

# interchange<sup>®</sup>

**THE CONSTITUTION AND RULES  
OF  
INTERCHANGE INCORPORATED**

**November 2017**

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## **PART ONE – PRELIMINARY**

Interchange Incorporated is a membership organisation and the custodian of the Interchange<sup>®</sup> brand. We support disability service providers that offer family support and opportunities for individuals and families impacted by disability. We are a not-for-profit, non-government, incorporated association and a registered charity.

### **1. Name**

The name of the incorporated association is INTERCHANGE INCORPORATED (which is trademarked and known as 'Interchange'). Incorporated Association No: A0002025H.

#### **Our Vision**

To be part of a community that shares the responsibility for the wellbeing of all, celebrates and promotes difference and strives for inclusiveness and choice.

#### **Our Mission**

Interchange assists its members to build inclusive communities and to develop responsive services which enhance the quality of life for individuals and families impacted by disability.

### **2. Statement of Purposes**

- 1) To assist Interchange members to maximise the potential of their programs and services through:
  - a) The provision of information and resource material.
  - b) Marketing and promotion of members, their programs and their work in the community.
  - c) The provision and coordination of training and professional development opportunities.
  - d) Facilitating networking and collaborative partnering opportunities.
  - e) The attraction and engagement of volunteers to assist in meeting the needs of people with a disability and their families.
  - f) Undertaking fund-raising initiatives and activities as is timely and relevant.
  - g) Harnessing the collective value of our members in order to better advocate on issues to government and other decision makers.
  - h) Protection of the Interchange Brand and Values

#### **Our Values**

##### **Integrity**

We are open, honest and accountable in all our practices.

##### **Social Justice**

We contribute to and work with the broader community to bring about positive changes for individuals and society. We recognise that a fair community means that all people have the right to equal opportunities and justice and can participate fully within their communities.

##### **Quality**

We provide a supportive environment for the Board, staff, volunteers and partners to excel in the provision of services with standards and systems that support and build on our strengths.

##### **Respectful Work Environment**

We value and promote a positive and safe work environment that supports diversity and values individual abilities and contribution.

## **Sustainability**

We aim to maximize our enterprise opportunities and undertake responsible financial management.

### **3. Financial Year**

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

### **4. Principles of Interchange Incorporated**

- 1) All people have a right to be a valued part of the community regardless of their diversity, strengths or limitations.
- 2) People with a disability have a right to equal access to the community
- 3) Every person has a right to choose high quality, flexible and affordable support and education options.
- 4) All people with a disability and their families should be given the power to make decisions about their life choices.
- 5) Interchange will advocate on issues impacting our member communities in order to ensure our principles are achieved.

### **5. Interpretation**

- 1) In these rules, unless the contrary intention appears:

*Board* means the Board of Management of the Association.

*Financial year* means the year ending on 30 June.

*General Meeting* means a general meeting of members convened in accordance with Rule 11.

*Member* means a member of the Association

*Representative* means a duly appointed representative of a member who has agreed to attend meetings of the Association on behalf of the member.

*Ordinary Member of the Board* means a member of the Board who is not an officer of the Association under Rule 21.

*Voluntary Welfare Organisations* means and includes any non-Government not for profit organisation whose activities involve the delivery of, support of, or other interest in the welfare of children and families.

*The Act* means the Associations Incorporation Act 2012

*The Regulations* means regulations under the Act.

*Client* means a person with a disability and their family.

*Host* means voluntary carer/s of children or young people with a disability.

*Member Program* means the respite, recreation or other support program of a financial member.

Words or expressions contained in these rules shall be interpreted in accordance with the provisions of the Acts Interpretation Act 1958 and the Act as in force from time to time.

## **PART TWO – POWERS OF ASSOCIATION**

### **6. 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.
  - h) The Association may only exercise its powers and use its income and assets (including any surplus) for its purposes.

### **7. 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 on terms no more favourable than if the member was not a member.

#### **Note**

Section 33 of the Act provides that an incorporated association must not secure pecuniary profit for its members. Section 4 of the Act sets out in more detail the circumstances under which an incorporated association is not taken to secure pecuniary profit for its members.

