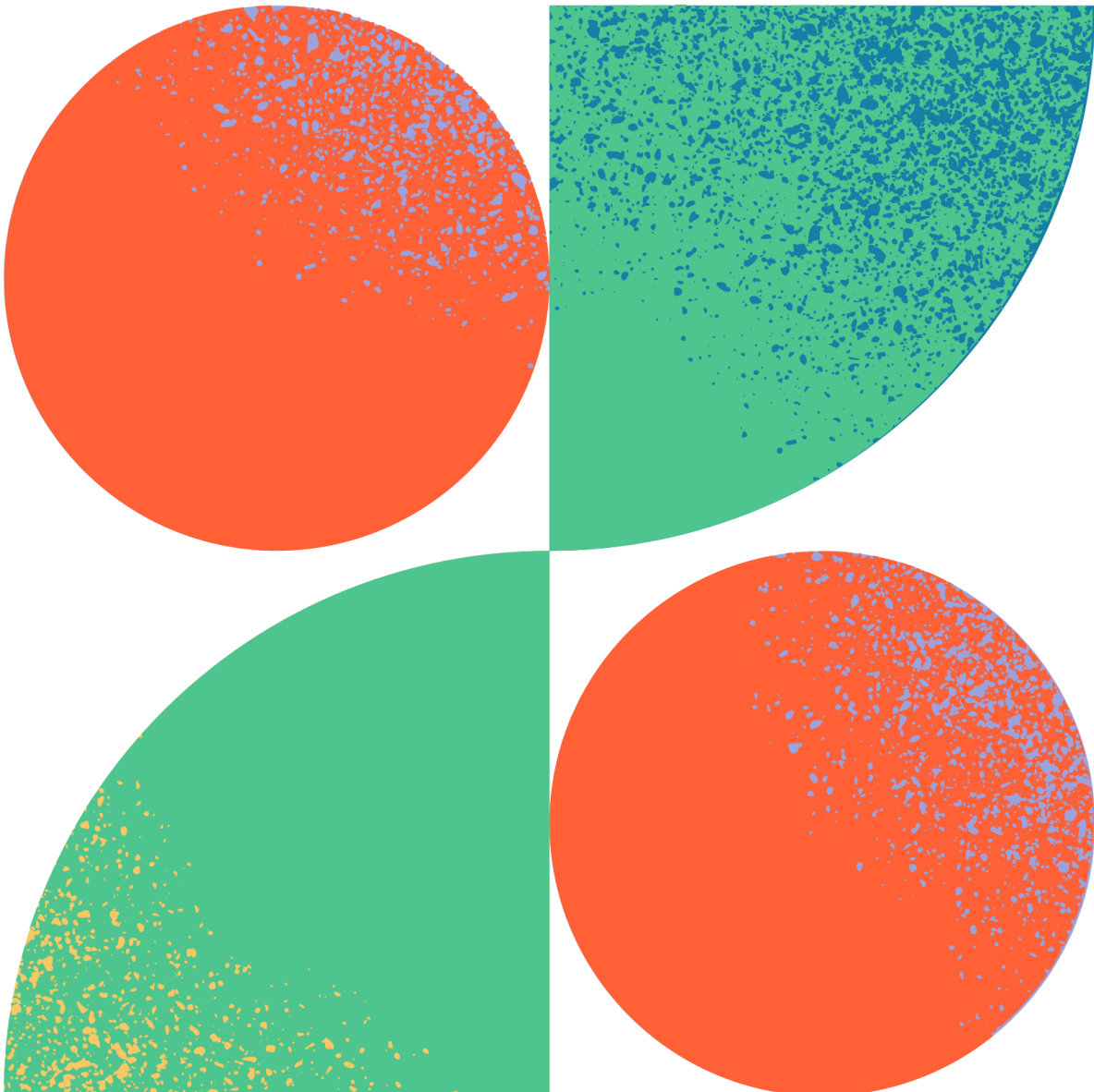


Australian  
Finance  
Industry  
Association

# AFIA Constitution



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Corporations Act 2001 (Cth)

A Company Limited by Guarantee and not having a Share Capital

CONSTITUTION OF  
AUSTRALIAN FINANCE INDUSTRY ASSOCIATION  
LIMITED ACN 000 493 907

1. Definitions and interpretation

1.1 This Constitution is to be construed with reference to the provisions of the Corporations Act (as defined below) and, subject to clause 1.2, terms used in the Constitution will have the same meanings as in that statute.

