

Constitution

Strata Community Association Limited



A Public Company Limited by Guarantee

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Table of Contents

1	Name of the Company	2
2	Type of Company	2
3	Replaceable Rules	2
4	Definitions and Interpretation	2
4.1	Definitions	2
4.2	Interpretation	5
5	Objects and Purposes	6
5.1	Objects	6
5.2	Income and Property	6
5.3	Remuneration of Directors	7
	MEMBERSHIP	7
6	Admission to Membership	7
6.1	Number of Members	7
6.2	Pre-Condition to Membership	7
6.3	Becoming a Member	7
7	Classes of Membership	7
7.1	Classes of Membership	7
7.2	Corporate Members	8
7.3	International Members	8
7.4	Ordinary Members	8
7.5	Chapter President Members	8
7.6	Non-Voting Members	9
8	Eligibility for Membership	9
9	Applications for Membership	9
10	Membership Entitlements Not Transferable	10
11	Representative	10
12	Entrance Fees, Annual Subscriptions and Fees-for-Service	11
12.1	Entrance Fees and Annual Subscriptions	11
12.2	Entrance Fees and Annual Subscriptions for Corporate Members	11
12.3	Entrance Fees and Annual Subscriptions for Non-Voting Members	13
12.4	Fees-for-Service for Corporate Members and Chapters	13
12.5	Entrance Fees, Annual Subscriptions and Fees-for-Service for Chapters	13
12.6	Payment and Board Discretion	14
13	Cessation of Membership	14
14	Disciplining of Members	15
14.1	Disciplining of Members	15
14.2	Right of Appeal of Disciplined Member	16

15	Resolution of Disputes Between Members	17
	GENERAL MEETINGS	17
16	Convening of General Meetings	17
17	Notice of General Meeting	17
18	Cancellation or Postponement of General Meeting	18
	PROCEEDINGS AT GENERAL MEETINGS	18
19	Quorum	18
20	Chairman	19
21	Adjournments	19
22	Determination of Questions	19
23	Polls	20
24	Voting Rights	20
25	Voting Disqualification	21
26	Objection to Qualification to Vote	22
27	Persons of Unsound Mind and Minors	22
28	No Casting Vote	22
29	Right of Non-Members to Attend General Meeting	22
	PROXIES	22
30	Right to Appoint Proxies	22
31	Appointing a Proxy	23
	31.1Appointing a Proxy	23
	31.2Instrument of Proxy	23
32	Lodgement of Proxies	23
33	Validity of Proxies	24
34	Rights of Proxies and Attorneys	24
	APPOINTMENT AND REMOVAL OF DIRECTORS	25
35	Number and Appointment of Directors	25
	35.1Number of Directors	25
	35.2Constitution of the Board	25
	35.3Initial Directors	25
	35.4Nominations for Member Elected Directors	25
	35.5Election of Member Elected Directors	26
	35.6Appointment of Board Appointed Directors	27
	35.7Term	27
	35.8Office Bearers	27

36	General Right to Appoint and Remove Directors	28
37	Vacation of Office	28
	POWERS AND DUTIES OF DIRECTORS	29
38	Powers of Directors	29
39	Negotiable Instruments	29
40	Conferment of Powers	29
	DIRECTORS' DISCLOSURE OF INTEREST	29
41	Contracts	29
	PROCEEDINGS OF DIRECTORS	30
42	Meetings of Directors	30
43	Quorum	31
44	Chairman	31
45	Voting	31
46	Resolutions by Directors	31
47	Council	31
48	Committee of Directors	32
49	Validation of Acts of Directors	32
	MINUTES	32
50	Minutes	32
	SECRETARY	33
51	Appointment and Tenure	33
	CHAPTERS	33
52	Chapters	33
53	Special Interest Groups	34
	EXECUTION OF DOCUMENTS	34
54	Execution of Documents	34
	ACCOUNTS AND INSPECTION OF RECORDS	35
55	Accounts and Inspection	35
	NOTICES	35
56	Service of Notices	35
57	Notices of General Meeting	36
58	Winding Up	36
	INDEMNITY	36
59	Indemnity	36

60	Payment of Indemnity Policy Premium	37
61	Indemnity to Continue	37
Annexure A	Form of Appointment Of Proxy	44
Schedule 1	By-Laws	45

Preamble

- (a) The Company seeks to give expression to the vision of a single voice and identity for the broad strata community.
- (b) The Company recognises that this common purpose must embrace a diverse range of sectional interests, both geographically and functionally, if it is to be truly representative.
- (c) The Company and this Constitution provide an equitable balance between the relative size and roles of these different elements of the strata community while also providing for future growth, new activities and services and the ongoing evolution of founding members' structures and activities.
- (d) In accommodating this diversity, there is flexibility for sectional interests to have ongoing stewardship of their own affairs. At the same time there is provision for clear oversight and accountability for the expression of collective views and delivery of common services consistent with the pursuit of the Objects.

1 Name of the Company

The name of the Company is Strata Community Association Limited.

2 Type of Company

- (a) The Company is a not-for-profit public company limited by guarantee.
- (b) Subject to this Constitution, each person who is a Member and each person who was a Member during the year ending on the day of the commencement of the winding up of the Company, undertakes to contribute to the property of the Company for:
 - (i) payment of debts and liabilities of the Company;
 - (ii) payment of the costs, charges and expenses of winding up; and
 - (iii) any adjustment of the rights of the contributories among Members.
- (c) The amount that each Member or past Member is liable to contribute is limited to \$10.

3 Replaceable Rules

This Constitution displaces the Replaceable Rules to the extent that it is inconsistent with any Replaceable Rules.

4 Definitions and Interpretation

4.1 Definitions

In this Constitution, unless there is something in the subject or context which is inconsistent:

Act means the *Corporations Act 2001*.

Annual Subscription means the subscription fee payable by Members pursuant to **clauses 12.2 and 12.3**.

Association means National Community Titles Institute Inc. ABN 90 617 076 120.

Board means the board of Directors.

Board Appointed Directors means the Directors appointed to the Board in accordance with **clause 35.6**.

By-Laws means the by-laws contained in Appendix 1 as amended from time to time by the Board.

Chairman means the person holding that office under this Constitution and includes any assistant or acting chairman.

Chapter means a geographical area of Ordinary Members as decided from time to time by the Company and includes Small Chapters and Large Chapters.

Chapter Executive means the executive committee of a Chapter, elected in accordance with the By-Laws.

Chapter President means the president of a Chapter, elected in accordance with the By-Laws.

Chapter President Members means those Members referred to in **clause 7.5**.

Committee means a committee established in accordance with **clause 48**.

Company means Strata Community Association Limited.

Constitution means this constitution as amended or supplemented from time to time.

Corporate Members means those Members referred to in **clause 7.2** and as at the date of incorporation of the Company includes:

- (a) Institute of Strata Title Management Limited ACN 001 767 997;
- (b) Owners Corporations Victoria Inc. ABN 91 066 558 592;
- (c) Community Titles Institute Queensland Limited ACN 010 517 923;
- (d) Strata Titles Institute of Western Australia (Inc.) ABN 88 839 360 415;
- (e) Community Titles Institute of South Australia Incorporated; and
- (f) Strata Managers Institute (ACT) Inc ABN 48 250 855 037.

Council means the council established in accordance with **clause 47**.

Director means any person holding the position of a director of the Company and **Directors** means the directors for the time being of the Company or, as the context permits, such number of them as have authority to act for the Company.

Entrance Fee means the entrance fee payable by Members pursuant to **clauses 12.2** and **12.3**.