## **PART THREE – MEMBERSHIP, DISCIPLINARY PROCEDURES AND GRIEVANCES**

### **8. Minimum Number of Members**

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

### **9. Eligibility**

- 1) Membership is open to approved not-for-profit organisations who are registered disability service providers meeting legislated state and commonwealth quality standards and who provide high quality support for people with disabilities and their carers. As members, they accept the principles, purposes and rules of the association and pay an annual fee.
- 2) Organisations wishing to become members of the Association shall apply to the Board for membership.

### **10. Application for Membership**

- 1) To apply to become a member of the Association, an organisation must submit a written application to a Board member stating that the organisation—
  - 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.
- 2) The application—
  - a) must be signed by two authorised representatives of the applicant organisation; and
  - b) may be accompanied by the joining fee.

#### **Note**

The joining fee is the fee (if any) determined by the Association under rule 12(3).

### **11. Approval of Membership**

- 1) As soon as is practicable after the receipt of a nomination, the Board member shall refer the nomination to the Board.
- 2) Upon a nomination being referred to the Board, the Board shall determine whether to approve or to reject the nomination
- 3) Upon a nomination being approved by the Board, the secretary shall, with as little delay as possible, notify the nominated organisation in writing that it is approved for membership of the Association.
- 4) The secretary shall, upon payment of the amounts referred to in sub-clause (2b), enter the nominated organisation's name in the register of members kept by him/her and, upon the name being so entered, the nominated organisation becomes a member of the Association.

### **12. Rights of Members**

- 1) A right, privilege, or obligation of a member by reason of its membership of the Association:-
  - a) is not capable of being transferred.
  - b) terminates upon the cessation of membership whether by resignation or otherwise.

- 2) 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 rule 75; and
  - f) to inspect the register of members.
- 3) A member is entitled to vote if—
  - a) the member is a member other than an associate 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.

### **13. Associate Members**

- 1) Associate members of the Association include—
  - a) any members under the age of 15 years; and
  - b) any other category of member as determined by special resolution at a general meeting.
- 2) An associate member must not vote but may have other rights as determined by the Board or by resolution at a general meeting.

### **14. Appointment of Member Representatives**

- 1) Each member organisation shall be entitled to appoint one representative who will exercise one vote at the Annual General Meeting and Special General Meetings. Appointment of representatives by members shall be made not less than two weeks prior to each Annual General Meeting and shall be returned to the secretary of the Association signed by two members of the governing body of the member.

Representatives may be:

- a) A parent or host currently involved in the Member's program.
  - b) Members of the committee of management.
  - c) A coordinator of the program operated by the member, or
  - d) A paid up member, nominated by that member's Management Committee.
- 2) It is desirable that each representative should be a client, host or other community representative from each member, but an employee may represent their member should this be considered appropriate by the member.

### **15. Changes in the Representatives of Members**

- 1) Should a representative cease to be approved by the member concerned, notice to this effect must be given to the Association by the member, signed by 2 members of the governing body of the member.
- 2) A replacement representative may be appointed to serve out the remaining term of office of the former representative. Likewise, members may replace a representative who resigns during the course of the year, by giving notice to this effect signed by 2 members of the governing body of the constituent member.



## **16. Membership Entrance Fee and Annual Subscription**

- 1) At each annual general meeting, the Association must determine—
  - a) the amount of the annual subscription (if any) for the following financial year; and
  - b) the date for payment of the annual subscription.
- 2) The Association may determine that a lower annual subscription is payable by associate members.
- 3) The Association may determine that any new member who joins after the start of a financial year must, for that financial year, pay a fee equal to—
  - a) the full annual subscription; or
  - b) a pro rata annual subscription based on the remaining part of the financial year; or
  - c) a fixed amount determined from time to time by the Association.
- 4) The rights of a member (including the right to vote) who has not paid the annual subscription by the due date are suspended until the subscription is paid.

## **17. Register of Members**

The secretary shall keep and maintain a register of members in which shall be entered the full name, address and date of entry of the name of each member and the names of the duly appointed representatives to represent the member at meetings of the Association. The register shall be available for inspection by members at the Associations registered address.

## **18. Termination of Membership**

- 1) A member of the Association which has paid all moneys due and payable by it to the Association may resign from the Association by giving written notice with no required notice period.
- 2) Upon the resignation given under sub-clause (1), the secretary shall make in the register of members an entry recording the date on which the member giving the notice, ceased to be a member.