1.2 Throughout the Constitution, unless the context otherwise indicates or requires:

**AFIA** means Australian Finance Industry Association Limited ACN 000 493 907;

**Appeals Committee** means the committee appointed by the Board from time to time to consider appeals by Members of AFIA pursuant to clause 7;

**Approved Fund** means any fund established from time to time for the benefit of AFIA to assist AFIA in achieving its Objects and any fund approved as such by the Board;

**Board** means the board of Directors of AFIA from time to time;

**Chair** means the Director elected by the Board as Chair in accordance with clause 18.1;

**Chief Executive Officer** means the chief executive officer from time to time of AFIA;

**Code of Conduct** means the Code of Conduct which comprises part of the AFIA Corporate Governance Charter from time to time;

**Code of Practice** means the Code of Practice which is adopted by an industry group of Members and approved by the Board, as amended from time to time;

**Constitution** means the Constitution of AFIA, as amended from time to time;

**Corporations Act** means the Corporations Act 2001 (Cth) and all regulations and other instruments pursuant to it and all consolidations, amendments, re-enactments or replacements of it;



**Deputy Chair** means the Director elected by the Board as Deputy Chair in accordance with clause 18.3;

**Director** means a member of the Board from time to time;

**Executive** means a person holding an executive position with AFIA from time to time;

**Hybrid Meeting** means a physical meeting of some participants together with the remote participation of participants by use of Virtual Technology;

**Independent Director** means a Non-Executive Director who:

- a) is not an officer or employee of a Member;
- b) within the last three (3) years has not been employed in an executive capacity with AFIA or any Subsidiary;
- c) within the last three (3) years has not been a principal of a material professional advisor or a material consultant to AFIA or any Subsidiary, or an employee of them materially associated with the service provided;
- d) is not a material supplier or customer of AFIA or any Subsidiary, or an officer of, or otherwise associated directly or indirectly with, any such material supplier or customer;
- e) has no material contractual relationship with AFIA or any Subsidiary other than as a director of AFIA or a Subsidiary;
- f) has not served on the board of AFIA (including the committee of any industry interest group) or a Subsidiary for a period which could be perceived to materially interfere with his or her ability to act in the best interests of AFIA; and
- g) is free from any interest and any business or other relationship which could be perceived to materially interfere with his or her ability to act in the best interests of AFIA;

**Majority Vote** means a vote or resolution that has been passed by:

- a) in the case of a vote or resolution of Members, more than fifty percent (50%) of the votes cast by Full Members present (in person or by proxy) and entitled to vote on the relevant resolution; and
- b) in the case of a resolution of Directors, by more than fifty percent (50%) of the Directors present and entitled to vote on the relevant resolution.

**Member** means a member of AFIA from time to time; and **Membership** means the collection of such Members;

**Membership Conditions** has the meaning given to that term in clause 3.9;

**Member Elected Director** means a Director who is, or is an officer or employee of, a Full Member at the time of election;

**Non-Executive Director** means a Director who is not an employee of AFIA or any Subsidiary other than in the capacity of being a Director or a director of such Subsidiary;

**Objects** means the objects of AFIA set out in clause 2;



**Protocol** means a resolution, rule, regulation, or by-law made by the Members in general meeting or by the Board in accordance with clause 26;

**Register of Members** means the register of Members of AFIA kept pursuant to the Corporations Act;

**Secretary** means any person appointed to perform the duties of a secretary of AFIA from time to time;

**State** means a State or Territory of the Commonwealth of Australia;

**Subsidiary** means a subsidiary or other subdivision of AFIA;

**Virtual Meeting** means a meeting where all participants participate via Virtual Technology; and

**Virtual Technology** means technology, including online facilities, which gives those “attending” a meeting through use of it the opportunity to participate in the meeting in a manner similar in key respects to attending the meeting in person, including to follow the proceedings of the meeting uninterrupted, to ask questions and to vote.

### 1.3 Interpretation

In the Constitution:

- a) headings are for convenience only and do not affect the interpretation of the Constitution;
- b) reference to the singular includes the plural and vice versa;
- c) reference to any gender includes the other genders;
- d) reference to a person includes a corporation and vice versa; and reference to a person or a corporation includes a firm, a body corporate, an incorporated association, a university or a government or other authority;
- e) reference to a party includes that party's executors, administrators, successors and permitted assigns;
- f) every obligation entered into by two (2) or more parties binds them jointly and each of them severally;
- g) where any word or phrase is defined in the Constitution, any other grammatical form of that word or phrase has a corresponding meaning;
- h) reference to a part, clause, paragraph or other sub-division is to a part, clause, paragraph or other sub-division of the Constitution;
- i) reference to a statute, ordinance, code or other law includes any amendment to it, any replacement of it and any statute, ordinance, code or other law intended to operate in conjunction with it and, in each instance, includes every regulation, rule and other instrument pursuant to it;
- j) reference to “writing” or “in writing” includes email and any other electronic form approved from time to time by the Board;
- k) reference to “month” is to a calendar month;



- l) all monetary amounts are in Australian dollars; and
- m) "including" and similar expressions are not words of limitation

## 1.4 Replaceable Rules Do Not Apply

The replaceable rules referred to in the Corporations Act do not apply to AFIA and are replaced by the provisions of the Constitution.