Fee-for-Service means the fee payable by Corporate Members and Chapters to the Company pursuant to **clause 12.4**, in consideration of the provision of Services.

Financial Voting Member means a Voting Member who has paid his Entrance Fee, Annual Subscription and Fee-for-Service (where applicable) within the time limits specified in **clause 13(a)(iv)**, namely, at the latest, within thirty (30) days after having been notified by the Company that the Voting Member is in arrears to the Company. For clarification, a Chapter President Member will be a Financial Voting Member notwithstanding that Chapter President Member not having paid the Entrance Fee or Annual Subscription due to the Company in his capacity as an Ordinary Member.

International Members means those Members referred to in **clause 7.3**.

Large Chapter means any:

- (a) Chapters, previously being Large Corporate Members, that have deregistered pursuant to **clause 52(c)**; and
- (b) additional Chapters, formed from time to time pursuant to **clause 52(a)**, declared by the Board to be Large Chapters.

Large Corporate Members as at the date of incorporation of the Company means:

- (a) Institute of Strata Title Management Limited ACN 001 767 997;
- (b) Owners Corporations Victoria Inc. ABN 91 066 558 592; and
- (c) Community Titles Institute Queensland Limited ACN 010 517 923.

Large Voting Members means all:

- (a) Large Chapters; and
- (b) Large Corporate Members.

Member means a member of the Company pursuant to **clause 6** and **clause 8** and **Membership** has the corresponding meaning.

Member Elected Director means the Director elected to the Board in accordance with **clause 35.5**.

Member Present means in connection with a meeting of Members, a Financial Voting Member being present in person or by proxy or attorney or, in the case of a body corporate, by a Representative.

Member's Guarantee Amount means the amount referred to in **clause 2(c)**.

Non-Voting Members are those Members who:

- (a) may not exercise any voting rights;

and includes:

- (b) International Members; and
- (c) Ordinary Members.

Objects means the objects of the Company as set out in **clause 5.1**.

Office means the registered office for the time being of the Company.

Officer has the same meaning as given to that term in section 9 of the Act.

Ordinary Members means those Members referred to in **clause 7.4**.

President means the President of the Board appointed in accordance with **clause 35.8**.

Register means the register of Members to be kept pursuant to the Act.

Replaceable Rules means the replaceable rules applicable to a public company limited by guarantee set out in the Act.

Representative means a person authorised in accordance with section 250D of the Act to act as a representative of a body corporate, as described in **clause 11**.

Secretary means the person appointed as the secretary of the Company and includes any assistant or acting secretary.

Sector means the strata community, including but not limited to all those who have a special or professional interest in the management of schemes constituted under strata titles or community titles legislation, or their equivalent.

Services means the services supplied by the Company to Corporate Members and Chapters from time to time, being services that have been approved by the Board for supply to Corporate Members and Chapters.

Small Chapters means:

- (a) as at the date of incorporation of the Company, the Chapter known as Tasmania;

- (b) as at the date of incorporation of the Company, the Chapter known as Northern Territory;
- (c) any Chapters, previously being Small Corporate Members, that have deregistered pursuant to **clause 52(c)**; and
- (d) any additional Chapters, formed from time to time pursuant to **clause 52(a)**, declared by the Board to be Small Chapters.

Small Corporate Members means:

- (a) Strata Titles Institute of Western Australia (Inc.) ABN 88 839 360 415;
- (b) Community Titles Institute of South Australia Incorporated; and
- (c) Strata Managers Institute (ACT) Inc ABN 48 250 855 037.

Small Voting Members means all:

- (a) Small Chapters; and
- (b) Small Corporate Members.

Special Interest Group means a special interest group established in accordance with **clause 53**.

Special Resolution has the meaning given to it by the Act.

Voting Members are those Members who:

- (a) are entitled to vote at meetings of the Members;

and includes:

- (b) Corporate Members; and
- (c) Chapter President Members.

Voting Member Group means either the group of Large Voting Members or the group of Small Voting Members, as the case may be.

4.2 Interpretation

- (a) In this Constitution, unless there is something in the subject or context which is inconsistent:
 - (i) the singular includes the plural and vice versa;
 - (ii) each gender includes the other two genders;
 - (iii) the word **person** means a natural person and any partnership, association, body or entity, whether incorporated or not;
 - (iv) the words **writing** and **written** include any other mode of representing or reproducing words, figures, drawings or symbols in a visible form;
 - (v) where any word or phrase is defined, any other part of speech or other grammatical form of that word or phrase has a cognate meaning;
 - (vi) a reference to any clause or schedule is to a clause or schedule of this Constitution; and
 - (vii) a reference to any statute, proclamation, rule, code, regulation or ordinance includes any amendment, consolidation, modification, re

enactment or reprint of it or any statute, proclamation, rule, code, regulation or ordinance replacing it.

- (b) An expression used in a particular Part or Division of the Act that is given by that Part or Division a special meaning for the purposes of that Part or Division has, unless the contrary intention appears, in any clause that deals with a matter dealt with by that Part or Division the same meaning as in that Part or Division.
- (c) Headings do not form part of or affect the construction or interpretation of this Constitution.

5 Objects and Purposes

5.1 Objects

- (a) The Company is a not-for-profit company limited by guarantee.
- (b) The Company is a charitable institution established for the promotion of:
 - (i) the Sector; and
 - (ii) education about the Sector.
- (c) The Objects of the Company are to:
 - (i) educate and inform all participants within the Sector;
 - (ii) advocate and lobby for the Sector and present to government, the public and other bodies as appropriate, the issues relevant to the Sector;
 - (iii) establish consistent standards of professional practices in the Sector;
 - (iv) generally promote professionalism within the Sector;
 - (v) establish and maintain a common code of conduct for practitioners in the Sector;
 - (vi) promote business and social interaction among all participants in the Sector at a national and international level;
 - (vii) develop links to organisations with similar objects to those of the Company; and
 - (viii) anything ancillary to the Objects referred to in **clause 5.1(c)**.
- (d) The Company can only exercise the powers in section 124(1) of the Act to:
 - (i) carry out the Objects of the Company; and
 - (ii) do all things incidental or convenient in relation to the exercise of power under **clause 5.1(d)(i)**.

5.2 Income and Property

- (a) The income and property of the Company will only be applied towards the promotion of the Objects of the Company.
- (b) No income or property of the Company will be paid, transferred or distributed, directly or indirectly, by way of dividend, bonus or otherwise to any Member of

the Company. However nothing in this Constitution will prevent payment in good faith to a Member:

- (i) in return for any services rendered or goods supplied in the ordinary and usual course of business to the Company;
- (ii) of interest at a rate not exceeding current bank overdraft rates of interest for moneys lent to the Company; or
- (iii) of reasonable and proper rent for premises leased by any Member to the Company.

5.3 Remuneration of Directors

Directors may be paid:

- (a) such remuneration, and on such conditions, as the Board thinks fit;
- (b) out of pocket expenses incurred by the Director in the performance of any duty as a Director where the amount payable does not exceed an amount previously approved by the Board; and
- (c) for any service rendered to the Company by the Director in a professional or technical capacity, other than in the capacity as Director (for which the Director may be remunerated pursuant to **clause 5.3(a)**), where the provision of the service has the prior approval of the Board and where the amount payable is approved by the Board and is not more than an amount which commercially would be reasonable for the service.

MEMBERSHIP

6 Admission to Membership

6.1 Number of Members

The Company must have at least three (3) Members.

