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Constitution of Australian Pharmacy Council Limited

ACN 126 629 785



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1. PRELIMINARY

1.1 Company limited by guarantee

The Company is limited by guarantee and the liability of members is limited as provided in this constitution.

1.2 Objects of the Company

The Company is formed with the following objects:

- (a) to devise and arrange the implementation of assessment procedures within the Commonwealth of Australia and overseas, which may be used to determine professional competence;
- (b) to carry out such functions as are necessary for the accreditation of pharmacy education providers and/or courses which may be relied upon for the registration of pharmacists;
- (c) to carry out such functions as are necessary for the accreditation of continuing pharmacy education or professional development providers and/or activities that may be offered to registered pharmacists, which may be relied upon for the re-registration of pharmacists;
- (d) to improve the consistency of the standards of pharmaceutical education, registration and practice, including proposing model legislation, guidelines and codes of conduct;
- (e) to examine issues of national and international importance and relevance and where appropriate make recommendations to governments and other bodies;
- (f) to co-operate with state, national and international associations, authorities and organisations in a manner consistent with the attainment of these purposes;
- (g) to undertake any other functions the Company sees fit.

Nothing in paragraphs (a) to (g) limits the Company from contracting its services to any other body or for any purpose.

1.3 Application of income and property

Subject to rules 1.4 and 9, the Company must apply its income solely towards promoting the objects of the Company as stated in rule 1.2. No part of the Company's income may be paid or transferred directly or indirectly by way of dividend bonus or otherwise to members.

1.4 Certain payments allowed

Rule 1.3 does not prevent the payment of reasonable remuneration to any officer or employee of the Company or to any member of the Company or other individual or

organisation in return for service rendered to the Company. In addition rule 1.3 does not prevent the Company paying to a member:

- (a) interest on money lent by the member to the Company at a rate not exceeding the rate charged by Australian banks for overdrawn accounts;
- (b) reasonable remuneration for goods and services supplied by the member to the Company in the ordinary course of business; and
- (c) reasonable rent for premises lent by the member to the Company.

1.5 Replaceable rules

The replaceable rules referred to in section 141 of the Act do not apply to the Company and are replaced by the rules set out in this constitution. Sections referred to throughout the constitution are from the Act.

1.6 Definitions

The following definitions apply in this constitution.

Act means the *Corporations Act 2001* (Cth).

Alternate means an alternate Councillor appointed under rule 4.1.

Appointor in relation to an Alternate, means the Councillor who appointed the Alternate under rule 4.1(a).

Individual Member means an individual admitted as a member under rule 2.4.

Council means the Councillors acting collectively under this constitution and as a board for the purposes of the Act.

Company means the company named at the beginning of this constitution whatever its name is for the time being.

Councillor means an individual who is, for the time being, a director of the Company including, where appropriate, an Alternate.

member means an individual or organisation whose name is entered in the Register as a member of the Company.

Organisational Member means an organisation admitted as a member under rule 2.5.

ordinary resolution means a resolution passed at a meeting of members by a majority of the votes cast by members entitled to vote on the resolution.

PCNZ means the Pharmacy Council of New Zealand, being the body established as the Pharmacy Council under the *Health Practitioners Competence Assurance Act 2003* (NZ).

President means a Councillor appointed as president of the Company under rule 5.4(a).

Register means the register of members kept as required by sections 168 and 169.

Secretary means, during the term of that appointment, an individual appointed as a secretary of the Company in accordance with this constitution.

Selection Committee means the committee established by the Council under rule 3.8.

special resolution has the meaning given by section 9.

See sections
168 and 169

Start Date means 1 July 2010 or, if another date is specified in the special resolution adopting this constitution as the date on which this constitution commences, that date.

1.7 Interpretation of this constitution

Headings and marginal notes are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this constitution, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, modified in relation to the Company, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (iv) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word is defined, another part of speech has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (g) A power to do something includes a power, exercisable in the like circumstances, to revoke or undo it.
- (h) A reference to a power is also a reference to authority or discretion.
- (i) A reference to something being **written** or **in writing** includes that thing being represented or reproduced in any mode in a visible form.
- (j) A word (other than a word defined in rule 1.6) which is defined by the Act has the same meaning in this constitution where it relates to the same matters as the matters for which it is defined in the Act.
- (k) A reference to a Chapter, Part, Division, or section is a reference to a Chapter, Part, Division or section of the Act.
- (l) A reference to an 'Inaugural Councillor' in this constitution is a reference to an 'Inaugural Director' as appointed under, or by operation of, a previous constitution.

2. MEMBERSHIP

2.1 Membership

Subject to rules 2.7 and 2.8, the members of the Company are any individual or organisation that the Council admits as:

- (a) an Individual Member under rule 2.4; or
- (b) an Organisational Member under rule 2.5.

2.2 Limited liability of members

If the Company is wound up each member undertakes to contribute to the assets of the Company up to an amount not exceeding \$10 for payment of the debts and liabilities of the Company including the costs of the winding up. This undertaking continues for one year after an individual or organisation ceases to be a member.

2.3 Membership fees, etc

- (a) Subject to rule 2.3(b), members are not required to pay any fee, subscription or other charge for membership of the Company.
- (b) Funds received from members shall be on the basis of a written agreement between the Company and those members.

2.4 Admission of Individual Members

- (a) On, or immediately after the Start Date, the Council must admit at least 16, and may admit up to and including 24, individuals as Individual Members by giving notice to the relevant individuals, provided that those individuals have been nominated by an Australian State or Territory registering authority, or a body who was (at the time of making the nomination) an Australian State or Territory registering authority.
- (b) The Council may admit individuals as Individual Members in accordance with rule 2.6, provided that there are always a minimum of 16 and a maximum of 24 Individual Members.
- (c) An individual is taken to have been admitted as an Individual Member on the date specified in a notice given by the Council to the individual under rule 2.6(e).

2.5 Admission of Organisational Members

- (a) Subject to rule 2.5(b), the Council must admit at least 4, and may admit up to 12, organisations as Organisational Members in accordance with rule 2.6.
- (b) An organisation can only be admitted as an Organisational Member if they are a pharmacist centred national body.
- (c) An organisation is taken to have been admitted as an Organisational Member on the date specified in the notice given by the Council to the organisation under rule 2.6(e).

2.6 Admission of members

- (a) The Council may develop criteria, guidelines or processes for inviting individuals or organisations to apply for admission, and for admitting, individuals or organisations

to membership of the Company as either an Individual Member or an Organisational Member.