## 2. Role and objects

### 2.1 Role

The role of AFIA is to lead and represent its diverse Membership to do the right thing by their customers and stakeholders, create a unified voice focused on the future of the industry, and drive a culture of integrity, transparency and fairness.

### 2.2 Objects

The objects of AFIA are:

- a) to promote the interests of the Members in the course of their business;
- b) to represent the Members and to negotiate on their behalf, collectively and individually as required, with any public or private body or government or semi government authority in relation to matters affecting the business of Members;
- c) to investigate and share with Members, any information that will assist them in promoting and effectively executing their business;
- d) to provide a mechanism for Members to improve core skills and meet professional development responsibilities through high-quality training courses and programs;
- e) to survey Members and otherwise conduct research, analysis and produce reports on financial, market, economic, legal, industrial and other matters affecting Members; and
- f) to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of AFIA.

## 3. Membership

### 3.1 Class of Members

There will be three (3) classes of Members, as follows:

- a) Full Members;
- b) Associate Members; and
- c) Affiliate Members.



- 3.2 A Full Member is in the business of providing finance or money transfer, digital currency or payments-related services in or from Australia to corporates, businesses and/or consumers. They offer products, services and technologies that deliver good customer outcomes always operating in the interests of the customer. They have paid their Membership fee.
- 3.3 An Associate Member is a Member that is in the business of providing services to Full Members or the finance sector. They have paid their Membership fee.
- 3.4 An Affiliate Member is a Member which is connected to AFIA through an alignment in activities, a partnership and/or an organisation that seeks to achieve similar outcomes for the finance industry where there is mutual value achieved for the respective memberships, and which has paid its Membership fee.

### 3.5 Class of Members - Rights

Subject to the provisions of the Constitution, a Full Member has:

- a) the right to receive notice of all meetings of Members and to attend, and vote at, those meetings;
- b) the right to receive notice of all technical meetings conducted by AFIA, and to attend at, and participate in those meetings for which the Member's Membership fee has been paid; and
- c) the right to access the AFIA Members' website and other relevant communications.

3.6 Subject to the provisions of the Constitution, an Associate Member has:

- a) the right to receive notice of all meetings of Members but no right to attend such meetings and no right to vote at any meeting of Members;
- b) the right to receive notice of all technical meetings conducted by AFIA, and to attend at, and participate in those meetings for which an invitation has been extended and the Associate Member's Membership fee has been paid; and
- c) the right to access the AFIA Members' website.

3.7 Subject to the provisions of the Constitution, an Affiliate Member has: (a) the right to receive notice of all meetings of Members but no right to attend such meetings and no right to vote at any meeting of Members;

- a) the right to receive notice of all technical meetings conducted by AFIA, and to attend at, and participate in those meetings for which an invitation has been extended and the Affiliate Member's Membership fee has been paid; and
- b) the right to access the AFIA Members' website.





### 3.8 Further Classes of Members

The Board may create and establish further classes of Members from time to time and prescribe such qualifications, conditions, rights and obligations to them as it considers appropriate provided that the rights of existing Members are not adversely affected.

### 3.9 Rights and Obligations of Members

All Members will be subject to the obligations and duties applicable to their Membership of AFIA and, without limiting the generality of the foregoing, will be bound by the Constitution, the Protocols, any relevant Code of Conduct and any further conditions of Membership imposed from time to time by the Board (**Membership Conditions**).

3.10 A Full Member may be represented at meetings and on the Board of AFIA by such person or persons as the Full Member appoints as its representative(s) and, where the context so indicates, reference to 'Full Member' includes the appointed representative of a corporate Full Member. Alternate representatives may be appointed provided that not more than one (1) representative of a Full Member may (where applicable) vote at any particular meeting of AFIA. Notice of the appointment of a representative must be given in writing by the Full Member to the Secretary and the appointment of a representative will be effective on receipt by AFIA of such notice. A Full Member may at any time, by notice in writing to the Secretary, revoke the appointment of a representative and appoint a replacement representative.

3.11 The rights, privileges and obligations of a Member are not transferable.

### 3.12 Register of Members

AFIA will maintain a Register of Members and will enter in such Register of Members the name and class of Membership of each Member.

## 4. Application for membership

- 4.1 An application for Membership of AFIA will be made by the applicant in writing in such form as the Board from time to time prescribes.
- 4.2 As soon as is practicable after an application for Membership is received it should be referred to the Board (or committee appointed by the Board) for consideration.
- 4.3 If the Board determines to approve an application for Membership, as soon as practicable after that determination is made, the applicant should be advised of that approval and the applicant's name entered in the Register of Members. On the applicant's name being entered in the Register of Members and any required Membership fee being paid, the applicant will become a Member of AFIA.



- 4.4 If the Board determines not to approve an application for Membership, the applicant will be advised of that determination, and any Membership or other fee paid will be returned to the applicant, within twenty-eight (28) days after the determination. AFIA is not obliged to give reason for any determination.

