

The Denmark Arts Council Inc

Constitution

February 16 2005

Amended by Special Resolution at AGM 21st September 2011

Amended by Special Resolution at Special General Meeting [date]

This is the annexure of [] pages marked "A" referred to in Form 5 signed
by me and dated [date]

RULES OF THE ASSOCIATION

Name of Association

1 The name of the Association is **The Denmark Arts The Denmark Arts Council**.

Definitions

2 In these rules, unless the contrary intention appears -

“annual general meeting” is the meeting convened under paragraph (b) of rule 16 (1);

“board meeting” means a meeting referred to in rule 15;

“board member” means a person referred to in paragraph (a), (b), (c), (d) or (e) of rule 10 (1);

“convene” means to call together for a formal meeting;

“department” means the government department with responsibility for administering the *Association Incorporation Act (1987)*;

“financial year “ means a 12 month period commencing on July 1 and ending on June 30 the following year;

“general meeting” means a meeting to which all members are invited;

“member” means a member of the Association;

“ordinary resolution” means resolution other than a special resolution;

“poll” means voting conducted in written form (as opposed to a show of hands);

“special general meeting” means a general meeting other than the annual general meeting;

“special resolution” has the meaning given by section 24 of the Act, that is -

A resolution is a special resolution if it is passed by a majority of not less than three fourths of the members of the association who are entitled under the rules of the association to vote and vote in person or, where proxies or postal votes are allowed by the rules of the association by proxy or postal vote, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution was given in accordance with those rules.

At a meeting at which a resolution proposed as a special resolution is submitted, a declaration by the person presiding that the resolution has been passed as a special resolution shall be evidence of the fact unless, during the meeting at which the resolution is submitted, a poll is demanded in accordance with the rules of the Association or, if the rules do not make provision as to the manner in which a poll may be demanded, by at least 3 members of the association present in person or, where proxies are allowed, by proxy.

If a poll is held, a declaration by the person presiding as to the result of a poll is evidence of the matter so declared.

“the Act” means the *Associations Incorporated Act 1987*;

“the Association” means the Association referred to in rule 1;

“the Chairperson” means-

- (a) in relation to the proceedings at a board meeting or general meeting, the person presiding at the board meeting or general meeting in accordance with rule 11; or
- (b) otherwise than in relation to the proceedings referred to in paragraph (a), the person referred to in paragraph (a) of rule 10 (1) or, if that person is unable to perform his or her functions, the Deputy Chairperson;

“the Commissioner” means the Commissioner for Fair Trading exercising powers under the Act;

“the Board” means the Board of Management of the Association referred to in rule 10 (1);

“the Secretary” means the Secretary referred to in paragraph (c) of rule 10 (1);

“the Treasurer” means the Treasurer referred to in paragraph (d) of rule 10 (1);

“the Deputy-Chairperson” means the Deputy-Chairperson referred to in paragraph (b) of rule 10 (1).

Objects of the Association

3 (1) The objects of the Association are-

- (a) to act as a coordinating body and spokesman in the Shire of Denmark for the creative and other arts of WA and specifically for those individuals and groups engaged in activities promoting cultural appreciation and participation through the creative and other arts.
- (b) to be prepared to work in liaison with members interested in creative and other arts, and to strive to maintain and advance the standards of its members by such action or method as The Denmark Arts Council may deem expedient. These might include the promotion of seminars, lecture demonstrations, visits by celebrities, exhibitions and like, on request by members.
- (c) to be concerned with the gaining of financial assistance to aid the promotion of creative and other arts.
- (d) to consider and advise members on any question of policy or professional usage which may be referred to it, and to be a forum where questions and/or disputes may be settled through negotiation upon request of members, apart from purely domestic matters.
- (e) ~~on request, to enter on behalf of members into any arrangements with any authority, Government, Municipal, Shire, or other, that may seem conducive to the interests of members.~~
- (f) to print and to publish any newspapers, periodicals, books, or leaflets desirable for the furtherance of its objectives.
- (g) to associate for the stated time with any other society or group, whose objectives altogether or in part are similar to those of The Denmark Arts Council, for any purpose which The Denmark Arts Council considers to be of benefit to its members.