## **19. Expulsion or Suspension of Membership**

- 1) Subject to these rules, the Board may by resolution:-
  - a) expel a member from the Association
  - b) suspend a member from membership of the Association for a specified period; or
  - c) fine a member in accordance with The Regulations, if the Board is of the opinion that the member:
    - i. has refused or neglected to comply with these rules; or
    - ii. has been guilty of conduct unbecoming a member or prejudicial to the interests of the Association; or
    - iii. Refuses to support the purposes of the Association.

## **20. Disciplinary subcommittee**

- 1) If the Committee is satisfied that there are sufficient grounds for taking disciplinary action against a member, the Committee must appoint a disciplinary subcommittee to hear the matter and determine what action, if any, to take against the member.
- 2) The members of the disciplinary subcommittee—
  - a) may be Committee members, members of the Association or anyone else; 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 subcommittee 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 subcommittee at that meeting;
    - ii. give a written statement to the disciplinary subcommittee 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 subcommittee**

- 1) At the disciplinary meeting, the disciplinary subcommittee must—
  - a) give the member an opportunity to be heard; and
  - b) consider any written statement submitted by the member.
- 2) After complying with subrule (1), the disciplinary subcommittee may—
  - a) take no further action against the member; or
  - b) subject to subrule (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 subcommittee may not fine the member.
- 4) The suspension of membership rights or the expulsion of a member by the disciplinary subcommittee under this rule takes effect immediately after the vote is passed

## **23. Appeal rights**

- 1) A person 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 disciplinary subcommittee immediately after the vote to suspend or expel the person is taken; or
  - b) to the Secretary not later than 48 hours after the vote.
- 3) If a person has given notice under subrule (2), a disciplinary appeal meeting must be convened by the Committee as soon as practicable, but in any event not later than 21 days, after the notice is received.
- 4) Notice of the disciplinary appeal meeting must be given to each member of the Association who is entitled to vote as soon as practicable and must—
  - a) specify the date, time and place of the meeting; and
  - b) state—
    - i. the name of the person against whom the disciplinary action has been taken; and
    - ii. the grounds for taking that action; and

- iii. that at the disciplinary appeal meeting the members present must vote on whether the decision to suspend or expel the person 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 Committee must state the grounds for suspending or expelling the member and the reasons for taking that action; and
  - c) the person whose membership has been suspended or who has been expelled must be given an opportunity to be heard.
- 2) After complying with subrule (1), the members present and entitled to vote at the meeting must vote by secret ballot on the question of whether the decision to suspend or expel the person should be upheld or revoked.
- 3) A member may not vote by proxy at the meeting.
- 4) The decision is upheld if not less than three quarters of the members voting at the meeting vote in favour of the decision.

#### **25. Grievance Procedure**

- 1) The grievance procedure set out in this rule applies to disputes under these Rules between-
  - a) a member and another member,
  - b) a member and the Association, or
  - c) a member and the committee.
- 2) The parties to the dispute must meet and discuss the matter in dispute, and, if possible, resolve the dispute within 14 days after the dispute comes to the attention of all of the parties.
- 3) If the parties are unable to resolve the dispute at the meeting, or if a party fails to attend that meeting, then the parties must, within 10 days, hold a meeting in the presence of a mediator.
- 4) The mediator must be-
  - a) A person chosen by agreement between the parties; or
  - b) In the absence of agreement-
    - i. In the case of a dispute between a member and another member, a person appointed by the Board of the Association; or
    - ii. In the case of a dispute between a member and the Association, a person who is a mediator appointed or employed by the Dispute Settlement Centre or Victoria (Department of Justice).
- 5) A member of the Association can be a mediator.
- 6) The mediator cannot be a member who is a party to the dispute.
- 7) The parties to the dispute must, in good faith, attempt to settle the dispute by mediation.
- 8) The mediator, in conducting the mediation, must-
  - a) Give the parties to the mediation process 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 to the dispute throughout the mediation process.
  - d) The mediator must not determine the dispute.
- 9) If the mediation process does not result in the dispute being resolved, the parties may seek to resolve the dispute in accordance with the Act otherwise at law.