### 5. Fees

- 5.1 A Member must, in each financial year, pay to AFIA an annual Membership fee in the amount and manner determined by the Board from time to time.
- 5.2 An applicant which becomes a Member during a financial year must pay a pro rata amount of the relevant annual Membership fee for the remaining part of that financial year.

### 6. Cessation of membership

- 6.1 A Member may resign its Membership by giving at least three (3) months written notice of its resignation to the Secretary. The Member will cease to be a Member on the later of the day which is three (3) months after receipt of the resignation notice by AFIA and such (later) date (if any) specified by the Member in its resignation notice.. A Member will continue to be liable for the annual Membership fee for each financial year in which it is a Member and for all arrears due and unpaid at the cessation of its Membership and for all other moneys due by it to AFIA.
- 6.2 If the subscription of a Member remains unpaid for a period of two (2) months after it becomes due then the Member may, after notice of the default has been sent to it by the Secretary, be debarred by resolution of the Board from all privileges of Membership and the name of the Member may be removed by the Board from the Register of Members provided that the Board may reinstate the Member and restore the Member's name to the Register of Members on payment of all arrears if the Board thinks fit to do so.
- 6.3 The Board may suspend or revoke the Membership of a Member if:
- a) that Member no longer meets the eligibility requirements to become a Member of the relevant class;
  - b) that Member (or a senior executive or representative of it) fails to comply with the provisions of the Constitution, Membership Conditions, a relevant Protocol, a relevant Code of Conduct or reasonable directions of the Board; or
  - c) is guilty of any conduct which, in the opinion of the Board, is unbecoming of a Member or prejudicial to the interests of AFIA;
- provided that:
- d) at least two (2) weeks before the meeting of the Board at which a resolution for the suspension or revocation of Membership is to be discussed, the Member receives notice of such meeting, the allegations and the proposed resolution;



- e) at the meeting, and before the resolution is voted on by the Board, the Member has an opportunity to give, orally or in writing, any reasonable explanation or defence the Member thinks fit; and
- f) the Member is given the opportunity to, by written notice lodged with the Secretary at least twenty-four (24) hours before the commencement of the Board meeting, elect to have the question of the suspension or revocation of its Membership dealt with by the Members in a general meeting in lieu of by the Board. If that election is made, a general meeting of the Members will be called for that purpose and, if a resolution to suspend or revoke that Member's Membership is passed, the Member's Membership will immediately be (as applicable) suspended or revoked.

6.4 If the Membership of a Member is suspended or revoked in accordance with clause 6.3, the Secretary will, as soon as practicable after the determination is made, advise the Member in writing.

## 7. Appeals

- 7.1 Any Member which is suspended or expelled as a Member by the Board pursuant to the provisions of the Constitution may, within the period of twenty- one (21) days after notice of the decision of the Board has been sent to such Member, lodge an appeal in writing with the Board requesting the Board to submit its appeal to the Appeals Committee. There is no appeal from the decision of the Members in general meeting pursuant to clause 6.3(f).
- 7.2 If such Member lodges an appeal in accordance with this clause 7:
  - a) the Board will refer the appeal to the Appeals Committee; and
  - b) the Member will not be suspended or expelled as a Member, and the name of such Member will not be removed from the Register of Members, until its appeal has been heard by the Appeals Committee and unless such appeal is not upheld.

## 8. General meetings

8.1 Subject to the Constitution, all meetings of Members will be held at such time and place, and will be conducted in such manner, as the Board may determine.

### 8.2 Use of technology

Meetings of Members may take place using such technology as is permitted for the holding of such meetings including by holding Hybrid Meetings or Virtual Meetings. If a meeting is to be held as a Hybrid Meeting or a Virtual Meeting, or otherwise is to be held in two (2) or more places, the notice of meeting must advise details of the technology that will be used to enable participation of Members in the meeting.



### 8.3 Annual general meetings

In addition to any other meetings, AFIA must hold an annual general meeting in accordance with the requirements of the Corporations Act. The annual general meeting will be held at such time and place as the Board determines. Until determined otherwise by the Members in general meeting, the financial year of AFIA will be the period commencing on 1 July and ending on 30 June in each year.

### 8.4 Extraordinary general meetings:

All general meetings, other than annual general meetings, will be called extraordinary general meetings.

### 8.5 Extraordinary general meetings will be convened:

- a) by the Board, at its discretion; or
- b) on such requisitions as are provided by the Corporations Act.

### 8.6 Notice

Subject to the provisions of the Corporations Act relating to special resolutions and agreements for shorter notice, a minimum of twenty one (21) days' notice (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which the notice is given) specifying the place, day and hour of meeting and, in case of special business, the general nature of that business, must be given to Members.

## 9. Proceedings at general meetings

### 9.1 The business of annual general meetings of AFIA may, without limitation, include to:

- a) receive and consider the annual financial statements and the reports of the Directors and the auditors;
- b) elect the members of the Board; and
- c) appoint the auditors.