- (b) The Council must comply with any criteria, guidelines or processes it has developed when inviting individuals or organisations to apply for admission, and for admitting individuals or organisations to membership of the Company.
- (c) An individual or organisation may apply in writing to the Council to be admitted as a member.
- (d) Upon receiving an application, the Council may admit the individual or organisation to a category of membership if the Council decides that the individual or organisation meets:
 - (i) if the application is from an organisation - the criterion in rule 2.5(b) for admission as an Organisational Member; and
 - (ii) any criteria the Council has developed for admission to that category of membership.
- (e) If the Council decides to admit the individual or organisation to a category of membership, it must give that individual or organisation a notice that specifies:
 - (i) the particular category of membership to which the Council has decided to admit the individual or organisation; and
 - (ii) the date on which the individual or organisation is taken to have been admitted as a member.

2.7 Ceasing to be a member

- (a) An Individual Member is admitted for an initial term of three years (**Initial Term**), with an option to extend their membership for two further periods of three years each (called the **First Option Term** and **Second Option Term** respectively) that is exercisable in accordance with this rule 2.7.
- (b) Three months before the expiration of an Individual Member's Initial Term or the First Option Term, as the case may be, the Council may give a notice to an Individual Member inviting them to exercise an option referred to in rule 2.7(a) and be admitted as an Individual Member for either the First Option Term or the Second Option Term as the case may be.
- (c) Within 14 days after receiving a notice from the Council under rule 2.7(b), an Individual Member may exercise the relevant option by giving the Council a notice stating that it wishes to exercise the option.
- (d) An individual ceases to be an Individual Member on the expiration of the Initial Term or the First Option Term, as the case may be, if either:
 - (i) they do not receive a notice from the Council under rule 2.7(b); or
 - (ii) after receiving a notice from the Council under rule 2.7(b), they do not give the notice referred to in rule 2.7(c).
- (e) An individual ceases to be an Individual Member upon the expiration of the Second Option Term.
- (f) A member (whether an Individual Member or an Organisational Member) may resign from the Company by giving nine months' notice to the Council.

2.8 Termination of membership

- (a) The Council may, by resolution, expel from the Company any member:
 - (i) who does not comply with this constitution or any by-laws, rules or regulations of the Company; or
 - (ii) whose conduct in the opinion of the Council is prejudicial to the interests of the Company,and remove that member's name from the Register.
- (b) At least 21 days before the Council holds a meeting to expel a member, the Council must give a notice to the member which states:
 - (i) the allegations against the member or proposed ground under rule 2.8 on which the Council proposes to rely ;
 - (ii) the proposed resolution for the member's expulsion;
 - (iii) that the member has an opportunity at the meeting to address the allegations or basis for the proposed resolution either orally or in writing; and
 - (iv) that if the member notifies the Secretary in writing at least 48 hours before the meeting, the member may elect to have the question of that member's expulsion dealt with by the Company in general meeting.
- (c) The Company must expel a member and the Council must cause a member's name to be removed from the Register where:
 - (i) a general meeting is held to expel a member; and
 - (ii) a resolution is passed at the meeting by a majority of two-thirds of those present and voting for the member to be expelled. The vote must be taken by ballot.

2.9 Terminated members' liability

A member whose membership is terminated under rule 2.8 or who resigns under rule 2.7(f):

- (a) is liable for any outstanding payments owing to the Company from the member under any written agreement to provide funds to the Company, which shall be recoverable by the company as a debt due to it; and
- (b) does not have any claim on the Company, its funds or property.

3. COUNCILLORS

3.1 Previous Councillors

A Councillor of the Company ceases to be a Councillor on the Start Date if he or she was appointed by an Australian registering authority.

3.2 Number of Councillors

The Company must have at least three Councillors and, until otherwise decided by ordinary resolution, not more than 10 Councillors as follows:

- (a) the chair of the accreditation committee appointed prior to the Start Date or under rule 3.5;
- (b) the chair of the examining committee appointed prior to the Start Date or under rule 3.5;
- (c) up to two community representatives appointed prior to the Start Date or under rule 3.6;
- (d) one Councillor appointed by PCNZ, provided that PCNZ is a member of the Company, prior to the Start Date or under rule 3.4; and
- (e) up to five other Councillors appointed under rule 3.7.

For the avoidance of doubt, nothing in this rule 3 prevents the Council from appointing a Councillor under rule 3.9 (to ensure the minimum number of Councillors is maintained).

3.3 Eligibility

- (a) A Councillor need not be a member.
- (b) Neither the auditor of the Company nor any partner, director or employee of the auditor is eligible to act as a Councillor.
- (c) An individual who retired from the office of Councillor under rule 3.10 and who has then served as a Councillor for two further terms of three years each after the first retirement is not eligible to act as a Councillor.

3.4 Appointment of Councillor by PCNZ

- (a) An individual will be taken to be appointed as a Councillor by PCNZ if they were:
 - (i) appointed by PCNZ as a Councillor prior to the Start Date; or
 - (ii) in relation to an appointment being made by PCNZ after the Start Date, if:
 - (A) PCNZ gives the Council a notice nominating that individual for appointment as a Councillor; and
 - (B) the nomination of that individual is disclosed by the Council to the next general meeting after receipt by the Council of the written nomination.
- (b) The individual nominated by PCNZ under rule 3.4(a)(ii) is taken to have been appointed as a Councillor on the date of the general meeting at which their nomination is disclosed.
- (c) For the avoidance of doubt, nothing in this rule 3.4 permits there to be more than one PCNZ-appointed Councillor on the Council at any one time.

3.5 Appointment of chairs of accreditation committee and examining committee as Councillors

- (a) The Council may appoint for each of the accreditation committee and the examining committee:
 - (i) an individual as chair; and
 - (ii) an individual as deputy chair.

- (b) The accreditation committee and the examining committee may each recommend to the Council:
 - (i) a representative of the committee to be appointed as the respective committee's chair; and
 - (ii) a representative of the committee to be appointed as the respective committee's deputy chair.
- (c) When considering appointments under rule 3.5(a), the Council must consider, but is not bound by, an accreditation committee or an examining committee recommendation under rule 3.5(a).
- (d) An accreditation committee or examining committee chair or deputy chair may already be a Councillor.
- (e) If:
 - (i) the Council appoints an individual as a chair of either the accreditation committee or the examination committee; and
 - (ii) the individual is not already a Councillor,that individual becomes a Councillor on and from the date on which they are appointed by the Council as a chair of the committee.

3.6 Appointment of community representatives as Councillors

- (a) The Council may appoint up to two community representatives to become Councillors.
- (b) The Council may develop criteria for the Council to consider when appointing the community representatives under rule 3.6(a). If the Council develops such criteria, the Council must have regard to those criteria when appointing the community representatives as Councillors under rule 3.6(a).
- (c) If the Council appoints a community representative to become a Councillor, the Council must give the community representative a notice informing them of the appointment. The community representative is taken to have been appointed as a Councillor on and from the date specified in the notice given by the Council.