- (h) to impose and collect subscriptions and to invite donations to the funds of The Denmark Arts Council. To expend such sums of money as The Denmark Arts Council shall see fit.
- (i) to consider any other objective; which from time to time may be considered appropriate by members.
- (j) to cause The Denmark Arts Council to become an incorporated body.

(2) The property and income of the Association shall be applied solely towards the promotion of the objects of the Association and no part of that property or income may be paid or otherwise distributed, directly or indirectly, to members, except in good faith in the promotion of those objects.

Powers of Association

4 The powers conferred on the Association are the same as those conferred by section 13 of the Act, so that subject to the Act and any additions, exclusions or modifications inserted below, the Association-

may do all things necessary or convenient for carrying out its objects and purposes, and in particular, may-

- (a) acquire, hold, deal with and dispose of any real or personal property;
- (b) open and operate bank accounts;
- (c) invest its monies –
 - (i) in any security in which trust monies may lawfully be invested; or
 - (ii) in any other manner authorized by the rules of the Association;
- (d) borrow money upon such terms and conditions as the Association thinks fit;
- (e) give such security for the discharge of liabilities incurred by the Association as the Association thinks fit;
- (f) appoint agents to transact any business of the Association on its behalf, employ staff and consultants;
- (g) enter into any other contract it considers necessary or desirable;
- (h) act as trustee and accept and hold real and personal property upon trust, but does not have the power to do any act or thing as a trustee that, if done otherwise as a trustee, would contravene this Act or the rules of the Association;
- (i) undertake any other lawful activities necessary to carry out the objects of the Association.

Qualifications of Membership of the Association

5 (1) Membership of the Association is open to –

Individuals or groups (or bodies corporate)

- (a) acceptable to the association, and
- (b) in agreement with the objects of the association.

- (2) A person who wishes to become a member must –
- (a) apply for membership to the Board in writing –
 - (i) signed by that person and
 - (ii) in such form as the Board from time to time directs.

Register of Members of Association

6 (1) The Secretary, on behalf of the Association, must comply with section 27 of the Act by keeping and maintaining –

in an up to date condition a register of the members of the Association and their postal or residential addresses and, upon the request of a member of the Association, shall make the register available for the inspection of the member and the member may make a copy of or take an extract from the register but shall have no right to remove the register for that purpose.

- (2) The register must be so kept and maintained at the Secretary's place of residence, or at the association office or at such other place as the members at a general meeting decide.
- (3) The secretary must cause the name of a person who dies or who ceases to be a member under rule 8 to be deleted from the register of members referred to in sub-rule (1).

Subscriptions of Members of Association

7 (1) The members may from time to time at a general meeting determine the amount of the subscription to be paid by each member.

(2) Each member must pay to the Treasurer, annually on or before 1st July or such other date as the Board from time to time determines, the amount of the subscription determined under sub-rule (1).

(3) Subject to sub-rule (4), a member whose subscription is not paid within 3 months after the relevant date fixed by or under sub-rule (2) ceases on the expiry of that period to be a member, unless the Board decides otherwise.

(4) A person exercises all the rights and obligations of a member for the purposes of these rules if his or her subscription is paid on or before the relevant date fixed by or under sub-rule (2) or within 3 months thereafter, or such time as the Board allows.

Termination of Membership of the Association

8 Membership of the Association may be terminated upon –

- (a) receipt by the Secretary or another Board member of a notice in writing from a member of his or her resignation from the Association. Such a person remains liable to pay to the Association the amount of any subscription due and payable by that person to the Association but unpaid at the date of termination; or
- (b) non-payment by a member of his or her subscription within three months of the date fixed by the Board for subscriptions to be paid, unless the Board decides otherwise in accordance with rule 7 (3); or
- (c) expulsion of a member in accordance with rule 9.