### 9.2 Quorum

No business will be transacted at a general meeting unless a quorum is present at the time when the meeting proceeds to business.

### 9.3 Ten (10) Full Members entitled to vote at a general meeting of Members, present in person or by proxy, will constitute a quorum for the transaction of the business of a general meeting. If a meeting of Members is held as a Hybrid Meeting or Virtual Meeting, Members attending using



technology approved by the Board will be in attendance for all purposes of the meeting, including the determination of a quorum.

- 9.4 If within half an hour after the appointed time for the commencement of a general meeting a quorum is not present, the meeting:
- a) if convened on the requisition of Full Members, will be dissolved; and
  - b) in any other case, will stand adjourned to the same day in the following week at the same time and (unless another place is specified at the time of the adjournment by the person presiding at the meeting or communicated by written notice to Members given before the day to which the meeting is adjourned) at the same place.

### 9.5 Chair

The Chair, or in the absence of the Chair the Deputy Chair, will preside and chair each general meeting of AFIA.

- 9.6 If neither the Chair nor Deputy Chair is present within fifteen (15) minutes after the time appointed for holding the general meeting, or both the Chair and Deputy Chair are unwilling or unable to act as chair of the general meeting, the Full Members present may elect one (1) of their number to act as chair of that meeting.

### 9.7 Adjournment

The chair of a general meeting at which a quorum is present may, with the consent of a majority of Full Members present and entitled to vote (and must if so directed by the meeting), adjourn the meeting from time to time and place to place at which a quorum is present, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place and, subject to clause 9.8, it will not be necessary to give any notice of an adjournment or the business to be transacted at a meeting adjourned pursuant to this clause.

- 9.8 When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting must be given as in the case of an original meeting.

### 9.9 Voting

At any general meeting a motion put to the vote of the meeting will be decided on a show of hands of Full Members present in person or by proxy and entitled to vote on the resolution unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

- a) the chair of the meeting; or
- b) not less than three (3) Full Members present in person or by proxy and having the right to vote on the resolution at the meeting.



- 9.10 Unless a poll is so demanded, a declaration by the chair of the meeting that a resolution has, on a show of hands, been carried, or lost, and an entry to that effect in the minute book of AFIA will be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such a resolution.
- 9.11 Except as provided in clause 9.12, if a poll is duly demanded at a meeting it will be taken in such manner as the chair of the meeting directs, and the result of the poll will be deemed to be the resolution of the meeting at which the poll was demanded.
- 9.12 In the case of an equality of votes at a meeting, whether on a show of hands or on a poll, the chair of the meeting will be entitled to a second or casting vote.

## **10. Votes of members at general meetings**

- 10.1 At a general meeting of Members, every Full Member who is present in person or by proxy has one (1) vote.
- 10.2 The instrument appointing a proxy must be in writing and:
- a) if in paper form, is signed by the Full Member appointing such proxy or by the Full Member's attorney duly authorised in writing; or
  - b) if by electronic means, is taken to have been signed or authorised upon submission of the proxy form in the manner approved by the Board at the time that the proxy form is made available to Full Members for completion.
- 10.3 The instrument appointing a proxy, and the power of attorney or other authority (if any) under which such proxy is signed (or a certified copy of that power or authority) must be received by AFIA in the manner specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time appointed for the commencement of the meeting (or in regard to an adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll) at which the person named in the instrument proposes to vote. Proxies may be signed using electronic signatures.
- 10.4 The instrument appointing a proxy or representative may be in such form as the Board approves from time to time and will be valid if signed by the Full Member making the appointment and contains the information required by section 250A (1) of the Corporations Act. The Chair (and in the absence of the Chair, the Deputy Chair, and in the absence of the Deputy Chair, the person who chairs the meeting at which the proxy is to be used) will determine whether the appointment of a proxy is valid.
- 10.5 The instrument appointing a proxy will confer authority to join in demanding a poll.



- 10.6 A vote given in accordance with the terms of an instrument of proxy will be valid notwithstanding the previous death or insanity of the Full Member giving it or the revocation of the proxy or of the authority under which the proxy was executed, provided that no notice in writing of such death, insanity or revocation has been received by AFIA (in the manner specified in the notice convening the relevant meeting for the depositing of instruments of proxy) before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **11. Board of directors**

- 11.1 The Board will comprise not less than five (5) and not more than ten (10) persons (or such other number as is approved by the Board from time to time) elected from Full Members (or officers or employees of Full Members) in accordance with clause 14 or appointed in accordance with clause 15 in accordance with the following criteria:
- a) at least four (4) Directors are to be Member Elected Directors;
  - b) no more than three (3) Directors are to be Independent Directors;
  - c) the Chief Executive Officer may be appointed a Director in accordance with clause 15.5; and
  - d) there must always be a majority of Member Elected Directors.
- 11.2 Each member of the Board elected from AFIA's Full Members is to hold office until the conclusion of the second annual general meeting following the date of his or her election. At the expiry of that two (2) year term, the Directors elected from AFIA's Full Members must retire, but will be eligible for re-election for a further two terms.
- 11.3 In the event of a casual vacancy occurring in the membership of the Board, the Board may appoint any person to fill the vacancy and the person so appointed will be the same class of Director as, and hold office for the balance of the term of, the Director he or she replaced provided that, except for Independent Directors appointed pursuant to clause 15, any person so appointed must become (or be an officer or employee of) a Full Member of AFIA if not already a Full Member.