3.7 Appointment of remaining Councillors

- (a) The Council must appoint the Councillors referred to in rule 3.2(e) in accordance with the process set out in this rule 3.7.

Inaugural Councillors

- (b) On or immediately after the Start Date, the Council must appoint individuals as the Councillors (**Inaugural Councillors**) referred to in rule 3.2(e) by giving them a notice that:
 - (i) notifies them they have been appointed as a Councillor of the Company;
 - (ii) specifies the term of the individual's appointment as a Councillor (which term is to be decided in accordance with the mechanism set out in rule 3.7(d)); and
 - (iii) specifies the date on which their appointment as a Councillor commences.

- (c) An individual is taken to have been appointed as an Inaugural Councillor on the date specified in the notice referred to in rule 3.7(b).
- (d) The term of the appointment of each Inaugural Councillor is as follows:
 - (i) up to two individuals must be appointed as Inaugural Councillors for a term of 3 years each from the date specified in the notice referred to in rule 3.7(b); and
 - (ii) up to two individuals must be appointed as Inaugural Councillors for a term of 2 years each from the date specified in the notice referred to in rule 3.7(b); and
 - (iii) one individual must be appointed as an Inaugural Councillor for a term of 1 year from the date specified in the notice referred to in rule 3.7(b).
- (e) The term of each individual appointed as an Inaugural Councillor is to be determined by the President drawing names out of a container.

Subsequent appointments

- (f) The Council must appoint the Councillors referred to in rule 3.2(e), other than the Inaugural Councillors, in accordance with the remainder of this rule 3.7.
- (g) The Council must develop criteria that individuals must meet in order to be appointed as a Councillor under this rule 3.7.
- (h) The Council must:
 - (i) call for nominations from the members other than PCNZ; and
 - (ii) if it considers this to be necessary or desirable, advertise publicly for nominations,

for individuals to be considered for appointment by the Council as Councillors. For the avoidance of doubt, PCNZ cannot make any nominations in response to a call from the Council under this rule 3.7(h).
- (i) If a Selection Committee is established under rule 3.8(a), it:
 - (i) must consider the nominations resulting from the Council's calling and advertising for nominations under rule 3.7(h); and
 - (ii) having regard to any criteria developed by the Council under rule 3.7(g), and subject to rule 3.7(m), may recommend to the Council, from those individuals nominated under rule 3.7(h)(i) and, if relevant, under rule 3.7(h)(ii), individuals for appointment by the Council as Councillors.
- (j) A Selection Committee (if established under rule 3.8(a)) must not recommend an individual for appointment as a Councillor unless the individual appears to be suitably qualified for appointment because they meet criteria as developed by the Council under rule 3.7(g).
- (k) A decision of the Selection Committee (if established under rule 3.8(a)) to recommend an individual for appointment under rule 3.7(i) must be agreed to by a majority of members of the Selection Committee.
- (l) If the Selection Committee is established under rule 3.8(a), the chairman of the Selection Committee does not have a casting vote. If an equal number of votes is cast for and against a proposed decision to recommend a nominee for

appointment as a Councillor under rule 3.7(i) by the Selection Committee, the nominee must not be recommended by the Selection Committee.

- (m) The Selection Committee (if established under rule 3.8(a)) may decide that none of the individuals nominated for appointment as a Councillor is suitable, having regard to the criteria developed by the Council under rule 3.7(g). If the Selection Committee does so, it must notify the Council that it will not be making any recommendations of individuals for appointment as Councillors.
- (n) The number of individuals that the Selection Committee (if established under rule 3.8(a)) recommends for appointment as Councillors must not exceed the number of Councillors permitted under rule 3.2(e).
- (o) The Council may appoint an individual recommended for appointment by a Selection Committee.
- (p) If no Selection Committee has been established under rule 3.8(a), the Council:
 - (i) must consider the individuals nominated as a result of the Council's calling and, if considered necessary or desirable advertising for nominations under rule 3.7(h); and
 - (ii) having regard to the criteria developed by the Council under rule 3.7(g),may appoint one or more of the individuals as a Councillor, provided the maximum number of Councillors permitted under rule 3.2(e) is not exceeded.
- (q) For the avoidance of doubt, the Council may, after considering under rule 3.7(o) the individuals nominated, decide not to appoint any of those individuals as Councillors.
- (r) If the Council appoints an individual as a Councillor under either rule 3.7(o) or rule 3.7(p), it must give that individual a notice that:
 - (i) notifies them they have been appointed as a Councillor of the Company;
 - (ii) specifies the date on which their appointment as a Councillor commences.
- (s) An individual is taken to have been appointed as Councillor on the date specified in the notice referred to in rule 3.7(r).

3.8 Selection Committee

- (a) If the Council receives nominations of individuals for appointment as a Councillor following a call or advertisement for nominations under rule 3.7(h), the Council may establish a committee for the purpose of carrying out the functions described in rule 3.7(i) with respect to the individuals so nominated.
- (b) Members of the Selection Committee will be:
 - (i) for the first Selection Committee established by the Council, existing Councillors chosen by the Council; and
 - (ii) for subsequent Selection Committees, individuals chosen by the Council having regard to any criteria developed by the Council to assist it identify appropriate individuals for membership of a Selection Committee.
- (c) The Council may appoint an individual to be the chair of a Selection Committee.

- (d) The Council may determine the maximum number of members of a Selection Committee from time to time.
- (e) An individual will be appointed as a member of the Selection Committee for the period notified to that individual in writing by the Council.

3.9 Appointment by the Council

Replaces
section 201H

Subject to this constitution, section 201E and to ensure that the minimum number of Councillors required under rule 3.2 is appointed at any time, the Council may appoint an individual to be a Councillor at any time except during a general meeting. Any Councillor so appointed automatically retires at the next annual general meeting and is eligible for re-appointment under this constitution.

3.10 Retirement of Councillors

- (a) A Councillor must retire from office:
 - (i) if the Councillor is a Councillor referred to in clause 3.2(a), (b), (c) or (d) and was appointed prior to the Start Date, three years after the day on which the Councillor was appointed under the previous constitution;
 - (ii) if the Councillor is a Councillor referred to in clause 3.2(e) and was appointed as an Inaugural Councillor under rule 3.7, on the day on which the term specified in the notice given to them under rule 3.7(b) expires;
 - (iii) otherwise, three years after the day on which the Councillor was appointed.
- (b) A Councillor may elect to retire before the time required by rule 3.10(a), provided the Councillor gives to the Council at least 30 business days (or any other period as the Council may determine) notice of his or her intention to do so. If the Councillor gives such a notice, the Councillor must then retire from office on the date specified in the notice.
- (c) Neither rule 3.10(a) nor 3.10(b) applies to Alternates.
- (d) In the event of the retirement under rule 3.10(b) of a Councillor appointed under rule 3.4, PCNZ must give to the Council a notice stating the name of the individual who will replace the retiring Councillor. The replacement Councillor is taken to be appointed from the date the notice is received by the Council (or any other date specified in the notice).
- (e) A Councillor who retires under this rule 3.10 is eligible for re-nomination and/or re-appointment (whether under the same rule under which the Councillor was previously appointed or under a different rule) for a maximum of two further terms of three years each.