Suspension or expulsion of members of Association

9 (1) If the Board considers that a member should be suspended or expelled from membership of the Association because his or her conduct is detrimental to the interests of the Association, the Board must communicate, either orally or in writing, to the member –

- (a) notice of the proposed suspension or expulsion and of the time, date and place of the Board meeting at which the question of that suspension or expulsion will be decided; and
- (b) particulars of that conduct

not less than 30 days before the date of the Board meeting referred to in paragraph (a).

(2) At the Board meeting referred to in a notice communicated under sub-rule (1), the Board may, having afforded the member concerned a reasonable opportunity to be heard by, or to make representations in writing to, the Board, suspend or expel or decline to suspend or expel that member from membership of the Association and must, forthwith after deciding whether or not to suspend or expel that member, communicate that decision in writing to that member.

(3) Subject to sub-rule (5), a member has his or her membership suspended or ceases to be a member 14 days after the day on which the decision to suspend or expel a member is communicated to him or her under sub-rule (2).

(4) A member who is suspended or expelled under sub-rule (2) must, if he or she wishes to appeal against that suspension or expulsion, give notice to the Secretary of his or her intention to do so within a period of 14 days referred to in sub-rule (3).

(5) When notice is given under sub-rule (4) –

- (a) the Association in a general meeting, must either confirm or set aside the decision of the Board to suspend or expel the member, after having afforded the member who gave that notice a reasonable opportunity to be heard by, or make representations in writing to, the Association in the general meeting; and
- (b) the member who gave that notice is not suspended or does not cease to be a member unless and until the decision of the Board to suspend or expel him or her is confirmed under this sub-rule.

Board of Management

10 (1) Subject to sub-rule (9), the affairs of the Association will be managed exclusively by a Board of Management consisting of –

- (a) a Chairperson;
- (b) a Deputy Chairperson;
- (c) a Secretary;
- (d) a Treasurer;
- (e) not less than one (1) other person, but not more than 5 other persons, all of whom must be members of the Association.

- (2) Board members must be elected to membership of the Board at an annual general meeting or appointed under sub-rule (8).
- (3) Subject to sub-rule (8), a Board member's term will be for two years from his or her election at an annual general meeting until the election referred to in sub-rule (2) at the annual general meeting two years after his or her election, but he or she is eligible for re-election to membership of the Board to a maximum of three consecutive terms. A person may not hold the office of Chairperson, Deputy Chairperson, Secretary or Treasurer for more than three consecutive years.
- (4) Nominations for vacancies on the Board will be accepted in writing from members prior to the AGM, and from the floor of the meeting.
- (5) A person who is eligible for election or re-election under this rule may –
- (a) propose or second himself or herself for election or re-election; and
 - (b) vote for himself or herself.
- (6) If the number of persons nominated in accordance with sub-rule (4) for election to membership of the Board does not exceed the number of vacancies in that membership to be filled –
- (a) the Secretary must report accordingly to; and
 - (b) the Chairperson must declare those persons to be duly elected as members of the Board at the annual general meeting concerned.
- (7) Where the number of nominations exceeds the number of vacancies on the Board, elections for those positions must be conducted.
- (8) If a vacancy remains on the Board after the AGM, or when a casual vacancy within the meaning of rule 14 occurs in the membership of the Board –
- (a) the Board may appoint a member to fill that vacancy; and
 - (b) a member appointed under this sub-rule will –
 - (i) hold office until the election referred to in sub-rule (2); and
 - (ii) be eligible for election to membership of the Board, at the next annual general meeting.
- (9) The Board may delegate, in writing, to one or more sub-committees (to include at least one member of the Board and be chaired by a member of the Board) the exercise of such functions of the Board as are specified in the delegation other than –
- (a) the power of delegation; and
 - (b) a function which is a duty imposed on the Board by the Act or any other law.
- (10) Any delegation under sub-rule (9) may be subject to such conditions and limitations as to the exercise of that function or as to time and circumstances as are specified in the written delegation and the Board may continue to exercise any function delegated.
- (11) The Board may, in writing, revoke wholly or in part any delegation under sub-rule (9).
- (12) In addition to the elected members of the Board, any group or individual having similar aims may be invited by the Board to join, be co-opted by the Board to act for a limited time, or may apply to serve on or be co-opted by the Board for a limited time. Proposals under this

clause to be decided by simple majority of the Board. Co-opted Board members will have a deliberative vote.