### **12. Powers and duties of the Board**

- 12.1 The control, management and conduct of AFIA is vested in the Board provided that the Board:
- a) will not expend any moneys other than in the ordinary course of the administration and operations of AFIA; and
  - b) must deal with all moneys surplus to the administration and operation needs of AFIA in accordance with clause 12.7.
- 12.2 Subject to clause 12.1, the Board may carry into effect all or any of the Objects and may:



- a) exercise all or any of the powers of AFIA; and
- b) do all acts and things which may be done by AFIA.

- 12.3 Subject to the Corporations Act, the Board will manage the business and affairs, and control the funds and property, of AFIA.
- 12.4 Without limiting the generality of clause 12.3, and in addition to the powers and authorities expressly conferred on the Board by the Constitution, the Board may exercise all powers and do all acts and things as may be exercised or done by AFIA and are not by this Constitution or by the Corporations Act expressly directed or required to be exercised or done by AFIA in general meeting.
- 12.5 The Board may resolve from time to time how negotiable instruments are signed, drawn, accepted, endorsed or otherwise executed by or on behalf of AFIA.
- 12.6 No resolution, rule, regulation or by-law by AFIA in general meeting will invalidate any prior act of the Board which would have been valid if that resolution, rule, regulation or by-law had not been passed or made.
- 12.7 All moneys received by or on behalf of, or as a result of, the activities of AFIA shall be applied by AFIA in accordance with the Objects.

### **13. Proceedings of the Board**

- 13.1 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
- 13.2 Without limiting the generality of clause 13.1, meetings of the Board may take place using such technology as is permitted for the holding of such meetings including by holding Hybrid Meetings or Virtual Meetings. If a meeting is to be held as a Hybrid Meeting or a Virtual Meeting, or otherwise is to be held in two (2) or more places, the notice of meeting must advise details of the technology that will be used to enable participation of Directors in the meeting.
- 13.3 Questions arising at any Board meeting will be decided by a Majority Vote on a show of hands of the members of the Board present which will for all purposes be deemed a determination of the Board. In the case of an equality of votes the chair of the meeting will have a second or casting vote.
- 13.4 A member of the Board may at any time summon a meeting of the Board.
- 13.5 The quorum necessary for transacting the business of the Board will be such number as is fifty per cent (50%) of the number of Directors at that time (rounded up to the next whole number if a fraction) or such greater number as may be determined from time to time by the Board. If a





meeting of the Board is held as a Hybrid Meeting or a Virtual Meeting, Directors attending using technology approved by the Board will be in attendance for all purposes of the meeting, including the determination of a quorum.

- 13.6 The Chair, or in the absence of the Chair the Deputy Chair, will preside and chair each meeting of the Board and, if at any meeting neither the Chair nor the Deputy Chair is present within ten (10) minutes after the time appointed for holding the meeting, the members of the Board present may choose one of their members to be chair of that meeting.
- 13.7 The continuing members of the Board may act notwithstanding any vacancy in the Board.
- 13.8 The Board may delegate any of its powers, functions and duties which, under the Corporations Act, the Constitution and/or the general law it is not precluded from delegating, to the Chief Executive Officer and/or to such committee or committees as the Board considers appropriate. For this purpose the Board may establish such committee or committees, on a permanent or interim basis, and any such committee may consist of such Directors, representatives of Members, the Chief Executive Officer and/or other Executives, advisers and experts as the Board thinks fit. Any committee so formed must conform to any regulations that may be imposed on it by the Board, in the committee's charter or otherwise.
- 13.9 If a member of the Board is interested directly or indirectly in any business before the Board:
- a) that member must not vote in respect of such business and, if he or she does vote, his/her vote will not be counted; and
  - b) he/she will not be counted in a quorum for the transaction of that business.
- 13.10 A resolution in writing signed by all the members of the Board will be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one (1) or more members of the Board.
- 13.11 Other than for Independent Directors (in relation to whom special arrangements must be approved by the Board) no Non-Executive Director will be entitled to remuneration for his or her services as a Director or other office bearer of AFIA or to reimbursement of his or her expenses incurred in travelling to or from, or attending at, meetings of the Board, without the unanimous approval of the Board. If the Chief Executive Officer is invited to become a Director, his or her remuneration will include providing his or her services as a Director and he or she will be entitled to reimbursement of such expenses as is approved by the Board.