## **PART FOUR – GENERAL MEETINGS**

### **26. Annual General Meeting**

- 1) The Association shall in each calendar year convene an Annual General Meeting of its members.
- 2) The Annual General Meeting shall be held on such day as the Board determines.
- 3) The Annual General Meeting shall be specified as such in the notice convening it.
- 4) The ordinary business of the Annual General Meeting shall be
  - a) to confirm the minutes of the last preceding Annual General Meeting and of any general meeting held since that meeting;
  - 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 Part 7 of the Act;
  - c) to elect officers of the Association and ordinary members of the Board; and
  - d) to receive and consider the statement submitted by the Association in accordance with section 30 (3) of the Act.
  - e) to appoint an auditor
  - f) to confirm or vary the amounts (if any) of the annual subscription and joining fee.
- 5) The Annual General Meeting may transact special business of which notice is given in accordance with these rules.
- 6) The Annual General Meeting shall be in addition to any other general meetings that may be held in the same year.

### **27. 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 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.

### **28. Special General Meeting**

All general meetings other than the Annual General Meeting shall be called Special General Meetings.

- 1) The Board may, whenever it thinks fit, convene a Special General Meeting of the Association and where, but for this sub-clause, more than 15 months would lapse between Annual General Meetings shall convene a Special General Meeting before the expiration of that period.
- 2) The Board shall, on the requisition of the President or on the written request signed by the appointed representatives of not less than ten percent member programs, specifying the purpose of such Special General Meeting, convene a Special General Meeting of the Association.

- 3) The requisition for a Special General Meeting shall state the objects of the meeting and shall be signed by the representative members making the requisition and be sent to the address of the secretary and may consist of several documents in a like form each signed by one or more of the representative members making the requisition.
- 4) If the Board does not cause a Special General Meeting to be held within one month after the date on which the requisition is sent to the address of the secretary, the representative members making the requisition, or any of them, may convene a Special General Meeting to be held not later than 3 months after that date.
- 5) A Special General Meeting convened by member programs in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which those meetings are convened by the Board and all reasonable expenses incurred in convening the meeting shall be refunded by the Association to the persons incurring the expenses.

### **29. Notice of Meeting**

- 1) The secretary of the Association shall, at least 14 days before the date fixed for holding a general meeting of the Association, cause to be sent to each representative of the member of the Association at his/her address appearing in the register of members, a notice by pre- paid post stating the place, date and time of the meeting and the nature of the business to be transacted at the meeting.
- 2) No business other than that set out in the notice convening the meeting shall be transacted at the meeting.
- 3) A member desiring to bring any business before a meeting may give notice of that business in writing through its representative to the Secretary, who shall include that business in the notice calling the next general meeting after the receipt of the notice.

### **30. Proceedings at Meetings**

- 1) All business that is transacted at a Special General Meeting and all business that is transacted at the Annual General Meeting with the exception of that specially referred to in these rules as being the ordinary business of the Annual General Meeting shall be deemed to be special business.
- 2) No item of business shall be transacted at a general meeting unless a quorum of representative members entitled under the rules to vote is present during the time when the meeting is considering that item.
  - a) One third of the current representative membership personally present (being representatives entitled under these rules to vote at a general meeting) constitute a quorum for the transaction of the business of a general meeting.
  - b) If within half an hour after the appointed time for the commencement of a general meeting, a quorum is not present, the meeting if convened upon the requisition of representative members shall be dissolved and in any other case shall stand adjourned to the same day in the next week at the same time and (unless another place is specified by the chairperson at the time of the adjournment or by written notice to representative members given before the day to which the meeting is adjourned) at the same place and if at the adjourned meeting the quorum is not present within half an hour after the time appointed for the commencement of the meeting, the representative members present (being not less than 6) shall be a quorum.