Chairperson and Deputy-Chairperson

11 (1) Subject to this rule, the Chairperson must preside at all general meetings and Board meetings, but is able to delegate this responsibility to another member of the Board on approval of a quorum of the Board.

(2) In the event of an absence from a general meeting of –

- (a) the Chairperson, the Deputy-Chairperson; or
- (b) both the Chairperson and the Deputy-Chairperson, a member elected by the other members present at the general meeting,

must preside at the Board meeting.

(3) In the event of the absence from a Board meeting of –

- (a) the Chairperson, the Deputy-Chairperson; or
- (b) both the Chairperson and the Deputy-Chairperson, a Board member elected by the other Board members present at the Board meeting,

must preside at the Board meeting.

Secretary

12 The Secretary must –

- (a) co-ordinate the correspondence of the Association;
- (b) keep full and correct minutes of the proceedings of the Board and of the Association;
- (c) comply on behalf of the Association with-
 - (i) section 27 of the Act with respect to the register of members of the Association, as referred to in rule 6;
 - (ii) section 28 of the Act by keeping and maintaining in an up to date condition the rules of the Association and, upon the request of a member of the Association, must make available those rules for the inspection of the member and the member may make a copy of or take an extract from the rules but will have no right to remove the rules for that purpose; and
 - (iii) section 29 of the Act by maintaining a record of –
 - (A) the names and residential or postal addresses of the persons who hold the offices of the Association provided for by these rules; including all offices held by the persons who constitute the Board and persons who are authorized to use the common seal of the Association under rule 22; and
 - (B) the names and residential or postal addresses of any persons who are appointed or act as trustees on behalf of the Association,and the Secretary must, upon the request of a member of the Association, make available the record for the inspection of the member and the member

may make a copy of or take an extract from the record but will have no right to remove the record for that purpose;

- (d) unless the members resolve otherwise at a general meeting, have custody of all books, documents, records and registers of the Association, including those referred to in paragraph (c) but other than those required by rule 13 to be kept and maintained by, or in the custody of, the Treasurer; and
- (e) perform such other duties as are imposed by these rules on the Secretary.

Treasurer

13 The Treasurer must –

- (a) be responsible for the receipt of all moneys paid to or received by, or by him on her on behalf of, the Association and must issue receipts for those moneys in the name of the Association;
- (b) pay all moneys referred to in paragraph (a) into such account or accounts of the Association as the Board may from time to time direct;
- (c) make payments from the funds of the Association with the authority of a general meeting or of the Board and in so doing ensure that all cheques are signed by himself or herself and at least one other authorized Board member, or by any two others as are authorized by the Board;
- (d) comply on behalf of the Association with sections 25 and 26 of the Act with respect to the accounting records of the Association by –
 - (i) keeping such accounting records as correctly record and explain the financial transactions and financial position of the Association;
 - (ii) keeping its accounting records in such manner as will enable true and fair accounts of the Association to be prepared from time to time;
 - (iii) keeping its accounting records in such a manner as will enable true and fair accounts of the Association to be conveniently and properly audited;and
 - (iv) submitting to members at each annual general meeting of the Association accounts of the Association showing the financial position of the Association at the end of the immediately preceding financial year.
- (e) whenever directed to do so by the Chairperson, submit to the Board a report, balance sheet or financial statement in accordance with that direction;
- (f) unless the members resolve otherwise at a general meeting, have custody of all securities, book and documents of a financial nature and accounting records of the Association, including those referred to in paragraphs (d) and (e); and
- (g) perform such other duties as are imposed by these rules on the Treasurer.

Casual vacancies in membership of Board

14 A casual vacancy occurs in the office of a Board member and that office becomes vacant if the Board member –

- (a) dies;
- (b) resigns by notice in writing delivered to the Chairperson or, if the Board member is the Chairperson, to the Deputy-Chairperson and that resignation is accepted by resolution of the Board;
- (c) is convicted of an offence under the Act;
- (d) is permanently incapacitated by mental or physical ill-health;
- (e) is absent from more than 3 Board meetings in the same financial year without tendering an apology to the person presiding at each of those Board meetings;
Of which meetings the member received notice, and the Board has resolved to declare the office vacant;
- (f) ceases to be a member of the Association; or
- (g) is the subject of a resolution passed by a general meeting of members terminating his or her appointment as a Board member.