3.11 Cessation of Councillor's appointment

An individual automatically ceases to be a Councillor if the individual:

- (a) is not permitted by the Act (or an order made under the Act) to be a Councillor;
- (b) becomes disqualified from managing corporations under Part 2D.6 and is not given permission or leave to manage the Company under section 206F or 206G;
- (c) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;

Rule 3.11(e)
replaces
section 203A

- (d) fails to attend (either personally or by an Alternate) 2 consecutive Council meetings (not including meetings of a committee of the Council) without leave of absence from the Council;
- (e) resigns by notice in writing to the Company;
- (f) is removed from office under rule 3.12; or
- (g) ceases to be eligible to act as a Councillor under rule 3.3.

3.12 Removal from office

- (a) Whether or not a Councillor's appointment was expressed to be for a specified period, the Company may by ordinary resolution remove a Councillor from office. The power to remove a Councillor under this rule is in addition to section 203D.
- (b) A Councillor appointed under rule 3.4 may be removed by PCNZ and will be taken to have been removed if PCNZ gives a notice to the Council that the Councillor appointed by it is to be removed from office. The Councillor will be taken to have been removed from the office of Councillor on the date specified in the notice.

[Note: Section 203E provides that a resolution by directors to remove a director from office is void.]

3.13 Too few Councillors

If the number of Councillors is reduced below the minimum required by rule 3.12, the continuing Councillors may act as the Council only:

- (a) to appoint Councillors up to that minimum number;
- (b) to convene a meeting of members; and
- (c) in emergencies.

4. ALTERNATE COUNCILLORS

4.1 Appointment of Alternates

Replaces
section 201K

- (a) Subject to rule 3.3, a Councillor (other than an Alternate) appointed under rule 3.4 or 3.7 may appoint an individual who is approved:
 - (i) in the case of the Councillor appointed under rule 3.4, by PCNZ; or
 - (ii) in the case of a Councillor appointed under rule 3.7, by the Council (without the vote of the Appointor),to act as Alternate for a specified period or each time the Appointor is unable to attend a Council meeting or act as a Councillor.
- (b) A Councillor appointed under rule 3.5 or 3.6 cannot appoint any individual to act as an Alternate.

4.2 Obligations and entitlements of Alternates

An Alternate:

- (a) may attend and vote in place of the Appointor at a Council meeting at which the Appointor is not present;

- (b) if also a Councillor, has a separate right to vote as Alternate;
- (c) if Alternate for more than one Appointor, has a separate right to vote in place of each Appointor;
- (d) when acting as Alternate, is an officer of the Company and subject to all the duties, and entitled to exercise all the powers and rights, of the Appointor as a Councillor; and
- (e) with the approval of the Council, is entitled to reasonable travelling, accommodation and other expenses incurred in attending meetings of the Council or of the Company or while otherwise engaged on the business of the Company on the same basis as other Councillors but is not entitled to any other remuneration from the Company (but the Appointor may further remunerate the Alternate).

4.3 Termination of appointment

The Appointor may at any time revoke the appointment of an individual as an Alternate whether or not that appointment is for a specified period. Any appointment of an Alternate immediately ceases if:

- (a) the Appointor ceases to be a Councillor; or
- (b) an event occurs which would cause the Alternate to cease to be a Councillor under rule 3.11 if the Alternate were a Councillor.

4.4 Appointments and revocations in writing

The Appointor must appoint, and revoke the appointment of, any Alternate in writing (including by facsimile or email). The appointment or revocation is not effective until a copy is provided to the Company (including by facsimile or email).

5. POWERS OF THE COUNCIL

5.1 Powers generally

Replaces
section 198A

Except as otherwise required by the Act, any other applicable law or this constitution, the Council:

- (a) has power to manage the business of the Company; and
- (b) may exercise every right, power or capacity of the Company without the involvement in any way of (including, without limitation, any consultation with) the Company in general meeting and the members.

5.2 Exercise of powers

A power of the Council can be exercised only:

- (a) by resolution passed at a meeting of the Council or otherwise in accordance with rule 11; or
- (b) in accordance with a delegation of the power under rule 7.

5.3 Appointment of Chief Executive Officer

The Council may appoint a Chief Executive Officer.

5.4 Appointment of Councillor as President

- (a) Subject to this rule 5.4, the Council may appoint a Councillor to be President of the Company.
- (b) The Council can only appoint a Councillor to be President:
 - (i) if that individual's principal place of residence is in Australia; and
 - (ii) for a term of 1 year.
- (c) A Councillor may be appointed as President for more than one term.

6. EXECUTING NEGOTIABLE INSTRUMENTS

Replaces
section 198B

The Council must decide the manner (including the use of scanned or facsimile signatures if thought appropriate) in which negotiable instruments can be executed, accepted or endorsed for and on behalf of the Company. The Company may execute, accept, or endorse negotiable instruments only in the manner decided by the Council.

7. DELEGATION OF COUNCIL POWERS AND ESTABLISHMENT OF COMMITTEES

7.1 Power to delegate

The Council may delegate any of its powers:

- (a) as permitted by section 198D; and
- (b) to a committee consisting of Councillors, other persons, or any combination of the two.

7.2 Power to revoke delegation

The Council may revoke a delegation previously made whether or not the delegation is expressed to be for a specified period.

7.3 Terms of delegation

A delegation of powers under rule 7.1 may be made:

- (a) for a specified period or without specifying a period; and
- (b) on the terms (including power to further delegate) and subject to any restrictions the Council decides.

A document of delegation may contain the provisions for the protection and convenience of those who deal with the delegate that the Council thinks appropriate.

7.4 Proceedings of committees

Subject to the terms on which a power of the Council is delegated to a committee, the meetings and proceedings of committees are, to the greatest extent practical, governed by the rules of this constitution which regulate the meetings and proceedings of the Council.