## **14. Election of Directors**

- 14.1 Nominations of candidates for the election of Member Elected Directors must be:
- a) made in writing by or on behalf of a Full Member, nominating the candidate (who must be or be an officer or employee of a Full Member and cannot be or be an officer or employee of the nominating Full Member) and signed or otherwise authorised by the relevant candidate; and
  - b) received by the Secretary at least thirty (30) days before the date fixed for the holding of the annual general meeting at which the election is to take place.
- 14.2 If insufficient nominations are received to fill all vacancies on the Board, the candidates nominated are taken to be elected and any vacant positions remaining on the Board are taken to be casual vacancies.
- 14.3 If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated are taken to be elected.
- 14.4 If the number of nominations received exceeds the number of vacancies to be filled, a ballot is to be held.

## **15. Appointment of Directors**

- 15.1 Subject to clause 15.4, up to three (3) Independent Directors may be appointed by the Board if the Board considers they have skills, experience and expertise useful for AFIA's strategic and operational requirements.
- 15.2 Independent Directors are accountable to Members in the same way as elected Directors.
- 15.3 The Board will establish and implement a due process for approaching, nominating and appointing Independent Directors.
- 15.4 Each Independent Director will hold office until the next annual general meeting following the date of his or her appointment. At the conclusion of that term the Board will assess whether or not to re-endorse that Independent Director for a further term.
- 15.5 In addition to the Independent Directors, the Board may appoint the Chief Executive Officer to the Board, to hold office until the Board meeting that occurs after the next annual general meeting following the date of his or her appointment. At the conclusion of each term the Board will assess whether or not to re-appoint the Chief Executive Officer as a Director for a further term.



## **16. Ceasing to be a Director**

### **16.1 Cessation or resignation**

A Director shall cease to be a Director if he or she:

- a) becomes bankrupt or makes an arrangement or composition with his or her creditors;
- b) becomes prohibited from being a Director by reason or an order made under the Corporations Act;
- c) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
- d) resigns his or her office by notice in writing to the Secretary;
- e) for more than three (3) months is absent without permission of the Board from meetings of the Board held during that period and a majority of the other Directors have not, within fourteen (14) days of notice from the Secretary of details of such absence, resolved that leave of absence be granted; or
- f) (being a Member Elected Director) ceases to be a Full Member or an officer or employee of a Full Member for a period greater than one (1) month.

### **16.2 Removal**

The Members may, at any time, by Majority Vote of the Members, remove a Director.

## **17. Duties of Directors**

Each Director must comply with his or her duties under the Corporations Act and any legislated governance standards that may apply to the Directors.

## **18. Chair**

- 18.1 The Directors may elect one of their number as Chair and may decide the period, not exceeding two (2) years, for which he or she is to hold office.
- 18.2 A retiring Chair is eligible for re-appointment but may serve as Chair for a maximum of two (2) consecutive terms.
- 18.3 The Directors may elect one of their number as Deputy Chair, to act as Chair in the absence of the Chair, and may decide the period, not exceeding two (2) years, for which he or she is to hold office.



## **19. Minutes**

- 19.1 The Board must cause to be kept and recorded minutes of all resolutions and proceedings of:
- a) general meetings of AFIA; and
  - b) all meetings of the Board.
- 19.2 Such minutes must be signed by the Chair of the relevant meeting or the Chair of the next relevant meeting.
- 19.3 The Secretary will arrange for copies of such minutes to be sent to members of the Board as soon as practicable. The minutes will be prima facie evidence of the matters stated in the minutes.

## **20. Books of accounts**

- 20.1 The Board must:
- a) cause proper accounts to be kept with respect to all sums of money received and expended by AFIA; and
  - b) cause to be prepared financial statements (as defined by the Corporations Act) drawn up as at the last day of the financial year of AFIA each year and disclose, report and lodge such financial statements in accordance with the Corporations Act.
- 20.2 The financial statements will be audited and an audited copy of the financial statements will be furnished to all Directors not less than fourteen (14) days prior to the annual general meeting at which the financial statements are to be presented.
- 20.3 The accounts must be kept at the principal office of AFIA or at such other place or places as the Board thinks fit from time to time, and must be open for inspection during normal business hours by any member of the Board and, subject to any reasonable restrictions as to the time and manner of inspecting that may be imposed in the regulations of AFIA, by any Member.

## **21. Audit or review**

- 21.1 In each financial year, AFIA must procure the preparation of an annual financial report and a Directors' report which contains the disclosures required by the Corporations Act.
- 21.2 The appointment, remuneration, powers and duties of the auditor of AFIA will be regulated in accordance with the Corporations Act and the Constitution.



### 22. Secretary

The Board will appoint one (1) or more people to be the Secretary, at the remuneration and on the conditions determined by the Board. Any Secretary so appointed may be removed by the Board.