Proceedings of Board

15 (1) The Board must meet together for the dispatch of business not less than 10 times in each year and the Chairperson, or at least half the members of the Board, may at any time convene a meeting of the Board.

(2) Each Board member has a deliberative vote.

(3) A question arising at a Board meeting must be decided by a majority of votes.

(4) At a Board meeting four (4) Board members, of whom at least one must be an office bearer, constitute a quorum.

(5) Subject to these rules, the procedure and order of business to be followed at a Board meeting must be determined by the Board members present at the Board meeting.

(6) As required under sections 21 and 22 of the Act, a Board member having any direct or indirect pecuniary interest in a contract, or proposed contract; made by, or in the contemplation of, the Board (except if the pecuniary interest exists only by virtue of the fact that the member of the Board is a member of a class of persons for whose benefit the Association is established), must –

- (a) as soon as he or she becomes aware of that interest, disclose the nature and extent of his or her interest to the Board; and
- (b) not take part in any deliberations or decision of the Board with respect to that contract.

(7) Sub-rule (6) (a) does not apply with respect to a pecuniary interest that exists only by virtue of the fact that the member of the Board is an employee of the Association.

(8) The Secretary must cause every disclosure made under sub-rule (6) (a) by a member of the Board to be recorded in the minutes of the meeting of the Board at which it is made.

General meetings

16 (1) The Board –

- (a) may at any time convene a special general meeting;
 - (b) must convene annual general meetings within the time limits provided for the holding of such meetings by section 23 of the Act, and is, in every calendar year within 4 months after the end of the Association's financial year or such longer period as may in a particular case be allowed by the Commissioner, except for the first annual general meeting which may be held at any time within 18 months after incorporation; and
 - (c) must, within 30 days of –
 - (i) receiving a request in writing to do so from less than fifteen (15) members, convene a special general meeting for the purpose specified in that request; or
 - (ii) the Secretary receiving a notice under rule 9 (4), convene a general meeting to deal with the appeal to which that notice relates.
 - (d) must, after receiving a notice under rule 5 (4), convene a general meeting, no later than the next annual general meeting, at which the appeal referred to in the notice will be dealt with. Failing that, the applicant is entitled to address the Association at the next annual general meeting in relation to the Board's rejection of his or her application and the Association at that meeting must confirm or set aside the decision of the Board.
- (2) The members making a request referred to in sub-rule (1) (c) (i) must –
- (a) state in that request the purpose for which the special general meeting concerned is required; and
 - (b) sign that request.
- (3) If a special general meeting is not convened within the relevant period of 30 days referred to –
- (a) in sub-rule (1) (c) (i), the members who made the request concerned may themselves convene a special general meeting as if they were the Board; or
 - (b) in sub-rule (1) (c) (ii), the member who gave the notice concerned may him or herself convene a special general meeting as if he or she were the Board.
- (4) When a special general meeting is convened under sub-rule (3) (a) or (b) the Association must pay the reasonable expenses of convening and holding the special general meeting.
- (5) Subject to sub-rule (7), the Secretary must give to all members not less than 14 days notice of a special general meeting and that notice must specify –
- (a) when and where the general meeting concerned is to be held; and
 - (b) particulars of the business to be transacted at the general meeting concerned and of the order in which that business is to be transacted.
- (6) Subject to sub-rule (7), the Secretary must give to all members not less than 21 days notice of an annual general meeting and that notice must specify –
- (a) when and where the annual general meeting is to be held;
 - (b) the particulars and order in which business is to be transacted, as follows –
 - (i) first, the consideration of the accounts and reports of the Board;

- (ii) second, the election of the Board members to replace outgoing Board members; and
- (ii) third, any other business requiring consideration by the Association at the general meeting.