6.2 Pre-Condition to Membership

- (a) Subject to **clause 6.2(b)** and **clause 9**, a person is entitled to become a Member if that person agrees to assume the liability to pay the Member's Guarantee Amount and otherwise satisfies the criteria for the relevant class of Membership.
- (b) Chapter President Members, in their capacity as Chapter President Members, are not required to pay the Member's Guarantee Amount.

6.3 Becoming a Member

Subject to the Act, a person becomes a Member on the registration of that person's name in the Register.

7 Classes of Membership

7.1 Classes of Membership

There shall be four (4) classes of Membership:

- (a) Corporate Members;

- (b) International Members;
- (c) Ordinary Members; and
- (d) Chapter President Members.

7.2 Corporate Members

- (a) Corporate Members are body corporates that represent a geographical area of persons within the Sector and have similar objects to the Company.
- (b) The Corporate Members of the Company at the date of incorporation of the Company are:
 - (i) Institute of Strata Title Management Limited ACN 001 767 997;
 - (ii) Owners Corporations Victoria Inc. ABN 91 066 558 592;
 - (iii) Community Titles Institute Queensland Limited ACN 010 517 923;
 - (iv) Strata Titles Institute of Western Australia (Inc.) ABN 88 839 360 415;
 - (v) Community Titles Institute of South Australia Incorporated; and
 - (vi) Strata Managers Institute (ACT) Inc ABN 48 250 855 037.
- (c) Corporate Members are Voting Members.

7.3 International Members

International Members are persons who:

- (a) are not members of a Corporate Member; and
- (b) are not Ordinary Members; and
- (c) do not reside within a geographical area represented by a Corporate Member or Chapter; and
- (d) are actively involved in or have a special or professional interest in the Sector; and
- (e) meet the eligibility requirements set out in **clause 8**; and
- (f) have had their application for Membership approved in accordance with this Constitution.

7.4 Ordinary Members

Ordinary Members are persons who:

- (a) reside within a geographical area attributed to a Chapter;
- (b) meet the eligibility requirements set out in **clause 8**; and
- (c) subject to **clause 52(c)**, have had their application for Membership approved in accordance with this Constitution.

7.5 Chapter President Members

- (a) The Chapter Presidents of each Chapter will, by virtue of that office, automatically become Chapter President Members.
- (b) Chapter President Membership is in addition to Ordinary Membership. For clarification, a Chapter President will be:

- (i) an Ordinary Member; and
- (ii) a Chapter President Member.
- (c) Chapter President Members must act in the best interests of the Chapter that they represent.
- (d) Chapter President Members are Voting Members and must cast their vote on behalf of the Chapter that they represent, and in accordance with the directions of their Chapter Executive.
- (e) All correspondence and notices from the Company to a Chapter will be served on the Chapter President of that Chapter and any notice served on a Chapter President will be deemed to be service on the Chapter which is represented by its Chapter President.
- (f) A signature by the Chapter President of a Chapter on behalf of that Chapter is taken to be the signature of that Chapter for the purposes of this Constitution.
- (g) Any power or right of a Chapter as granted by this Constitution can be exercised by the Chapter President of that particular Chapter.
- (h) Chapters are represented at meetings of Members by their Chapter President, subject to the right of a Chapter President to appoint a proxy pursuant to **clause 31**.
- (i) The actions of a Chapter President bind the Chapter which is represented by that Chapter President.

7.6 Non-Voting Members

Non-Voting Members have all of the rights and privileges of Voting Members, except that they may not exercise any voting rights.

8 Eligibility for Membership

Any person is entitled to become a Member if the person :

- (a) is, in the Board's opinion, of good character. The Board may make policies from time to time concerning the process the Board is to adopt in determining whether an applicant for Membership is of good character;
- (b) subject to **clause 9(f)**, lodges an application form in accordance with **clause 9**; and
- (c) subject to **clause 12.6(b)**, pays the Entrance Fee in accordance with **clauses 12.2** and **12.3**.

9 Applications for Membership

- (a) Subject to **clause 9(f)**, applicants for Membership must complete an application form.
- (b) An application for Membership of the Company:
 - (i) must be made in writing in the form prescribed by the Board from time to time; and
 - (ii) must be lodged with the Secretary.

- (c) As soon as practicable after receiving an application for Membership, the Secretary must refer the application to the Board which is to determine whether to approve or reject the application.
- (d) As soon as practicable after the Board makes that determination, the Secretary must:
 - (i) notify the applicant, in writing, that the Board approved or rejected the application (whichever is applicable); and
 - (ii) if the Board approved the application, enter the applicant's name in the Register and, on the name being so entered, the applicant becomes a Member of the Company.
- (e) The Board shall not be required to provide its reasons for refusing an application for Membership under this **clause 9**.
- (f) The following Members are not required to apply to the Company for Membership:
 - (i) Chapter President Members;
 - (ii) the initial Corporate Members of the Company, namely:
 - (A) Institute of Strata Title Management Limited ACN 001 767 997;
 - (B) Owners Corporations Victoria Inc. ABN 91 066 558 592;
 - (C) Community Titles Institute Queensland Limited ACN 010 517 923;
 - (D) Strata Titles Institute of Western Australia (Inc.) ABN 88 839 360 415;
 - (E) Community Titles Institute of South Australia Incorporated; and
 - (F) Strata Managers Institute (ACT) Inc. ABN 48 250 855 037.
 - (iii) Ordinary Members where those Ordinary Members have become Ordinary Members pursuant to **clause 52(c)**.

10 Membership Entitlements Not Transferable

A right, privilege or obligation which a person has by reason of being a Member of the Company:

- (a) is not capable of being transferred or transmitted to another person; and
- (b) terminates on cessation of the person's Membership.

11 Representative

- (a) This **clause 11** only applies to Members and applicants for Membership which are body corporates.
- (b) Where a Member or an applicant for Membership is not an individual person, it must appoint as its Representative a natural person.
- (c) The name and address of the Representative will be entered in the Register as the representative of the body corporate Member.

- (d) All correspondence and notices from the Company will be served on that Representative and any notice served on a Representative will be deemed to be service on the body corporate member which is represented by that particular Representative.
- (e) If the appointment of a Representative by the body corporate Member is made by reference to a position held, the appointment must identify the position.
- (f) Despite **clause 10**, a body corporate Member may remove and replace a Representative where the body corporate Member gives written notice to the Secretary in a form approved by the Board.
- (g) A signature by a Representative of a body corporate Member on behalf of that body corporate Member is taken to be the signature of that body corporate Member for the purposes of this Constitution.
- (h) Any power or right of a body corporate Member as granted by this Constitution can be exercised by the Representative of that particular body corporate Member.
- (i) Body corporate Members are represented at meetings of Members by their Representatives, subject to the right of a Representative to appoint a proxy pursuant to **clause 31**.
- (j) The actions of a Representative bind the body corporate Member which is represented by that Representative.
- (k) Each Representative will comply with the terms of this Constitution in all matters pertaining to the Company as if a Member himself or herself.

12 Entrance Fees, Annual Subscriptions and Fees-for-Service

12.1 Entrance Fees and Annual Subscriptions

- (a) Subject to **clauses 12.1(b)** and **12.5(a)**, there shall be an Entrance Fee and Annual Subscription payable by each Member and Chapter to the Company.
- (b) Notwithstanding anything else contained herein, Chapter President Members are not required to pay an Entrance Fee or Annual Subscription. For the avoidance of doubt, a person who is a Chapter Member President and an Ordinary Member will remain liable to pay the Entrance Fee and Annual Subscription pertaining to their Ordinary Membership.