### 23. Borrowing powers

The Board, for the purposes of the Objects of AFIA, may exercise all of the powers of AFIA to borrow money, and to mortgage or charge its undertaking and property (or any part thereof), and to issue debentures, debenture stock and other securities (whether outright or as security for any debt, liability or obligation of AFIA).

### 24. Notices

24.1 A notice (including a notice of meeting) under the Constitution may be given to a Member or other person entitled to notice:

- a) personally;
- b) by sending it by prepaid post to the address in the Register of Members or such other address nominated by the Member;
- c) by sending it to the facsimile number in the Register of Members or such other address nominated by the Member;
- d) by sending it by email or any other electronic means to the email or other electronic address (if any) in the Register of Members or such other address nominated by the Member; or
- e) by any means authorised by the relevant Member or representative or otherwise permitted by the Corporations Act or the Constitution.

24.2 A notice under the Constitution may be given to AFIA:

- a) personally;
- b) by sending it by prepaid post (which evidences delivery) to the Secretary of AFIA at the principal office of AFIA or such other address as AFIA advises from time to time for the service of notices;
- c) by sending it to the facsimile number (if any) nominated by AFIA from time to time for the service of notices and providing a copy of the answerback received evidencing successful delivery;
- d) by sending it by email to the email address (if any) nominated by AFIA from time to time for the service of notices and providing evidence of successful transmission; or
- e) by any other means permitted by the Corporations Act and advised by AFIA from time to times as an acceptable means of giving notice to it.



- 24.3 A notice delivered by hand will be deemed to have been given when it is delivered. A notice sent by post, facsimile or email will be deemed to have been given when, in the ordinary course of business, it would be delivered to the addressee party.
- 24.4 Notice of every general meeting of AFIA will be given in a manner authorised by the Constitution and in accordance with the Corporations Act to:
- a) every Director who has supplied AFIA with an address for the giving of notices;
  - b) the auditor or auditors (if any) for the time being of AFIA; and
  - c) the Members.

## 25. Officers: Indemnity and insurance

- 25.1 To the extent permitted by law:
- a) every person who is or has been an officer of AFIA will be indemnified out of the property of AFIA against any liability for costs and expenses incurred by that person in defending any proceedings in which judgment is given in that person's favour, or in which the person is acquitted, or in connection with an application in relation to any proceedings in which the Court grants relief to the person under the Corporations Act; and
  - b) every person who is or has been an officer of AFIA will be indemnified out of the property of AFIA against any liability to another person (other than AFIA or a related body corporate of AFIA) where the liability is incurred by the officer in his or her capacity as an officer of AFIA provided that this indemnity will not apply where the liability arises out of conduct involving a lack of good faith.
- 25.2 To the extent permitted by law AFIA may pay, or agree to pay, a premium in respect of a contract insuring a person who is or has been an officer of AFIA against a liability:
- a) incurred by the person in his or her capacity as an officer of AFIA provided that the liability does not arise out of conduct involving a wilful breach of duty in relation to AFIA or a Subsidiary of AFIA or a contravention of sections 182 or 183 of the Corporations Act; or
  - b) for costs and expenses incurred by that person in defending proceedings, whatever their outcome.
- 25.3 In clauses 25.1 and 25.2:
- a) the term "proceedings" means any proceedings, whether civil or criminal, being proceedings in which it is alleged that the person has done or omitted to do some act, matter or thing in his or her capacity as an officer of AFIA or of a Subsidiary of AFIA (including proceedings alleging that he or she was guilty or negligence, default, breach of trust or breach of duty in relation to AFIA or a Subsidiary of AFIA);
  - b) the term "officer" has the meaning given to that term in section 9 of the Corporations Act.



## 26. Protocols

The Board may determine Protocols for the operation or administration of AFIA and any Subsidiary and any committee or any interest or other working group established by the Board or by Members in general meeting, to the extent not provided for in the Constitution.

## 27. Application of income and property of AFIA

The income and property of AFIA will be applied solely towards the promotion of the Objects. No portion of such income and property will be paid or transferred directly or indirectly to the Directors or Members, except the Board may by Majority Vote approve:

- a) the payment in good faith of reasonable and proper remuneration to a Director, officer or employee of AFIA, or to any Member in return for any services actually rendered to, or expenses incurred on behalf of, AFIA; or
- b) the payment of reasonable and proper rent for premises demised or let by AFIA.

## 28. Limited liability

28.1 AFIA is limited by guarantee and the liability of the Members is limited to the amount set out in clause 28.2.

28.2 Every Member undertakes to contribute to the assets of AFIA in the event of AFIA being wound up during the time they are a Member, or within one (1) year after they cease to be a Member, for payment of the debts and liabilities of AFIA contracted before they ceased to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, but not exceeding two hundred dollars (\$200.00).

## Version history

Latest version	Date	Further description
3.0	17 October 2022	Change definition of a Full Member and an Associate Member.