(7) A special resolution may be moved either at a special general meeting or at an annual general meeting, however the Secretary must give to all members not less than 21 days notice of the meeting at which a special resolution is to be proposed.

In addition to those matters specified in sub-rule (5) or (6), as relevant, the notice must also include the resolution to be proposed and the intention to propose the resolution as a special resolution.

(8) The Secretary must give notice under sub-rule (5), (6) or (7) by –

- (a) serving it on a member personally; or
- (b) sending it by post to a member at the address of the member appearing in the register of members kept and maintained under rule 6.

(9) When a notice is sent by post under sub-rule (8) (b), sending of the notice will be deemed to be properly affected if the notice is sufficiently addressed and posted to the member concerned by ordinary prepaid mail.

Quorum and proceedings at general meetings

17 (1) At a general meeting twelve (12) members or more present in person constitute a quorum.

(2) If within 30 minutes after the time specified for the holding of a general meeting in a notice given under rule 16 (5) or (6) –

- (a) as a result of a request or notice referred to in rule 16 (1) (c) or as a result of action taken under rule 16 (3) a quorum is not present, the general meeting lapses; or
- (b) otherwise than as a result of a request, notice or action referred to in paragraph (a), the general meeting stands adjourned to the same time on the same day in the following week and to the same venue.

(3) If within 30 minutes of the time appointed by sub-rule (2) (b) for the resumption of an adjourned general meeting a quorum is not present, the members who are present in person or by proxy may nevertheless proceed with the business of that general meeting as if a quorum were present.

(4) The Chairperson may, with the consent of a general meeting at which a quorum is present, and must, if so directed by such a general meeting, adjourn that general meeting from time to time and from place to place.

(5) There must not be transacted at an adjourned general meeting any business other than business left unfinished or on the agenda at the time when the general meeting was adjourned.

(6) When a general meeting is adjourned for a period of 30 days or more, the Secretary must give notice under rule 16 of the adjourned general meeting as if that general meeting were a fresh general meeting.

(7) At a general meeting –

- (a) an ordinary resolution put to the vote will be decided by a majority of votes cast on a show of hands, subject to sub-rule (9); and
 - (b) a special resolution put to the vote will be decided in accordance with section 24 of the Act as defined in rule 2, and if a poll is demanded, in accordance with sub-rules (9) and (11).
- (8) A declaration by the Chairperson of a general meeting that a resolution has been passed as an ordinary resolution at the meeting will be evidence of that fact unless, during the general meeting at which the resolution is submitted, a poll is demanded in accordance with sub-rule (9).
- (9) At a general meeting, a poll may be demanded by the Chairperson or by three or more members present in person or by proxy and, if so demanded, must be taken in such manner as the Chairperson directs.
- (10) If a poll is demanded and taken under sub-rule (9) in respect of an ordinary resolution, a declaration by the Chairperson of the result of the poll is evidence of the matter so declared.
- (11) A poll demanded under sub-rule (9) must be taken immediately on that demand being made.

Minutes of meetings of Association

- 18** (1) The Secretary must cause proper minutes of all proceedings of all general meetings and Board meetings to be taken and then to be entered within 30 days after the hold of each general meeting or Board meeting, as the case requires, in a minute book kept for that purpose.
- (2) The Chairperson must ensure that the minutes taken of a general meeting of Board meeting under sub-rule (1) are checked and signed as correct by the Chairperson of the general meeting or Board meeting to which those minutes relate or by the Chairperson of the next succeeding general meeting or Board meeting, as the case requires.
- (3) When minutes have been entered and signed as correct under this rule, they are, until the contrary is proved, evidence that –
- (a) the general meeting of Board meeting to which they relate (in this sub-rule called “the meeting”) was duly convened and held;
 - (b) all proceedings recorded as having taken place at the meeting did in fact take place at the meeting; and
 - (c) all appointments or elections purporting to have been made at the meeting have been validly made.

Voting rights of members of Association

- 19** (1) Subject to these rules, each member present in person or by proxy at a general meeting is entitled to a deliberative vote.
- (2) A member which is a body corporate may appoint in writing a natural person, whether or not he or she is a member, to represent it at a particular general meeting or at all general meetings.