7.5 Establishment of accreditation committee and examining committee

Without limiting the Council's power to establish other committees, the Council must establish:

- (a) an examining committee, the purpose of which is to:
 - (i) assess Australian, New Zealand and overseas pharmacy qualifications of applicants for migration to Australia or New Zealand;
 - (ii) develop and implement assessment/examination processes to determine the knowledge level of those pharmacists with overseas qualifications assessed as suitable; and
 - (iii) develop and implement assessment/examination processes to determine the competency of intern pharmacists and overseas trained pharmacists; and
- (b) an accreditation committee, the purpose of which is to:
 - (i) accredit pharmacy schools and programs intended to lead to registration as a pharmacist in Australia and New Zealand;
 - (ii) accredit intern training programs intended to lead to registration as a pharmacist; and
 - (iii) authorise agencies to accredit providers of continuing professional development on behalf of the Company.

8. COUNCILLORS' DUTIES AND INTERESTS

8.1 Compliance with duties under the Act and general law

Each Councillor must comply with his or her duties under the Act and under the general law.

8.2 Councillor can hold other offices etc

A Councillor may:

- (a) hold any office or place of profit or employment other than that of the Company's auditor or any director or employee of the auditor;
- (b) be a member of any corporation (including the Company) or partnership other than the Company's auditor; or
- (c) be a creditor of any corporation (including the Company) or partnership; or
- (d) enter into any agreement with the Company.

8.3 Disclosure of interests

Each Councillor must comply with the general law in respect of disclosure of conflicts of interest and with section 191 in respect of disclosure of material personal interests.

8.4 Councillor interested in a matter

- (a) Each Councillor must comply with section 195 in relation to being present, and voting, at a Council meeting that considers a matter in which the Councillor has a material personal interest.

[Note: Section 195(1) provides that a director who has a material personal interest in a matter being considered at a directors' meeting must not be present while the matter is being considered, and must not vote on the matter. Sections 195(1A) and 195(2) allow the other directors (ie those who do not have

a material personal interest in the matter) to pass a resolution stating they are satisfied the director's interest should not disqualify the director from voting or being present.]

- (b) Subject to section 195:
 - (i) if the other Councillors pass a resolution stating that the material personal interest should not disqualify the Councillor from voting or being present, a Councillor may be counted in a quorum at a Council meeting that considers, and may vote on, any matter in which that Councillor has an interest;
 - (ii) the Company may proceed with any transaction that relates to the material personal interest and, if the other Councillors pass a resolution permitting it, a Councillor with the interest may participate in the execution of any relevant document by or on behalf of the Company;
 - (iii) subject to rule 8.4(c), the Councillor may retain benefits under the transaction even though the Councillor has the interest; and
 - (iv) the Company cannot avoid the transaction merely because of the existence of the interest.
- (c) If the interest is required to be disclosed under section 191, paragraph (iii) applies only if the interest is disclosed before the transaction is entered into and only if the other Councillors pass a resolution permitting the Councillor to retain benefits.

8.5 Agreements with third parties

The Company cannot avoid an agreement with a third party merely because a Councillor:

- (a) fails to make a disclosure of an interest; or
- (b) is present at, or counted in the quorum for, a Council meeting that considers or votes on that agreement.

8.6 Obligation of secrecy

Every Councillor and Secretary must keep the transactions and affairs of the Company and the state of its financial reports confidential unless required to disclose them:

- (a) in the course of duties as an officer of the Company;
- (b) by the Council or the Company in general meeting; or
- (c) by law.

The Company may require a Councillor, Secretary, auditor, trustee, committee member or other individual or organisation engaged by it to sign a confidentiality undertaking consistent with this rule. A Councillor or Secretary must do so if required by the Company.

[Note: The Act places a number of legally enforceable obligations on directors of companies, including that directors must exercise their powers and discharge their duties in good faith in the best interests of the company (as a whole) and for a proper purpose (see section 181(1)). If a director were to prefer the interests of their appointing member, this may conflict with the statutory duty to act in the interests of the Company as a whole. A breach of these statutory obligations can result in civil or criminal penalties being imposed on the Director personally.]

9. PAYMENTS TO COUNCILLORS

Replaces
section 202A

With the approval of the Council the Company may pay to a Councillor:

- (a) reasonable remuneration in the amount and in the form determined by the Council for services rendered to the Company by the Councillor as a Councillor;
- (b) reasonable expenses (including travelling and accommodation) incurred in carrying out duties as a Councillor;
- (c) reasonable remuneration for any service rendered by the Councillor to the Company;
- (d) reasonable remuneration where the Councillor is an employee of the Company and the terms of employment have been approved by the Council;
- (e) interest on money lent by the Councillor to the Company at a rate not exceeding the rate charged by Australian banks for overdrawn accounts;
- (f) reasonable remuneration for goods supplied by the Councillor to the Company in the ordinary course of business; and
- (g) reasonable rent for premises leased by the Councillor to the Company.

10. OFFICERS' INDEMNITY AND INSURANCE

10.1 Indemnity

Subject to and so far as permitted by the Act, the *Competition and Consumer Act 2010* (Cth) and any other applicable law:

- (a) the Company must, to the extent the individual or organisation is not otherwise indemnified, indemnify every officer of the Company and its wholly owned subsidiaries and may indemnify its auditor against a Liability incurred as such an officer or auditor to an individual or organisation (other than the Company or a related body corporate) including a Liability incurred as a result of appointment or nomination by the Company or subsidiary as a trustee or as an officer of another corporation, unless the Liability arises out of conduct involving a lack of good faith; and
- (b) the Company may make a payment (whether by way of advance, loan or otherwise) in respect of legal costs incurred by an officer or employee or auditor in defending an action for a Liability incurred as such an officer, employee or auditor or in resisting or responding to actions taken by a government agency or a liquidator.

In this rule, **Liability** means a liability of any kind (whether actual or contingent and whether fixed or unascertained) and includes costs, damages and expenses, including costs and expenses incurred in connection with any investigation or inquiry by a government agency or a liquidator.

10.2 Insurance

Subject to the Act and any other applicable law, the Company may enter into, and pay premiums on, a contract of insurance in respect of any individual or organisation.

10.3 Former officers

The indemnity in favour of officers under rule 10.1 is a continuing indemnity. It applies in respect of all acts done by an individual while an officer of the Company or one of its wholly owned subsidiaries even though the individual is not an officer at the time the claim is made.

10.4 Deeds

Subject to the Act, the *Competition and Consumer Act 2010* (Cth) and any other applicable law, the Company may, without limiting an individual's rights under this rule 10, enter into an agreement with an individual who is or has been an officer of the Company or any of the Company's subsidiaries, to give effect to the rights of the individual under this rule 10 on any terms and conditions that the Council thinks fit.

11. COUNCIL MEETINGS

11.1 Convening Council meetings

Replaces
section 248C

A Councillor may at any time, and a Secretary must on request from a Councillor, convene a Council meeting.