12.2 Entrance Fees and Annual Subscriptions for Corporate Members

- (a) The Entrance Fee and Annual Subscription payable by Corporate Members and Chapters shall be calculated by multiplying the proportion allocated to each Corporate Member and Chapter pursuant to **clause 12.2(b)** by the total amount required to be collected by the Company each year (as determined by the Board from time to time).
- (b) For the purposes of calculating the Entrance Fee payable by each incoming Corporate Member and Chapter and the Annual Subscription payable by each Corporate Member and Chapter, the proportion allocated to each Corporate Member and Chapter shall be the equivalent of "A" in the following formula:

$$A = B / C \times 100$$

where:

“B” = the number of strata and community title lots registered with the relevant land title authority for the relevant individual Corporate Member or Chapter (based on the geographical area represented by the relevant individual Corporate Member or Chapter); and

“C” = the aggregate of all strata and community title lots registered with the relevant land title authorities for all of the Corporate Members and Chapters (based on the geographical area represented by all of the Corporate Members and Chapters).

- (c) The proportion allocated to each Corporate Member and Chapter as at the date of incorporation of the Company, calculated in accordance with **clause 12.2(b)**, are as follows:

Corporate Member / Chapter	Strata and Community Title Lots “B”	Proportion of total Strata and Community Title Lots “A”
Institute of Strata Title Management Limited	700,000	35.2%
Owners Corporations Victoria Inc.	500,000	25.1%
Community Titles Institute Queensland Limited	360,000	18.1%
Strata Titles Institute of Western Australia (Inc.)	235,000	11.8%
Community Titles Institute of South Australia Incorporated	126,000	6.3%
Strata Managers Institute (ACT) Inc.	33,000	1.7%
Tasmania	25,000	1.3%
Northern Territory	12,000	0.6%
TOTAL	1,991,000 “C”	100%

- (d) The proportion allocated to each Corporate Member and Chapter is to be recalculated in accordance with **clause 12.2(b)** when:
- (i) a period of five (5) years or more has elapsed since the proportions have last been determined;
 - (ii) a new Corporate Member is approved for Membership by the Company;
 - (iii) a new Chapter is formed;
 - (iv) a Corporate Member ceases to be a Corporate Member;
 - (v) a Chapter ceases to be a Chapter; and
 - (vi) the Board otherwise deems it necessary.

12.3 Entrance Fees and Annual Subscriptions for Non-Voting Members

The Entrance Fees and Annual Subscriptions payable by Non-Voting Members shall be determined by the Board from time to time.

12.4 Fees-for-Service for Corporate Members and Chapters

- (a) Subject to **clause 12.5(b)**, Corporate Members and Chapters shall pay the Company a Fee-for-Service. The Fee-for-Service shall be paid to the Company in consideration of the provision of Services by the Company to Corporate Members and Chapters.
- (b) The Fee-for-Service will be determined by the Board from time to time.

12.5 Entrance Fees, Annual Subscriptions and Fees-for-Service for Chapters

- (a) The Entrance Fees and Annual Subscriptions payable by Chapters to the Company, pursuant to **clause 12.2(b)**, may be collected by the Company through the Entrance Fees and Annual Subscriptions payable by Ordinary Members belonging to the relevant Chapter pursuant to **clause 12.3**. For the avoidance of doubt, Chapters are not required to pay an Entrance Fee and Annual Subscription in addition to the Entrance Fee and Annual Subscription paid by their respective Ordinary Members.
- (b) The Fees-for-Service payable by Chapters to the Company, pursuant to **clause 12.4**, may be collected by the Company through the Entrance Fees and Annual Subscriptions payable by Ordinary Members belonging to the relevant Chapter pursuant to **clause 12.3**.
- (c) Notwithstanding anything else herein contained, the Board has the unfettered right to adjust the amounts collected in Entrance Fees, Annual Subscriptions and Fees-for-Service from Ordinary Members from time to time to ensure that the Chapter represented by those Ordinary Members has paid the correct amount as required by **clauses 12.2(b)** and **12.4**. Such adjustments can take the form of:
 - (i) charging additional Entrance Fees, Annual Subscriptions or Fees-for-Service to the relevant Ordinary Members during a year; or
 - (ii) refunds or reductions in the following year's Entrance Fees, Annual Subscriptions or Fees-for-Service.

12.6 Payment and Board Discretion

- (a) Subject to **clause 12.6(b)**, the amount of the Entrance Fee, Annual Subscription and Fee-for-Service shall be payable by Members and Chapters at such times and in such manner as determined by the Board from time to time.
- (b) The Board may, in its discretion:
 - (i) determine that no Entrance Fee, Annual Subscription or Fee-for-Service is payable by a Member or Members or a Chapter (in whole or in part) in a given year; and
 - (ii) extend the time for payment of the Entrance Fee, Annual Subscription or Fee-for-Service by any Member or Chapter.
- (c) No part of any Entrance Fee, Annual Subscription or Fee-for-Service shall be refunded to a Member or Chapter who ceases to be a Member or Chapter in accordance with **clause 13**.

13 Cessation of Membership

- (a) A Member's Membership will cease:
 - (i) on the date that the Secretary receives written notice of resignation from that Member;
 - (ii) where that Member is a natural person, upon that Member dying;
 - (iii) upon that Member no longer satisfying the criteria for its respective class of Membership (unless transferred to another class of Membership by the Board);
 - (iv) subject to **clause 12.6(b)**, if that Member fails to pay an Entrance Fee, Annual Subscription or Fee-for-Service:
 - (A) within thirty (30) days after it falls due; and
 - (B) then fails to rectify this default within thirty (30) days of being notified of the default by the Company;
 - (v) if the Member is expelled from the Company pursuant to **clause 14**;
 - (vi) if, being a body corporate Member:
 - (A) that Member is dissolved or otherwise ceases to exist;
 - (B) that Member has:
 - (1) a receiver;
 - (2) a receiver and manager;
 - (3) a liquidator;
 - (4) an administrator;
 - (5) an administrator of a deed of company arrangement;
 or

- (6) a trustee or other person administering a compromise or arrangement between the Member and someone else;
appointed to it; or
- (vii) if the Company in general meeting resolves by Special Resolution to terminate the Membership of a Member whose conduct or circumstances in the opinion of the Company renders it undesirable that that Member continue to be a Member of the Company. The Member must be given at least forty two (42) days' notice of the proposed resolution and must be given the opportunity to be heard at the meeting at which the resolution is proposed.
- (b) A Member may at any time, pursuant to **clause 13(a)(i)**, resign as a Member but shall continue to be liable for:
 - (i) any other monies due by the Member to the Company;
 - (ii) any sum for which the Member is liable as a Member of the Company under **clause 2(b)**; and
 - (iii) if applicable, the Member's Guarantee Amount.

