected members, it is proposed that under ballot 2 to be held by no later than 31 August in each year:
 - (i) One (1) member be elected in year 1 and replace 1 of the current members
 - (ii) One (1) member be elected in year 2 and replace 1 of the current members
 - (iii) One (1) member be elected in year 3 and replace 1 of the current members
- (3) Unless the contrary intention appears in these Rules, all persons, things and circumstances appointed or created by or under the Rules of the Association in force before the adoption of these Rules will continue to have the same status, operation and effect after the adoption of these Rules.