11.2 Notice of Council meeting

The convenor of each Council meeting:

- (a) must give reasonable notice of the meeting (and, if it is adjourned, of its resumption) individually to:
 - (i) each Councillor; and
 - (ii) each Alternate; and
- (b) may give notice in any way permitted by rule 23.1,

but failure to give notice to, or non-receipt of notice by, a Councillor does not result in a Council meeting being invalid.

11.3 Use of technology

A Council meeting may be held using any means of audio or audio-visual communication by which each Councillor participating can hear and be heard by each other Councillor participating or in any other way permitted by section 248D. A Council meeting held solely or partly by technology is treated as held at the place at which the greatest number of the Councillors present at the meeting is located or, if an equal number of Councillors is located in each of two or more places, at the place where the chairman of the meeting is located.

11.4 Chairing Council meetings

Replaces
section 248E

- (a) If the Council has appointed a Councillor as President, the President will chair its meetings.
- (b) If there is no President or the President is not present within one hour after the time for which a Council meeting is called or is unwilling to act, the Councillors present must appoint a Councillor present to chair the meeting.

11.5 Quorum

Replaces
section 248F

Unless the Council decides otherwise, the quorum for a Council meeting is 50 per cent of the Councillors at the relevant time plus one Councillor and a quorum must be present for the whole meeting. An Alternate who is also a Councillor or an individual who is an Alternate for more than one Appointor may only be counted once toward a quorum. A Councillor is treated as present at a meeting held by audio or audio-visual communication if the Councillor is able to hear and be heard by all others attending. If a meeting is held in another way permitted by section 248D, the Council must resolve the basis on which Councillors are treated as present.

11.6 Majority decisions

Replaces
section 248G

A resolution of the Council must be passed by a majority of the votes cast by Councillors entitled to vote on the resolution. The chairman of a Council meeting does not have a casting vote. If an equal number of votes is cast for and against a resolution, the matter is decided in the negative.

11.7 Procedural rules

The Council may adjourn and, subject to this constitution, otherwise regulate its meetings as it decides.

11.8 Written resolution

Replaces
section 248A

If all the Councillors entitled to receive notice of a Council meeting and to vote on the resolution sign a document (including by facsimile, scanned or email signature) or send an email containing a statement that they are in favour of the resolution set out in the document, a Council resolution in those terms is passed at the time when the last Councillor signs the document or sends an email containing a statement in favour of the resolution.

11.9 Additional provisions concerning written resolutions

For the purpose of rule 11.8:

- (a) two or more separate documents in identical terms, each of which is signed by one or more Councillors, are treated as one document;
- (b) signature of a document by an Alternate is not required if the Appointor of that Alternate has signed the document;
- (c) signature of a document by the Appointor of an Alternate is not required if that Alternate has signed the document in that capacity; and
- (d) a facsimile or electronic message containing the text of the document expressed to have been signed by a Councillor that is sent to the Company is a document signed by that Councillor at the time of its receipt by the Company.

11.10 Valid proceedings

Each resolution passed or thing done by, or with the participation of, an individual acting as a Councillor or member of a committee is valid even if it is later discovered that:

- (a) there was a defect in the appointment of the individual; or
- (b) the individual was disqualified from continuing in office, voting on the resolution or doing the thing.

12. MEETINGS OF MEMBERS

12.1 Annual general meeting

The Company must hold an annual general meeting as required by section 250N.

12.2 Calling meetings of members

A meeting of members:

- (a) may be convened at any time by the Council or a Councillor; and
- (b) must be convened by the Council when required by section 249D or 250N or by order made under section 249G.

[Note: Section 249D requires directors to call a general meeting if members (with 5 per cent of votes able to be cast at the meeting) request that a general meeting be called. Section 249G provides for members to seek a court order regarding a general meeting.]

12.3 Notice of meeting

Subject to rule 12.4, at least 21 days' notice of a meeting of members must be given individually to:

- (a) each member (whether or not the member is entitled to vote at the meeting);
- (b) each Councillor; and
- (c) to the auditor.

Subject to any regulation made under section 249LA, the notice of meeting must comply with section 249L and may be given in any manner permitted by section 249J(3) or section 249J(3A). A notice of meeting may be given to a member by sending it electronically to the electronic address (if any) nominated by that member.

12.4 Short notice

Subject to sections 249H(3) and (4):

- (a) if the Company has elected to convene a meeting of members as the annual general meeting, if all the members entitled to attend and vote agree; or
- (b) otherwise, if members who together have power to cast at least 95% of the votes that may be cast at the meeting agree,

a resolution may be proposed and passed at a meeting of which less than 21 days' notice has been given.

12.5 Postponement or cancellation

Subject to sections 249D(5) and 250N, the Council may:

- (a) postpone a meeting of members;
- (b) cancel a meeting of members; or
- (c) change the place for a general meeting,

by notice given individually to each individual or organisation entitled to be given notice of the meeting.

Rule 12.2(a)
replaces
section 249C

12.6 Fresh notice

Replaces
section 249M

If a meeting of members is postponed or adjourned for one month or more, the Company must give new notice of the resumed meeting.

12.7 Technology

See section
249S

- (a) The Company may hold a meeting of members at two or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.
- (b) For the purposes of meetings of the Company, a "reasonable opportunity to participate" means that each member attending the meeting can hear and be heard by each other member attending the meeting.
- (c) A meeting of members held solely or partly by technology is treated as held at the place at which the greatest number of the members present at the meeting is located or, if an equal number of members is located in each of two or more places, at the place where the chairman of the meeting is located

12.8 Accidental omission

The accidental omission to give notice to, or the non-receipt of notice by, any of those entitled to it does not invalidate any resolution passed at a meeting of members.

13. PROCEEDINGS AT MEETINGS OF MEMBERS

13.1 Member present at meeting

If a member has appointed a proxy or attorney or (in the case of a member which is an organisation) a representative to act at a meeting of members, that member is taken to be present at a meeting at which the proxy, attorney or representative is present.

13.2 Quorum

Replaces
sections 249T(1)
and (2)

- (a) The quorum for a meeting of members is 2 members and the quorum must be present at all times during the meeting.
- (b) Each individual present (whether as an Individual Member or as a representative of an Organisational Member) may only be counted once toward a quorum. If a member has appointed more than one proxy or representative only one of them may be counted towards a quorum.

13.3 Quorum not present

Replaces
sections
249T(3) and (4)

If a quorum is not present within one hour after the time for which a meeting of members is called:

- (a) if called as a result of a request of members under section 249D, the meeting is dissolved; and
- (b) in any other case:
 - (i) the meeting is adjourned to the day, time and place that the Council decides and notifies to members, or if no decision is notified before then, to the same time on the same day in the next week at the same place; and
 - (ii) if a quorum is not present at the adjourned meeting, the meeting is dissolved.