14 Disciplining of Members

14.1 Disciplining of Members

- (a) Where the Board is of the opinion that a Member has:
 - (i) wilfully refused or neglected to comply with a provision or provisions of this Constitution; or
 - (ii) wilfully acted in a manner prejudicial to the interests of the Company;
 the Board may:
 - (iii) expel the Member from the Company; or
 - (iv) suspend the Member from Membership of the Company for a specified period.
- (b) A resolution of the Board pursuant to **clause 14.1** is of no effect unless the Board confirms the resolution in accordance with this **clause 14.1(b)** at a Board meeting held not earlier than fourteen (14) days and not later than twenty eight (28) days after service on the Member of a notice pursuant to **clause 14.1(c)**.
- (c) If the Board resolves under **clause 14.1** to expel or suspend any Member, the Secretary must serve the Member with a notice in writing:
 - (i) setting out the resolution of the Board and the grounds upon which it is based;
 - (ii) stating that the Member may address the Board at a Board meeting to be held not earlier than fourteen (14) days and not later than twenty eight (28) days after service of the notice;
 - (iii) stating the date, place and time of that meeting; and

- (iv) informing the Member that the Member may do either or both of the following:
 - (A) attend and speak at that meeting;
 - (B) submit to the Board at or prior to the date of the meeting, written representations relating to the resolution.
- (d) At a meeting of the Board held as referred to in **clause 14.1(c)**, the Board must:
 - (i) give the Member an opportunity to make oral representations;
 - (ii) give due consideration to any written representations submitted to the Board by the Member at or prior to the Board meeting; and
 - (iii) by Special Resolution, determine whether to confirm or to revoke the resolution.
- (e) The Board must notify the Member of the decision of the Board in writing within seven (7) days. If the Board resolves to confirm the expulsion or suspension, the Member must also be notified of the right of appeal available under **clause 14.2(a)**.
- (f) A resolution confirmed by the Board under **clause 14.1(d)** does not take effect:
 - (i) until the expiration of the period within which the Member is entitled to appeal against the resolution where the Member does not exercise the right of appeal within that period; and
 - (ii) where, within that period, the Member exercises the right of appeal, unless and until the Board reconfirms the resolution pursuant to **clause 14.2(d)**.

14.2 Right of Appeal of Disciplined Member

- (a) A Member may appeal to the Company at a general meeting against a resolution of the Board, which is confirmed under **clause 14.1(d)**. Written notice of such an appeal must be lodged with the Secretary within seven (7) days of service of the notice required under **clause 14.1(e)**.
- (b) Upon receipt of a notice of appeal the Secretary must convene a general meeting of the Company to be held within thirty five (35) days after the date of receipt of the notice. If possible, the Secretary should include in the notice of the meeting to the Members any written representations of the Member.
- (c) At a general meeting of the Board convened under **clause 14.2(b)**:
 - (i) no business other than the question of the appeal may be transacted;
 - (ii) the Board and the Member must be given the opportunity to state their cases orally or in writing, or both; and
 - (iii) the Members Present must vote by ballot on the question of whether the resolution will be confirmed or revoked.
- (d) If, at the general meeting, the Company passes a Special Resolution in favour of the confirmation of the resolution, the resolution is confirmed.

15 Resolution of Disputes Between Members

- (a) Disputes between Members (in their capacity as Members), shall be referred to the Board, which must take steps to resolve the dispute.
- (b) If a dispute so referred is not resolved to the satisfaction of any party to the dispute within thirty (30) days of it being referred, then that party may refer the dispute to mediation before a mediator appointed by mutual agreement of the parties.
- (c) Failing agreement by the parties to the appointment of a mediator within fourteen (14) days of a party notifying the other party of its intention to refer the dispute to mediation, the appointment of the mediator shall be made by the President of the Law Council of Australia.
- (d) The costs of the mediator appointed pursuant to **clause 15(b)** or **clause 15(c)** (as the case may be) shall be shared equally between the Members party to the dispute.
- (e) At least seven (7) days before a mediation session established by a mediator appointed pursuant to **clause 15(b)** or **clause 15(c)** (as the case may be) is to commence, the parties to the dispute are to exchange statements of the issues that are in dispute between them and supply copies to the mediator.

GENERAL MEETINGS

16 Convening of General Meetings

- (a) Any four (4) Directors may whenever those Directors think fit convene a general meeting of the Company.
- (b) Members shall be entitled to require a general meeting to be convened in accordance with the provisions of the Act.
- (c) A general meeting of the Company may be convened at two (2) or more venues using any technology that gives the Members a reasonable opportunity to participate in the meeting.

17 Notice of General Meeting

- (a) Subject to consent to shorter notice being given in accordance with the Act, at least twenty one (21) days notice of any general meeting must be given specifying:
 - (i) the place, day and hour of the meeting;
 - (ii) the general nature of any business to be transacted at the meeting;
 - (iii) if a Special Resolution is to be proposed, the details of and intention to propose it;
 - (iv) if the meeting is to be held in two or more places, the technology that will be used to facilitate this; and
 - (v) any other information required by the Act.

- (b) The accidental omission to give notice of any general meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice will not invalidate the proceedings at or any resolution passed at the meeting.

18 Cancellation or Postponement of General Meeting

- (a) Subject to the provisions of the Act and this Constitution the Board may cancel a general meeting of the Company:
- (i) convened by the Board; or
 - (ii) which has been convened by a Member or Members pursuant to the Act upon receipt by the Company of a written notice withdrawing the requisition signed by that Member or those Members.
- (b) The Board may postpone a general meeting or change the venue at which it is to be held. No business shall be transacted at any postponed meeting other than the business stated in the notice to the Members relating to the original meeting.
- (c) Where any general meeting is cancelled or postponed or the venue for a general meeting is changed:
- (i) the Board must endeavour to notify in writing each person entitled to receive notice of the meeting of the cancellation, the change of venue or the postponement of the meeting by any means permitted by this Constitution and in the case of the postponement of a meeting, the new place, date and time for the meeting; and
 - (ii) any failure to notify in writing any person entitled to receive notice of the meeting or failure of a person to receive a written notice shall not affect the validity of the cancellation, the change of venue or the postponement of the meeting.

PROCEEDINGS AT GENERAL MEETINGS

19 Quorum

- (a) No business may be transacted at any general meeting unless there is a quorum of Members Present at all times during the meeting.
- (b) Four (4) Members Present and entitled to vote constitute a quorum for all general meetings.
- (c) If within thirty (30) minutes after the time appointed for holding a general meeting a quorum is not present:
- (i) the meeting, if convened upon the requisition of Members, shall be dissolved;
 - (ii) in any other case:
 - (A) it will stand adjourned to the same day in the next week at the same time and place or to such other day time and place as the Board may by notice to the Members appoint; and

- (B) if at such adjourned meeting a quorum is not present within thirty (30) minutes after the time appointed for the holding of the meeting the meeting shall be dissolved.

20 Chairman

- (a) The President will be the Chairman for all general meetings.
- (b) Where a general meeting is held and the President is:
- (i) unable or unwilling to act as Chairman; or
 - (ii) not present within 30 minutes after the time appointed for the holding of the meeting,
- the other Directors present may choose another Director as Chairman of the meeting by two-thirds majority, or if their number is not three or a multiple of three, then the nearest number to two-thirds. If no Director is so chosen, or if all the Directors present decline to take the chair, the Members Present may choose one of their number to be Chairman of the meeting.
- (c) The rulings of the Chairman of a general meeting on all matters relating to the order of business, procedure and conduct of the meeting shall be final and no motion of dissent from such rulings shall be accepted.

21 Adjournments

- (a) The Chairman of a general meeting at which a quorum is present:
- (i) may adjourn a meeting with the consent of the meeting; and
 - (ii) must adjourn the meeting if the meeting so directs;
- to a time and place as determined.
- (b) No business may be transacted at any adjourned general meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (c) A resolution passed at a meeting resumed after an adjournment is passed on the day it was passed.
- (d) It is not necessary to give any notice of an adjournment of a general meeting or of the business to be transacted at the adjourned meeting except if the meeting is adjourned for thirty (30) days or more, in which case notice of the adjourned meeting must be given as in the case of an original meeting.