- 3) The President, or in his/her absence, the Vice-President, shall preside as chairperson at each general meeting of the Association.
- 4) If the President and the Vice-President are absent from a general meeting, the members present shall elect one of their number to preside as chairperson at the meeting
- 5) The chairperson of a general meeting at which a quorum is present may, with the consent of the meeting, adjourn the meeting from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.
- 6) Where a meeting is adjourned for 14 days or more, a like notice of the adjourned meeting shall be given as in the case of the general meeting.
- 7) Except as provided in sub-clauses (1) and (2), it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 8) A question arising at a general meeting of the Association shall be determined on a show of hands and unless before or on the declaration of the show of hands a poll is demanded, a declaration by the chairperson that a resolution has, on a show of hands been carried or carried unanimously or carried by a particular majority or lost, and an entry to that effect in the Minute Book of the Association is evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.
- 9) Upon a question arising at a general meeting of the Association, a member program has one vote which shall be exercised by the appointed representative of the member.
- 10) All votes shall be given personally or by proxy.
- 11) In the case of an equality of voting on a question, the chairperson of the meeting is entitled to exercise a second or casting vote.
- 12) If at a meeting a poll on any question is demanded by not less than three members, it shall be taken at that meeting in such a manner as the chairperson may direct and the resolution of the poll shall be deemed to be a resolution of the meeting on that question.
- 13) A poll that is demanded on the election of a chairperson or on a question of an adjournment shall be taken forthwith and a poll that is demanded on any other question shall be taken at such time before the close of the meeting as the chairperson may direct.

### **31. Special Resolutions**

- 1) A special resolution must be passed by a general meeting of the Association to effect the following changes:
  - a) a change of the Association's name;
  - b) a change of the Association's rules;
  - c) a change of the Association's objects;
  - d) an amalgamation with another incorporated Association;
  - e) to voluntarily wind up the Association and distribute its property;
  - f) to apply for registration as a company.
- 2) A special resolution shall be passed in the following manner;
  - a) a notice must be sent to all members advising that a general meeting is to be held to consider a special resolution;
  - b) the notice must give details of the proposed special resolution and give at least 21 days' notice of the meeting;
  - c) a quorum must be present at the meeting;
  - d) at least  $\frac{3}{4}$  of those present in person, or by proxy must vote in favour of the resolution;

- e) in situations where it is not possible or practicable for a resolution to be passed as described above, a request may be made to the Consumer Affairs Victoria for permission to pass the resolution in some other way.

### **32. Voting Rights**

- 1) A member through its representatives is not entitled to vote at any general meeting unless all moneys due and payable by it to the Association have been paid, other than the amount of the annual subscription payable in respect of the current financial year.

### **33. 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.

## **PART FIVE – BOARD OF MANAGEMENT**

### **34. Board of Management**

- 1) The affairs of the Association shall be managed by a Board of Management constituted as provided in Rule 36.
- 2) The Board:
  - a) will control and manage the business and affairs of the Association
  - b) may, subject to these rules, the Regulations and the Act, exercise all such powers and functions as may be exercised by the Association other than those powers and functions that are required by these rules to be exercised by general meetings of the representative members of the Association; and
  - c) subject to these rules, the regulations and the Act, has power to perform all such acts and things as appear to the Board to be essential for the proper management of the business and affairs of the Association.
- 3) The Board may:
  - d) appoint and remove staff;
  - e) establish subcommittees consisting of members with terms of reference it considers appropriate.

### **35. Delegation**

- 1) The Board may delegate to a member of the Board, a sub-Board or staff, 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.

### **36. Composition and Duties**

- 1) The officers of the Association shall be
  - a) a President
  - b) a Vice President
  - c) a Treasurer
  - d) a Secretary
  - e) a member of the Association with the option of this person being a representative of a member or from the broader community.Henceforth, these officers will constitute the Board of Management.
- 2) Each officer of the Association shall hold office for a period of two years after the date of his/her election at the Annual General Meeting but is eligible for re-election.
- 3) In the event of a casual vacancy in any office referred to in sub-clause (1), the Board may appoint one of its members or a person from the broader community to the vacant office and the member so appointed may continue in office up to and including the conclusion of the Annual General Meeting next following the date of his/her appointment.
- 4) No paid staff member of the Interchange Incorporated shall be eligible to be an officer of the Association.



### **37. General Duties**

- 1) As soon as practicable after being elected or appointed to the Board, each Board 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 positionso as to gain an advantage for themselves or any other person or to cause detriment to the Association.

**Note**

See also Division 3 of Part 6 of the Act which sets out the general duties of the office holders of an incorporated 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.