(3) An appointment made under sub-rule (2) must be made by a resolution of the board or other governing body of the body corporate concerned –

(a) which resolution is authenticated under the common seal of that body corporate;
and

(b) a copy of which resolution is lodged with the Secretary.

(4) A person appointed under sub-rule (2) to represent a member which is a body corporate is deemed for all purposes to be a member until that appointment is revoked by the body corporate or, in the case of an appointment in respect of a particular general meeting, which appointment is not so revoked, the conclusion of that general meeting.

Proxies of members of Association

20 A member (in this rule called “the appointing member”) may appoint in writing another member who is a natural person to be the proxy of the appointing member and to attend, and vote on behalf of the appointing member at, any general meeting.

Rules of Association

21 (1) The Association may alter or rescind these rules, or make rules additional to these rules, in accordance with the procedure set out in sections 17, 18 and 19 of the Act, which is as follows –

- (a) Subject to sub-rule (1) (d) and (1) (e), the Association may alter its rules by special resolution but not otherwise;
- (b) Within one month of the passing of a special resolution altering its rules, or such further time as the Commissioner may in a particular case allow (on written application by the Association), the Association must lodge with the Commissioner notice of the special resolution setting out particulars of the alteration together with a certificate given by a member of the Board certifying that the resolution was duly passed as a special resolution and that the rules of the Association as so altered conform to the requirements of this Act;
- (c) An alteration of the rules of the Association does not take effect until sub-rule (1) (b) is complied with;
- (d) An alteration of the rules of the Association having effect to change the name of the association does not take effect until sub-rules (1) (a) to (1) (c) are complied with and the approval of the Commissioner is given to the change of name.
- (e) An alteration of the rules of the Association having effect to alter the objects or purposes of the association does not take effect until sub-rules (1) (a) to (1) (c) are complied with and the approval of the Commissioner is given to the alteration of the objects or purposes.

(2) These rules bind every member and the Association to the same extent as if every member and the Association had signed and sealed these rules and agreed to be bound by all their provisions.

Common seal of Association

22 (1) The Association must have a common seal on which its corporate name appears in legible characters.

(2) The common seal of the Association must not be used without the express authority of the Board and every use of that common seal must be recorded in the minute book referred to in rule 18.

(3) The affixing of the common seal of the Association must be witnessed by any two of the Chairperson, the Secretary and the Treasurer.

(4) The common seal of the Association must be kept in the custody of the Secretary or of such other person as the Board for time to time decides.

Inspection of records, etc. of Association

23 A member may, upon reasonable notice to the Secretary, inspect without charge the books, documents, records and securities of the Association, excluding those of a confidential and personal nature which relate to staff or clients of the Association.

Disputes and mediation

24 (1) The grievance procedure set out in this rule applies to disputes under these rules between –

- (a) a member and another member; or
- (b) a member and the Association; or
- (c) if the Association provides services to non-members, those non-members who receive services from the Association, and the Association.

(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;
 - (ii) in the case of a dispute between a member or relevant non-member (as defined by sub-rule (1) (c)) and the Association, a person who is a mediator appointed to, or employed with, a not for profit organization.

(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;

- (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.
- (9) The mediator must not determine the dispute.
- (10) The mediation must be confidential and without prejudice.
- (11) 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 or otherwise at law.

Indemnity

25 Every Board member and other office of the association is entitled to be compensated out of the property of the association against any debt incurred by the Board member or office in defending any legal proceedings in which judgment is given in favour of the Board member or officer, or in which the Board member or officer is found to be not guilty.

Appointment of auditors

26 (1) the Board shall appoint an auditor who is not a member of the Association, who shall audit the accounts and records of the Association annually and the Treasurer shall present to the AGM a report of the financial position of the Association.

(2) The Board shall give to the auditor at all reasonable times full access to the Association's books and accounts and afford the auditor every facility for the purpose of making a correct audit of the Association's financial affairs.