22 Determination of Questions

- (a) At any general meeting, a resolution to be considered at the meeting shall be decided on a show of hands unless a poll is demanded by:
- (i) the Chairman of the meeting;
 - (ii) at least two (2) Members Present and entitled to vote on the resolution.
- (b) Before a vote on a resolution is taken, the Chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are to be cast.

- (c) A declaration by the Chairman of the result of a vote on a resolution by a show of hands and an entry to that effect contained in the minutes of the proceedings of the Company which has been signed by the Chairman of the meeting or the next succeeding meeting shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.

23 Polls

- (a) A poll may be demanded:
- (i) before a vote on a resolution is taken;
 - (ii) before the voting results on a show of hands are declared; or
 - (iii) immediately after the voting results on a show of hands are declared.
- (b) If a poll is demanded it must be taken in such manner and at such time and place as the Chairman of the meeting directs subject to **clause 23(e)**.
- (c) The result of the poll shall be taken to be the resolution of the meeting at which the poll was demanded.
- (d) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- (e) A poll demanded on the election of a Chairman or any question of adjournment of the meeting must be taken immediately.
- (f) The demand for a poll may be withdrawn.

24 Voting Rights

- (a) The number of votes that a Financial Voting Member has, both on a show of hands and on a poll, shall be calculated in accordance with the following formula:

$$A = \frac{B}{50\,000}$$

where:

“A” = the number of votes that a Financial Voting Member has (rounded to the nearest whole integer). This number shall not be less than one (1); and

“B” = the number of strata and community title lots registered with the relevant land title authority for the relevant individual Corporate Member or Chapter represented by the Chapter President Member (based on the geographical area represented by the relevant Corporate Member or Chapter).

- (b) The number of votes that each Financial Voting Member has as at the date of incorporation of the Company, calculated in accordance with **clause 24(a)**, is as follows:

Financial Voting Member	Strata and Community Title Lots "B"	Number of votes "A"
Institute of Strata Title Management Limited	700,000	14
Owners Corporations Victoria Inc.	500,000	10
Community Titles Institute Queensland Limited	360,000	7
Strata Titles Institute of Western Australia (Inc.)	235,000	5
Community Titles Institute of South Australia Incorporated	126,000	3
Strata Managers Institute (ACT) Inc.	33,000	1
Chapter President Member of Tasmania	25,000	1
Chapter President Member of Northern Territory	12,000	1

- (c) The number of votes attributed to each Financial Voting Member is to be recalculated, in accordance with **clause 24(a)**, when:
- (i) a period of five (5) years or more has elapsed since the number of votes to be attributed to each Financial Voting Member has last been determined; and
 - (ii) the Board deems it otherwise necessary.

25 Voting Disqualification

- (a) No person other than:
- (i) a Financial Voting Member;
 - (ii) a proxy of a:
 - (A) Financial Voting Member; or
 - (B) Representative of a Financial Voting Member; and
 - (iii) a Representative of a body corporate Member that is also a Financial Voting Member;
- shall be entitled to a vote at a general meeting.

26 Objection to Qualification to Vote

Any challenge as to the qualification of a person to vote at a general meeting or the validity of any vote tendered may only be raised at the meeting and must be determined by the Chairman, whose decision shall be final and conclusive and a vote allowed by the Chairman shall be valid for all purposes.

27 Persons of Unsound Mind and Minors

- (a) A Financial Voting Member:
- (i) of unsound mind; or
 - (ii) whose person or estate is liable to be dealt with in any way under the law relating to mental health; or
 - (iii) who is a minor;

may vote whether on a show of hands or on a poll by that Financial Voting Member's committee or by such other person as properly has the management or guardianship of that Financial Voting Member's estate or by the public trustee (as the case may be) and the committee or other person or trustee may vote by proxy or representative.

- (b) Any person having the right of management or guardianship of the person or estate in respect of a Financial Voting Member as referred to in **clause 27(a)** must not exercise any of the rights conferred under that clause unless and until the person has provided to the Board satisfactory evidence of the appointment of the person accordingly.

28 No Casting Vote

In the case of an equality of votes whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands is taken or at which the poll is demanded is not entitled to a casting vote.

29 Right of Non-Members to Attend General Meeting

- (a) The Chairman of a general meeting may invite any person who is not a Member to attend and address a meeting.
- (b) Any auditor of the Company shall be entitled to attend and address a general meeting.

PROXIES

30 Right to Appoint Proxies

- (a) A Financial Voting Member or Representative who is entitled to attend and vote at a general meeting of the Company may appoint a person as the Member's proxy to attend and vote for the Member at the meeting.
- (b) If a Financial Voting Member or Representative appoints a proxy, the proxy is entitled to vote on a show of hands and on a poll.

31 Appointing a Proxy

31.1 Appointing a Proxy

The instrument appointing a proxy must be in writing signed by the appointor or the appointor's attorney duly authorised in writing or, if the appointor is a body corporate, signed by an authorised officer or attorney of the body corporate.

31.2 Instrument of Proxy

- (a) The instrument of proxy is valid if it contains the information required by the Act, which at the date of this Constitution is the following information:
 - (i) the name and address of the Financial Voting Member (and Representative, if applicable);
 - (ii) the name of the Company;
 - (iii) the proxy's name or the name of the office of the proxy; and
 - (iv) the meetings at which the instrument of proxy may be used.
- (b) An instrument of proxy may be expressed to be a standing appointment. An instrument of proxy for a specified meeting is only valid for that meeting and any postponement or adjournment of that meeting.
- (c) An instrument of proxy shall not be treated as invalid merely because it does not specify all of the information required by **clause 31.2(a)**.
- (d) An instrument of proxy may be revoked at any time by notice in writing to the Company.

32 Lodgement of Proxies

- (a) An instrument appointing:
 - (i) a proxy and the power of attorney or other authority (if any) under which it is signed or executed or a certified copy of that power or authority; or
 - (ii) an attorney to exercise a Financial Voting Member's voting rights at a general meeting or a certified copy of that power of attorney,

must be deposited at the Office or at such other place as is specified for that purpose in the notice convening the general meeting not less than forty eight (48) hours (or such shorter period as the Board may allow) before the time appointed for the holding of the meeting or adjourned meeting as the case may be at which the person named in the instrument proposes to vote. In default, the instrument of proxy or the power of attorney will not be treated as valid.
- (b) For the purposes of this **clause 32**, it will be sufficient that any document required to be lodged by a Member be received in legible form by facsimile at the place at which the document is required to be delivered by the Member and the document shall be regarded as received at the time the facsimile was received at that place.
- (c) For the purposes of this **clause 32**, it will be sufficient that any document required to be lodged by a Member be received in legible form by email if the notice of meeting so permits at the address and in the form specified in the

notice and the proxy shall be regarded as received at the time the email was received by the Company.

33 Validity of Proxies

- (a) A vote exercised pursuant to an instrument of proxy, a power of attorney or other instrument of appointment is valid notwithstanding the:
- (i) death or unsoundness of mind of the Financial Voting Member or Representative;
 - (ii) bankruptcy of or appointment of an external administrator to the Financial Voting Member; and
 - (iii) revocation of the instrument of proxy or the power of attorney or any instrument under which the instrument or the power was granted,
- if the Company has not received at its Office written notice of the death, unsoundness of mind, bankruptcy, appointment of an external administrator or revocation at least forty eight (48) hours (or such shorter period as the Board may allow) before the time appointed for the holding of the general meeting or adjourned meeting, as the case may be, at which the instrument of proxy or the power of attorney is exercised.
- (b) A proxy who is not entitled to vote on a resolution as a Financial Voting Member may vote as a proxy for another Financial Voting Member who can vote if the appointment specifies the way the proxy is to vote on the resolution and the proxy votes that way.