13.4 Chairing meetings of members

Replaces sections 249U(1) to (3)

- (a) If the Council has appointed a Councillor as President, the President will chair meetings of members.
- (b) If there is no President appointed, or the President is not present at the time for which a meeting of members is called or is not willing to chair the meeting, the members present must elect a member or Councillor present to chair the meeting.

13.5 Attendance at general meetings

See section 249V

- (a) Every member has the right to attend and speak at all meetings of members.
- (b) Every Councillor has the right to attend and speak at all meetings of members.
- (c) The auditor has the right to attend any meeting of members and to speak on any part of the business of the meeting which concerns the auditor in the capacity of auditor.

13.6 Adjournment

Replaces section 249U(4)

Subject to rule 12.6, the chairman of a meeting of members at which a quorum is present:

- (a) may; and
- (b) must, if directed by ordinary resolution of the meeting, adjourn it to another time and place.

13.7 Business at adjourned meetings

Replaces section 249W(2)

The only business that may be transacted at a meeting resumed after an adjournment is the business left unfinished immediately before the adjournment.

14. PROXIES AND REPRESENTATIVES

14.1 Appointment of proxies

A member may appoint a proxy to attend and act for the member at a meeting of members. An appointment of a proxy must be made by notice to the Company:

See section 249X

- (a) that complies with section 250A(1); or
- (b) in any other form and mode, and signed or otherwise authenticated by the member in a manner, that is satisfactory to the Council. The appointment of the proxy will be valid if it is made in a form that is satisfactory to the Council, even if that form does not contain all the information in section 250A(1).

[Note: section 25A(1) requires an appointment of proxy to contain: the member's name and address; the Company's name; the proxy's name or the name of the office held by the proxy; the meetings at which the appointment may be used.]

14.2 Deposit of proxy appointment forms and proxy appointment authorities

An appointment of a proxy is not effective for a particular meeting of members unless:

- (a) the proxy appointment form; and

- (b) if it is executed or otherwise authenticated in a manner prescribed by a regulation made for the purposes of section 250A(1) by an attorney, the relevant power of attorney or other authority under which the appointment was authenticated or a certified copy of it,

are received by the Company in accordance with section 250B(3) at least 48 hours before the time for which the meeting was called or, if the meeting has been adjourned, before the resumption of the meeting.

[Note: Section 250B(3) allows the documents to be received by fax at the Company's registered office; or by sending it to a fax number or email address specified in the notice of meeting; or by any other electronic means specified in the notice of meeting.]

14.3 Corporate representatives

A member that is a body corporate may appoint an individual to act as its representative at meetings of members as permitted by section 250D.

14.4 Appointment for particular meeting, standing appointment and revocation

A member may appoint a proxy or a representative to act at a particular meeting of members or make a standing appointment and may revoke any appointment. A proxy or representative may, but need not, be a member.

14.5 Position of proxy if member present

The appointment of a proxy is not revoked by the member attending and taking part in the general meeting, but if the member votes on a resolution, the proxy is not entitled to vote, and must not vote, as the member's proxy on the resolution.

14.6 Priority of conflicting appointments of representative

If more than one representative appointed by a member is present at a meeting of members and the Company has not received notice of revocation of any of the appointments:

- (a) a representative appointed to act at that particular meeting may act to the exclusion of a representative appointed under a standing appointment; and
- (b) subject to rule 14.6(a), a representative appointed under a more recent appointment may act to the exclusion of a representative appointed earlier in time.

14.7 More than one current proxy appointments

An appointment of proxy by a member is revoked (or, in the case of a standing appointment, suspended for that particular meeting) if the Company receives a further appointment of proxy from that member which would result in there being more than one proxy of that member entitled to act at a meeting. The appointment of proxy made first in time is the first to be treated as revoked or suspended by this rule.

14.8 Continuing authority

Replaces
section 250C(2)

An act done at a meeting of members by a proxy or representative is valid even if, before the act is done, the appointing member:

- (a) dies or becomes mentally incapacitated;
- (b) becomes bankrupt or an insolvent under administration or is wound up; or

- (c) revokes the appointment or revokes the authority under which the appointment was made by a third party,

unless the Company has received notice of the matter before the start or resumption of the meeting at which the vote is cast.

15. ENTITLEMENT TO VOTE AT MEMBERS' MEETINGS

15.1 Number of votes at members' meetings

Replaces
section 250E(2)

Subject to section 250A(4):

- (a) each member has one vote on a show of hands or a verbal vote or a poll; and
- (b) a member who is present and entitled to vote and is also a proxy, attorney or representative of another member has one vote on a show of hands or verbal vote.

15.2 Casting vote of chairman at members' meetings

The chairman of a meeting of members does not have a casting vote. If an equal number of votes is cast for and against a resolution, the matter is decided in the negative.

15.3 Decision on right to vote at members' meetings

Replaces
section 250G

A member or Councillor may challenge the right of an individual or organisation to vote at a meeting of members. A challenge may only be made at the meeting. A challenge, or any other doubt as to the validity of a vote, must be decided by the chairman, whose decision is final.

16. HOW VOTING IS CARRIED OUT

16.1 Method of voting

Replaces
sections
250J(1) and (2)

- (a) A resolution put to the vote at a meeting of members must be decided by a voting method determined by the chairman of the meeting unless a poll is demanded under rule 16.2 either before or on declaration of the result of the vote on the resolution. Unless a poll is demanded, the chairman's declaration of a decision based on the voting method determined by the chairman is final.
- (b) For the avoidance of doubt, the voting method determined by the chairman under rule 16.1(a) may include an electronic method of voting.

16.2 Demand for a poll

See section
250L

A poll may be demanded on any resolution (except a resolution concerning the election of the chairman of a meeting) by:

- (a) one or more members entitled to vote on the resolution; or
- (b) the chairman.

The demand for a poll does not affect the continuation of the meeting for the transaction of other business and may be withdrawn.

16.3 When and how polls must be taken

Replaces
section 250M

If a poll is demanded:

- (a) if the resolution is for the adjournment of the meeting, the poll must be taken immediately and, subject to rule 16.3(c), in the manner that the chairman of the meeting directs;
- (b) in all other cases, the poll must be taken at the time and place and, subject to rule 16.3(c), in the manner that the chairman of the meeting directs. For the avoidance of doubt, the chairman can direct that the manner in which the poll will be taken will involve the use of electronic technology;
- (c) votes which section 250A(4) requires to be cast in a given way must be treated as cast in that way;
- (d) an individual or organisation voting who has the right to cast two or more votes need not cast all those votes and may cast those votes in different ways; and
- (e) the result of the poll is the resolution of the meeting at which the poll was demanded.