### **38. 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 and for any Board meetings.
- 2) If the President and the Vice-President are both absent, or are unable to preside, the Chairperson of the meeting must be—
  - a) in the case of a general meeting—a member elected by the other members present; or
  - b) in the case of a Board meeting—a Board member elected by the other board members present.

### **39. Secretary**

- (1) The Secretary must perform any duty or function required under the Act to be performed by the secretary of an incorporated association.

**Example**

Under the Act, the secretary of an incorporated association is responsible for lodging documents of the association with the Registrar.

- (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.

(3)The Secretary must give to the Registrar notice of his or her appointment within 14 days after the appointment.

#### **40. Treasurer**

1) The Treasurer of the Association:-

- a) authorises payments made by the Association; and
- b) shall review accounts and books showing the financial affairs of the Association with full details of all receipts and expenditure connected with the activities of the Association and endeavor to keep fair and reasonable accounts and books.

The accounts and books referred to in sub-clause (1b) shall be available for inspection by members.

2) Establishment and Operation of Gift Fund

The Association must maintain for its principal objects a fund ("Gift Fund"):

- a) to which gifts of money or property those objects are to be made;
- b) to which any money received by the Association because of those gifts is to be credited; and
- c) that does not receive any other money or property.

3) Limits on use of Gift Fund

The Association must use the following only for its principal objects:

- a) gifts made to the Gift Fund; and
- b) any money received because of those gifts.

4) Winding up

a) At the first occurrence of:

- i. the winding up of the Gift Fund; or
- ii. the Association ceasing to be endorsed as a deductible gift recipient under Subdivision 30-BA of the income Tax Assessment Act 1997 ("ITAA 97"),

any surplus assets of the Gift Fund must be transferred to an institution:

- iii. which is charitable at law; and
- iv. gifts to which can be deducted under Division 30-B of ITAA 97 on the basis that it is characterised as a public benevolent institution as described in item 4.1.1 of the table in section 30-45(1) of ITAA 97.

b) The identity of the institution must be decided by the Association.

c) The Association must notify the Australian Taxation Office in writing if a material alteration is made to this Rule.

d) Receipts issued for gifts to the Association must state:

- i. the name of the Association;
- ii. the Australian Business Number applicable to the Association; and
- iii. the fact that the receipt is for a gift'.

#### **41. Who is Eligible to be a Board Member**

1) Subject to section 23 of the Act, the Board shall consist of:

- a) Six to Eight members, with a minimum 50% of Board members representing the member services or their community

2) Each ordinary member of the Board shall, subject to these rules, hold office until the Annual General Meeting two years after the date of his/her election but is eligible for re-election.

#### **42. Nominations**

1) In the event of a casual vacancy occurring in the Board of management, the Board shall seek a nomination from the member programs or the broader community. The Board shall appoint a

representative from the nominations received to fill the vacancy. The Board member so appointed shall hold office, subject to the member programs consent and to these rules, until the conclusion of the next Annual General Meeting following the date of his/her appointment

- 2) Prior to the election of each position either as Officers of the Association or as ordinary members of the Board, the Chairperson of the meeting must call for nominations to fill that position.
- 3) An eligible member of the Association may—
  - a) nominate himself or herself; or
  - b) with the member's consent, be nominated by another member.
  - c) Nominations are not required to be made in writing.
- 4) A member who is nominated for a position and fails to be elected to that position may be nominated for any other position for which an election is yet to be held.
- 5) If insufficient nominations are received to fill all vacancies on the Board, the candidates nominated shall be deemed to be elected and further nominations shall be received at the Annual General Meeting. Should further nominations received at the Annual General Meeting be insufficient to fill the number of vacancies, then the Board may at subsequent meetings of the Board appoint additional person(s) to the existing vacancies.
- 6) If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated shall be deemed to be elected.
- 7) If the number of nominations exceeds the number of vacancies to be filled, a ballot shall be held.
- 8) The ballot for the election of officers of the Board shall be conducted at the Annual General Meeting in such usual and proper manner as the Board may direct.
- 9) A nomination of a candidate for election under this clause is not valid if that candidate has been nominated for another office for election at the same election.