34 Rights of Proxies and Attorneys

- (a) The instrument appointing a proxy will be taken to confer authority to demand or join in demanding a poll.
- (b) Unless a Financial Voting Member or Representative by the instrument of proxy directs the proxy to vote in a certain manner, the proxy may vote as the proxy thinks fit on any motion or resolution. Otherwise the proxy shall follow the voting instructions contained in the instrument of proxy.
- (c) A proxy will not be revoked by the appointor attending and taking part in any general meeting, but if the appointor votes on a resolution either on a show of hands or on a poll the person acting as proxy for the appointor shall not be entitled to vote in that capacity in respect of the resolution.
- (d) The Chairman of a general meeting may require any person acting as a proxy to establish to the satisfaction of the Chairman that he is the person nominated as proxy in the form of proxy lodged under this Constitution. If the person is unable to establish his identity, he may be excluded from voting either upon a show of hands or upon a poll.

APPOINTMENT AND REMOVAL OF DIRECTORS

35 Number and Appointment of Directors

35.1 Number of Directors

The Board of Directors shall consist of not less than six (6) and not more than eight (8) persons.

35.2 Constitution of the Board

The Board shall consist of:

- (a) six (6) Member Elected Directors; and
- (b) up to two (2) Board Appointed Directors.

35.3 Initial Directors

The initial Directors are:

- (a) _____;
- (b) _____;
- (c) _____;
- (d) _____;
- (e) _____; and
- (f) _____.

35.4 Nominations for Member Elected Directors

- (a) The Secretary will call for nominations from the Members for election as Member Elected Directors.
- (b) The following persons are eligible for election as a Member Elected Director:
 - (i) International Members;
 - (ii) Ordinary Members; and
 - (iii) members of Corporate Members.
- (c) Corporate Members must promptly, after receiving a call for nominations from the Secretary, inform their members of their right to nominate and be nominated for election as a Member Elected Director.
- (d) Nomination of candidates for election as a Member Elected Director must be:
 - (i) made in writing in the form prescribed by the Board from time to time;
 - (ii) made by:
 - (A) an International Member;
 - (B) an Ordinary Member;
 - (C) a member of a Corporate Member; or
 - (D) a Director;
 - (iii) seconded by:

- (A) an International Member;
- (B) an Ordinary Member;
- (C) a member of a Corporate Member; or
- (D) a Director;
- (iv) accompanied by the written consent of the candidate (which may be endorsed on the form of the nomination); and
- (v) must be delivered to the Secretary at least twenty one (21) days before the date fixed for the holding of the annual general meeting at which the election is to take place.

35.5 Election of Member Elected Directors

- (a) Voting for the election of candidates as Member Elected Directors is to be held at the annual general meeting of the Company.
- (b) If insufficient nominations are received to fill all vacancies of Member Elected Directors on the Board, the candidates nominated shall be deemed to be elected (effective from the date of the annual general meeting) and further nominations for the vacant positions shall be received at the annual general meeting.
- (c) If insufficient further nominations are received at the general meeting, any vacant positions of Member Elected Directors remaining on the Board shall be deemed to be casual vacancies.
- (d) If the number of nominations received is equal to the number of vacancies of Member Elected Directors to be filled, the persons nominated shall be deemed to be elected (effective from the date of the annual general meeting).
- (e) If the number of nominations received for Member Elected Directors exceeds the number of vacancies to be filled, a ballot shall be held at the annual general meeting. Subject to **clause 35.5(f)**, the Board shall determine, in its discretion, how the ballot shall be conducted.
- (f) Where a ballot is held pursuant to **clause 35.5(e)**:
 - (i) (A) Large Voting Members shall each vote for two (2) nominees; and
 - (B) the two (2) nominees with the most votes from the Large Voting Members shall be elected to the office of Member Elected Director; and
 - (ii) (A) Small Voting Members shall each vote for one (1) nominee; and
 - (B) the nominee with the most votes from the Small Voting Members shall be elected to the office of Member Elected Director.
- (g) Where the same nominee is elected by both the Large Voting Members and the Small Voting Members:
 - (i) that nominee will be taken to be elected by the Voting Member Group which amassed the most votes for that nominee; and

- (ii) the other Voting Member Group will be taken to have elected the nominee with the next highest number of votes from that particular Voting Member Group.

35.6 Appointment of Board Appointed Directors

- (a) The Board can appoint up to two (2) Board Appointed Directors to the Board.
- (b) A Board Appointed Director shall be a person who will bring skills and experience to the Board to enable the Board to advance the Objects.
- (c) Board Appointed Directors can be, but need not be:
 - (i) International Members;
 - (ii) Ordinary Members; or
 - (iii) members of Corporate Members.

35.7 Term

- (a) Subject to **clauses 35.7(b)** and **35.7(c)**, a Director shall hold office for a term of two (2) years, but shall be eligible for re-election or reappointment, as the case may be, for a further term of two (2) years in accordance with this Constitution. Directors shall not hold office for more than six (6) consecutive years. Member-Elected Directors shall be deemed to commence holding office from the conclusion of the annual general meeting at which they were elected until the conclusion of the annual general meeting held approximately two (2) years thereafter.
- (b) The following initial Directors shall hold office from the date of incorporation of the Company until the first annual general meeting of the Company, but shall be eligible for re-election in accordance with this Constitution:
 - (i) _____;
 - (ii) _____; and
 - (iii) _____.
- (c) The following initial Directors shall hold office from the date of incorporation of the Company until the second annual general meeting of the Company, but shall be eligible for re-election in accordance with this Constitution:
 - (i) _____;
 - (ii) _____; and
 - (iii) _____.
- (d) For clarification, the initial term of the initial Directors listed in **clauses 35.7(b)** and **35.7(c)**, shall not count towards the maximum six (6) consecutive years that any Director can hold office.

35.8 Office Bearers

- (a) The Board shall, at the first meeting of the Board held after incorporation of the Company and thereafter at the first meeting of the Board held after an annual general meeting of the Company where an office bearer has retired, appoint from amongst the Directors sitting on the Board at the time of the Board meeting:

- (i) a President; and
 - (ii) such other office bearers as the Board deems necessary from time to time.
- (b) The office bearers shall hold office for a term of two (2) years but shall be eligible for reappointment for a further term of two (2) years. Office bearers shall not hold office:
- (i) for more than six (6) consecutive years; nor
 - (ii) beyond their retirement or removal from the Board as a Director.

36 General Right to Appoint and Remove Directors

- (a) Subject to the Act, if there is ever a casual vacancy in the office of Director, the Board may appoint a person to fill any such casual vacancy. Any Director so appointed shall hold office for the balance of the term of the office being filled.
- (b) The Board may act despite any vacancy in their body, but if the number falls below the minimum fixed in accordance with **clause 35.1** the Board may act:
 - (i) for the purpose of:
 - (A) increasing the number of Directors to the minimum; or
 - (B) convening a general meeting; or
 - (ii) in emergencies;
 but for no other purpose.