Distribution of surplus property on winding up of Association

27 (1) The association shall not be voluntarily dissolved except by special resolution at a general meeting called for that purpose of which not less than twenty-eight (28) days written notice including notice of proposed dissolution has been given to all members, and notice is lodged with the Commissioner of Fair Trading within fourteen (14) days of the passing of the resolution.

(2) If upon the winding up or dissolution of the Association there remains after satisfaction of all its debts and liabilities any property whatsoever, the same must not be paid to or distributed among the members, or former members. The surplus property must be given or transferred to another association incorporated under the Act which has similar objects and which is not carried out for the purposes of profit or gain to its individual members, and which association shall be determined by resolution of the members. A distribution plan shall be prepared and also submitted to the Commissioner of Fair Trading.

Establishment of a Public Fund

28 (1) ~~The Association shall establish and maintain a public fund for the purpose of:~~

~~Having the Association and/or a Trust formed pursuant to this clause recognized as a cultural organization by the Commonwealth Minister responsible for the Arts.~~

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~~Obtaining the endorsement of the Australian Taxation Office of each Trust established pursuant to this clause as having a Deductible Gift Recipient in accordance with Sub-Division 30-BA of the Income Tax Assessment Act 1997.~~

~~Encouraging members of the public to make donations to the Association,~~

~~— (2) Each public fund so established by the Association shall:~~

~~Use the gifts made to the fund, and any money received because of such gifts, only for its principal purpose.~~

~~Not pay any of the fund's profits or financial surplus, or give any of its property, to its members, or controllers.~~

~~The Association will establish and maintain a public fund:~~

~~(a) Donations will be deposited into the public fund listed on the Register of Cultural Organisations. These monies (including interest accrued thereon) will be kept separate from other funds of the Association and will only be used to further the principal purpose of the Association. No other monies or property will be received into the fund. No monies from the fund will be granted or loaned to other bodies. Investment of monies in this fund will be made in accordance with guidelines for public funds as specified by the Australian Taxation Office.~~

~~(b) The fund will be administered by a management committee or a subcommittee of the management committee, the majority of whom, because of their tenure of some public office or their professional standing, have an underlying community responsibility, as distinct from obligations solely in regard to the cultural objectives of The Denmark Arts Council Inc.~~

~~(c) No monies/assets in this fund will be distributed to members, staff or office bearers of the Association, except as reimbursement of out-of-pocket expenses incurred on behalf of the fund or proper remuneration for administrative services.~~

~~(d) The Department responsible for the administration of the Register of Cultural Organisations will be notified of any proposed amendments or alterations to provisions for the public fund, to assess the effect of any amendments on the public fund's continuing Deductible Gift Recipient status~~

~~(e) Receipts for gifts to the public fund will be signed by a person authorized to act on behalf of the fund, and state:~~

- ~~• the name of the public fund and that the receipt is for a gift made to the public fund;~~
- ~~• that the fund is listed on the Register of Cultural Organisations maintained under Subdivision 30-B of the *Income Tax Assessment Act 1997*~~
- ~~• the Australian Business Number and name of the Association~~
- ~~• the name of donor, type of donation (money or property) and value;~~

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- any other matter required to be included on the receipt pursuant to the requirements of the Income Tax Assessment Act 1997

(f) The Association will comply with any rules that the Treasurer and the Minister responsible for the Arts make to ensure that the gifts made to the fund are used only for its principal purpose, ~~and~~

(g) The Association will qive the Secretary to the Office of the Arts or its successor Department, at intervals of six months, statistical information about the gifts made to the public fund during the last six months.

(23) If upon the winding-up or dissolution of the Association or the public fund listed on the Register of Cultural Organisations, there remains after satisfaction of all its debts and liabilities, any property or funds, the property or funds shall not be paid or distributed among its members, but shall be given or transferred to some other fund, authority or institution having objects similar to the objects of this public fund, and whose rules shall prohibit the distribution of its or their income among its or their members, such fund, authority or institution to be eligible for tax deductibility of donations under Subdivision 30-B, section 30-100, of the Income Assessment Act of 1977 (the Act) and listed on the Register of Cultural Organisations maintained under the Act.

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