#### **43. Vacation of Office**

- 1) For the purposes of these rules, the office of an officer of the Association or of an ordinary member of the Board becomes vacant if the officer of member:-
  - a) ceases to be a representative of a member of the Association;
  - b) becomes an insolvent under administration within the meaning of the Companies (Victoria) Code; or
  - c) resigns his office by notice in writing given to the secretary.
- 2) Failure to attend three consecutive meeting of the Board of the Association without apology by the Board member shall empower the Board in its discretion to declare a vacancy of the position of that member, provided that:-
  - a) due notice under the Constitution has been given of the meetings of the Board.
  - b) where appropriate, leave of absence can be given by the Board to cover any period and for any reason which they may in their discretion accept.

#### **44. Proceedings of Board**

- 3) Special meetings of the Board may be convened by the President. The President is required to call a special Board meeting within 14 days of being requested to do so by:
  - a) the Board
  - b) any 4 Board members making such a written request.

- 4) Notice shall be given to members of the Board of any special meeting specifying the general nature of the business to be transacted and no other business shall be transacted at such a meeting.
- 5) A quorum for the transaction of the business of a meeting of the Board shall be minimum three Board members present in person or via the use of technology.
- 6) No business shall be transacted unless a quorum is present and if within half an hour of the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to a date, time and place determined by the President but not more than 28 days hence.
- 7) At meetings of the Board:
  - a) the President or in his/her absence the Vice-President shall preside; or
  - b) if the President and the Vice-President are absent, such one of the remaining members of the Board as may be chosen by the members present shall preside.
- 8) Questions arising at a meeting of the Board shall be determined on a show of hands or, if demanded by a member, by a poll taken in such manner as the person presiding at the meeting may determine.
- 9) Each member present at a meeting of the Board is entitled to one vote and, in the event of an equality of votes on any question, the person presiding may exercise a second or casting vote.
- 10) Written notice of each Board meeting shall be served on each member of the Board by delivering it to him/her at a reasonable time before the meeting or by sending it by pre-paid post addressed to him/her at his/her usual or last known place of abode at least two business days before the date of the meeting.
- 11) Subject to sub clause (4) the Board may act notwithstanding any vacancy on the Board.
- 12) The Executive Officer is a non-voting officer of the Board of Management.
- 13) Should a member propose to be absent, that member shall be entitled to appoint a substitute representative from the same member program or a representative of another program as its proxy, by notice given to the secretary no later than one hour before the time of the meeting in respect of which the proxy is appointed.
- 14) The notice appointing the proxy shall be in the form set out in Appendix 2(a) or 2(b).
- 15) All meetings of the Board are open and at the discretion of the chairperson, observers and non-voting members may participate in discussion.

#### **45. 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.

##### **Note**

Under section 81(3) of the Act, if there are insufficient Board members to form a quorum because a member who has a material personal interest is disqualified from voting on a matter, a general meeting may be called to deal with 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.

#### **46. 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 65.

#### **47. Removal of Board Member**

- 1) The Association in general meeting may by resolution remove any member of the Board before the expiration of his/her term of office and appoint another representative in his/her stead to hold office until the expiration of the term of the first-mentioned member.
- 2) Where the Board member to whom a proposed resolution referred to in sub-clause (1) makes representations in writing to the secretary or President of the Association (not exceeding a reasonable length) and requests that they be notified to the members of the Association, the secretary or the President may send a copy of the representations to each member of the Association or, if they are not so sent, the Board member may require that they be read out at the meeting.

### **PART SIX – FINANCIAL MATTERS**

The assets and income of the organisation shall be applied solely in furtherance of its objectives and no portion shall be distributed directly or indirectly to the members of the organisations except as bona fide compensation for services rendered or expenses incurred on behalf of the organisation.

#### **48. Funds - Source**

- 1) The funds of the Association shall be derived from the fees of members, donations, grants, merchandising, sponsorship and such other sources approved by the Association.  
All monies received by the Association shall be deposited as soon as practicable and without deduction to the credit of the Association's bank account
- 2) The Association shall, as soon as practicable after receiving any money, issue an appropriate receipt.