17. SECRETARY

17.1 Appointment of Secretary

See section 204D

The Council:

- (a) must appoint at least one individual; and
- (b) may appoint more than one individual,

to be a Secretary either for a specified term or without specifying a term.

17.2 Terms and conditions of office

Replaces section 204F

A Secretary holds office on the terms (including as to remuneration) that the Council decides. The Council may vary any decision previously made by it in respect of a Secretary.

17.3 Cessation of Secretary's appointment

The individual automatically ceases to be a Secretary if the individual:

- (a) is not permitted by the Act (or an order made under the Act) to be a secretary of a company;
- (b) becomes disqualified from managing corporations under Part 2D.6 and is not given permission or leave to manage the Company under section 206F or 206G;
- (c) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;
- (d) resigns by notice in writing to the Company; or
- (e) is removed from office under rule 17.4.

17.4 Removal from office

The Council may remove a Secretary from that office whether or not the appointment was expressed to be for a specified term.

18. MINUTES

18.1 Minutes must be kept

The Council must cause minutes of:

- (a) proceedings and resolutions of meetings of the Company's members;
- (b) the names of Councillors present at each Council meeting or committee meeting;
- (c) proceedings and resolutions of Council meetings (including meetings of a committee to which Council powers are delegated under rule 7);
- (d) resolutions passed by Councillors without a meeting; and
- (e) disclosures and notices of Councillors' interests,

to be kept in accordance with sections 191, 192 and 251A.

18.2 Minutes as evidence

A minute recorded and signed in accordance with section 251A is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.

18.3 Inspection of minute books

The Company must allow members to inspect, and provide copies of, the minute books for the meetings of members in accordance with section 251B.

19. COMPANY SEALS

19.1 Common seal

The Council:

- (a) may decide whether or not the Company has a common seal; and
- (b) is responsible for the safe custody of that seal (if any) and any duplicate seal it decides to adopt under section 123(2).

19.2 Use of seals

The common seal and duplicate seal (if any) may only be used with the authority of the Council. The Council must not authorise the use of a seal that does not comply with section 123.

19.3 Fixing seals to documents

The fixing of the common seal, or any duplicate seal, to a document must be witnessed:

- (a) by two Councillors ;
- (b) by one Councillor and one Secretary; or
- (c) by any other signatories or in any other way (including the use of scanned or facsimile signatures) authorised by the Council.

20. FINANCIAL REPORTS AND AUDIT

20.1 Company must keep financial records

The Council must cause the Company to keep written financial records that:

- (a) correctly record and explain its transactions (including transactions undertaken as trustee) and financial position and performance; and
- (b) would enable true and fair financial statements to be prepared and audited,

and must allow a Councillor and the auditor to inspect those records at all reasonable times.

20.2 Financial reporting

The Council must cause the Company to prepare a financial report and a Councillors' report that comply with Part 2M.3 and must report to members in accordance with section 314 no later than the deadline set by section 315.

20.3 Audit

The Council must cause the Company's financial report for each financial year to be audited and obtain an auditor's report. The eligibility, appointment, removal, remuneration, rights and duties of the auditor are regulated by Division 3 of Part 2M.3, Divisions 1 to 6 of Part 2M.4 and sections 1280, 1289, 1299B and 1299C.

20.4 Conclusive reports

Audited financial reports laid before the Company in general meetings are conclusive except as regards errors notified to the Company within three months after the relevant general meeting. If the Company receives notice of an error within that period, it must immediately correct the report and the report as corrected is then conclusive.

20.5 Inspection of financial records and books

Replaces
section 247D

Subject to rule 18.3 and section 247A, a member who is not a Councillor does not have any right to inspect any document of the Company except as authorised by the Council or by ordinary resolution.

21. REGISTER OF MEMBERS

The Company must set up and maintain a register of members.

In accordance with section 169, the Register must contain the following information:

- (a) the name and address of each member;
- (b) the date on which the entry of the member's name in the Register is made;
- (c) the name and details of each individual or organisation who stopped being a member within the last seven years;
- (d) the date on which the individual or organisation stopped being a member; and
- (e) an index of members' names if the Company has more than 50 members and the Register itself is not kept in a form that operates effectively as an index.

22. WINDING UP

If the Company is wound up any surplus property must not be paid to members but must be paid or transferred to another corporation that:

- (a) complies with section 150(1); and
- (b) has objects or purposes similar to the purposes of the Company.

23. NOTICES

23.1 Notices by Company

A notice is properly given by the Company to an individual or organisation if it is:

- (a) in writing signed on behalf of the Company (by original or printed signature);
- (b) addressed to the individual or organisation to whom it is to be given; and
- (c) either:
 - (i) delivered personally;
 - (ii) sent by prepaid mail (by airmail, if the addressee is overseas) to that individual's or organisation's address; or
 - (iii) sent by fax to the fax number (if any) nominated by that individual or organisation; or
 - (iv) sent by electronic message to the electronic address (if any) nominated by that individual or organisation.

23.2 When notice is given

A notice to an individual or organisation by the Company is regarded as given and received:

- (a) if it is delivered personally:
 - (i) by 5.00 pm (local time in the place of receipt) on a business day - on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a business day, or on a day that is not a business day - on the next business day;
- (b) if it is sent by fax, electronic message or other electronic means:
 - (i) by 5.00 pm (local time in the place from which it is sent or given) on a business day – on that day; or
 - (ii) after 5.00 pm (local time in the place from which it is sent or given) on a business day, or on a day that is not a business day – on the next business day; and
- (c) if it is sent by mail:
 - (i) within Australia - one business day after posting; or
 - (ii) to a place outside Australia - three business days after posting.

Replaces
sections
249J(4) and (5)

A certificate in writing signed by a Councillor or Secretary stating that a notice was sent is conclusive evidence of service.

23.3 Business days

For the purposes of rule 23.2, a business day is a day that is not a Saturday, Sunday or public holiday in the place to which the notice is sent.

23.4 Counting days

If a specified period must pass after a notice is given before an action may be taken, neither the day on which the notice is given nor the day on which the action is to be taken may be counted in reckoning the period.

23.5 Notices to "lost" members

If:

- (a) on two or more consecutive occasions a notice served on a member in accordance with this rule is returned unclaimed or with an indication that the member is not known at the address to which it was sent; or
- (b) the Council believes on other reasonable grounds that a member is not at the address shown in the Register,

the Company may give effective notice to that member by exhibiting the notice at the Company's registered office for at least 48 hours.

This rule ceases to apply if the member gives the Company notice of a new address.