#### **49. Gift Fund**

- 1) The Association must maintain for the primary purpose of the Association a fund called a Gift Fund:
  - a) to which gifts of money and property for the primary purpose are made;
  - b) to which any money received by the Association because of those gifts is to be credited; and
  - c) that does not receive any other money or property

- 2) Certain kinds of money and property must not go to the gift fund. This includes income from sponsorship, income from commercial activities, and proceeds from raffles, auctions or fund raising dinners.
- 3) The Association must use the gifts made to the Gift Fund and any money received because of those gifts only for the primary purpose of the Association.
- 4) Interchange Victoria will meet all the requirements as a not-for-profit organisation.

**50. Cheques**

- 1) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments shall be signed by any two of the following: authorised Board of Management members, and the Executive Officer. Electronic payments will not require such authorisation.

## **PART SEVEN – GENERAL MATTERS**

### **51. Seal**

- 1) The Common Seal of the Association shall be kept in the custody of the secretary.

**Note** A Common Seal is optional.

- 2) The Common Seal shall not be affixed to any instrument except by the authority of the Board and the affixing of the Common Seal shall be attested by the signatures either of two members of the Board or of one member of the Board and of the Public Officer of the Association.

### **52. Alteration of Rules and Statement of Purposes**

- 1) These rules and the statement of purposes of the Association shall not be altered except in accordance with the Act.

### **53. Notices**

- 1) A notice may be served by or on behalf of the Association upon any member or their representative either personally or by sending it by post to the member or their representative at the address shown in the Register of Members.
- 2) A notice may also be given by email or fax
- 3) Where a document is properly addressed pre-paid and posted to a person as a letter, the document shall, unless the contrary is proved, be deemed to have been given to the person at the time at which the letter would have been delivered in the ordinary course of post.

### **54. Winding Up**

- 1) If upon the winding-up or dissolution of the Association there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the property shall not be paid or distributed to the members of the Association but must be transferred to an institution:
  - a) which is charitable at law; and
  - b) gifts to which can be deducted under Division 30-B of ITAA 97 on the basis that it is characterised as a public benevolent institution as described in item 4.1.1 of the table in section 30-45(1) of ITAA 97.
- 2) The identity of the institution must be decided by the members.

### **55. Custody of Records**

- 1) Except as otherwise provided in these Rules, the secretary shall keep in his/her custody or under his/her control all books, documents and securities of the Association.

### **56. Funds**

- 1) The funds of the Association shall be derived from entrance fees, annual subscriptions, donations and such other sources as the Board determines.

### **57. Non Profit Clause**

- 1) The assets and income of the organisation shall be applied solely in furtherance of its above mentioned objects and no portion shall be distributed directly or indirectly to the members of the organisation except as bona fide compensation for services rendered or expenses incurred on behalf of the organisation.

**APPENDIX 1: APPLICATION FORM FOR MEMBERSHIP OF INTERCHANGE (INC)**

The organisation \_\_\_\_\_  
(Name)

which is responsible for the program at \_\_\_\_\_

wishes to apply for membership of Interchange Incorporated.

Address of the organization \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Postal Address \_\_\_\_\_  
(if different) \_\_\_\_\_  
\_\_\_\_\_

Telephone number \_\_\_\_\_

In the event of admission, \_\_\_\_\_  
(name of organisation)

agrees to be bound by the constitution of Interchange (Inc.).

Signature of two authorised representatives of the organization

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**APPENDIX 2(a): FORM OF APPOINTMENT OF PROXY (GENERAL)**

I \_\_\_\_\_, being a representative  
(full name of representative)

of \_\_\_\_\_ hereby appoint  
(name of member organisation)

\_\_\_\_\_ who is a  
(full name of representative)

representative of \_\_\_\_\_, as my  
(Name of proxy's member organisation)

proxy to vote on my behalf at the meeting set down for \_\_\_\_\_

and at any adjournment of (date of meeting) \_\_\_\_\_ that meeting.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX 2(b): FORM OF APPOINTMENT OF PROXY (SPECIFIC RESOLUTION)**

I, \_\_\_\_\_, being a representative  
(full name of representative)

Of \_\_\_\_\_ hereby authorize  
(name of organisation)

\_\_\_\_\_ who is a representative  
(name of representative)

of \_\_\_\_\_ to vote in  
(name of proxy's member organisation)

favour of/against (delete as appropriate) the following resolution (Insert details):

Signed: \_\_\_\_\_

Date: \_\_\_\_\_