37 Vacation of Office

- (a) Any Director may retire from office on giving written notice to the Company at the Office of his intention to retire and the resignation shall take effect at the time expressed in the notice (provided the time is not earlier than the date of delivery of the written notice to the Company).
- (b) The office of a Director shall become vacant if the Director:
 - (i) dies;
 - (ii) being a Member Elected Director, is no longer an International Member, Ordinary Member or member of a Corporate Member (as the case may be);
 - (iii) becomes bankrupt or makes any arrangement or composition with creditors generally;
 - (iv) becomes prohibited from being a director of a company by reason of any order made under the Act;
 - (v) becomes of unsound mind or a person whose personal estate is liable to be dealt with in any way under the law relating to mental health;
 - (vi) resigns by notice in writing to the Company; or
 - (vii) is absent without permission of the Board from meetings of the Board held for more than six (6) months.

POWERS AND DUTIES OF DIRECTORS

38 Powers of Directors

The control, management and conduct of the Company shall be vested in the Board who shall exercise all such powers of the Company as are not by the Act or by this Constitution required to be exercised in any other manner.

39 Negotiable Instruments

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company must be signed, drawn, accepted, endorsed or otherwise executed as the case may be by:

- (a) a Director so authorised in writing by the Board; and
- (b) one other Director or the Secretary, so authorised in writing by the Board.

40 Conferment of Powers

- (a) The Board may from time to time confer upon any Director for the time being or any other person as they may select such of the powers exercisable under this Constitution by the Board as it may think fit for such time and to be exercised for such purposes and on such terms and conditions and with such restrictions as it may think expedient.
- (b) Powers conferred under this **clause 40** may be exercised concurrently with the powers of the Board in that regard and the Board may from time to time withdraw, revoke or vary all or any of such powers.

DIRECTORS' DISCLOSURE OF INTEREST

41 Contracts

- (a) The Company may enter into contracts or arrangements with other companies or bodies in which a Director has an interest, provided it does so according to the usual commercial terms and conditions that apply to such contracts or arrangements.
- (b) A Director must disclose an interest in accordance with the Act and the Secretary must record all declarations in the minutes of the relevant meeting.
- (c) A Director who has an interest in a contract or arrangement made by the Company and has disclosed this interest to the Board subject to compliance with section 195 and related provisions of the Act, may still:
 - (i) vote on the matter;
 - (ii) be counted in determining whether or not a quorum is present at any meeting of Directors considering that contract or arrangement or proposed contract or arrangement;
 - (iii) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement; and

- (iv) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement.
- (d) The Company shall not make any payment for services rendered by a Director in a professional or technical capacity, except where the provision of those services and the amount payable have prior approval of the Board and where the amount does not exceed an amount that is commercially reasonable for those services.
- (e) A Director's failure to make disclosure under this **clause 41** does not render void or voidable a contract or arrangement in which the Director has a direct or indirect interest.
- (f) A general notice given to the Board by a Director that the Director is an officer, a member of or otherwise interested in any specified corporation or firm stating the nature and the extent of the Director's interest in the corporation or firm shall, in relation to any matter involving the Company and that corporation or firm after the giving of the notice, be a sufficient disclosure of the Director's interest, provided that the extent of the interest is no greater at the time of first consideration of the relevant matter by the Board than was stated in the notice.

PROCEEDINGS OF DIRECTORS

42 Meetings of Directors

- (a) The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as it thinks.
- (b) A Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Board by giving at least forty eight (48) hours notice of the meeting to all Directors, except a Director who the person convening the meeting reasonably believes to be outside Australia.
- (c) Notice of a meeting of the Board need not be in writing.
- (d) Subject to **clause 42(e)**, a Board meeting may be convened or held using any technology consented to by a majority of Directors. The consent may be a standing one. A Director may withdraw consent to the use of a particular technology within a reasonable time before a Board meeting.
- (e) The particular technology used to convene or hold a Board meeting, pursuant to **clause 42(d)**, must be available and accessible to all Directors who wish to attend the Board meeting.
- (f) All resolutions of the Directors passed at a meeting of Board where a quorum is present but where notice of the meeting has not been given as required to each Director, or any act carried out pursuant to such resolution, shall, provided each Director to whom notice was not given subsequently agrees to waive the same, be as valid as if notice of the meeting had been duly given to all Directors.

43 Quorum

- (a) The quorum necessary for the transaction of the Board's business is four (4) Directors who are personally present (or in conference in accordance with **clause 42**).
- (b) A quorum must be present at all times during the meeting.
- (c) A Director who is disqualified from voting on a matter pursuant to **clause 41** shall be counted in the quorum despite that disqualification.

44 Chairman

- (a) The President shall, if present, preside as Chairman of every meeting of the Board.
- (b) If a meeting of Board is held and the President is not present within fifteen (15) minutes after the time appointed for the holding of the meeting or, if present, does not wish to chair the meeting, then the other Directors present must elect one of their number to be Chairman of the meeting.

45 Voting

- (a) A resolution of the Board must be passed by a majority of votes of the Directors present at the meeting who vote on the resolution. A resolution passed by a majority of the votes cast by the Directors will for all purposes be taken to be a determination of the Board.
- (b) Each Director shall have one (1) vote.
- (c) In case of an equality of votes at a meeting of the Board, the Chairman will not have a casting vote in addition to a deliberative vote.

46 Resolutions by Directors

- (a) The Board may pass a resolution without a Board meeting being held if a majority of the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. For this purpose, signatures can be contained in more than one document.
- (b) A facsimile transmission which is received by the Company and which purports to have been signed by a Director shall for the purposes of this **clause 46** be taken to be in writing and signed by that Director at the time of the receipt of the facsimile transmission by the Company in legible form.
- (c) An email transmission which is received by the Company and which purports to have been sent by a Director shall for the purposes of this **clause 46** be taken to be in writing and signed by that Director at the time of the receipt of the email transmission by the Company.

47 Council

- (a) The Board may form a Council.
- (b) The Council shall consist of such Directors and other persons as the Board thinks fit.

- (c) The purpose of the Council is to:
 - (i) operate as a forum for debate and consideration of national policy matters; and
 - (ii) advise the Board of the needs, strategies and actions required to realise the Objects and address specific issues of the Company.
- (d) The Council shall conduct its affairs and programmes in accordance with this Constitution, the By-Laws and such other directions and limitations declared by the Board from time to time.
- (e) The Board has the power to disband or reconstitute the Council at any time within its full discretion.

48 Committee of Directors

- (a) The Board may form and delegate any of its powers to a Committee consisting of such Directors and other persons as it thinks fit and may from time to time revoke such delegation.
- (b) A Committee must in exercise of the powers delegated to it conform to any directions and restrictions that may be imposed on it by the Board. A power so exercised shall be taken to be exercised by the Board.
- (c) The meetings and proceedings of any Committee consisting of more than one person will be governed by the provisions for regulating the meetings and proceedings of the Board contained in this Constitution.
- (d) A minute of all the proceedings and decisions of every Committee shall be made, entered and signed in the same manner in all respects as minutes of proceedings of the Board are required by the Act and this Constitution to be made entered and signed. A copy of such Committee minutes shall be tabled at the next Board meeting.

49 Validation of Acts of Directors

All acts done:

- (a) at any meeting of the Board; or
- (b) by any person acting as a Director,

shall, even if it is discovered afterwards that there was a defect in the appointment or continuance in office of any such Director or person or that they or any of them were disqualified or were not entitled to vote, be as valid as if every such person had been duly appointed or had continued in office and was duly qualified to be a Director and had been entitled to vote.

MINUTES

50 Minutes

- (a) The Board must cause minutes to be kept in accordance with the Act for the purposes of recording:

- (i) the names of the Directors present at each meeting of the Board and of Directors present at each meeting of the Council and any Committee;
 - (ii) all orders, resolutions and proceedings of general meetings and of meetings of the Board, the Council and of Committees; and
 - (iii) such matters as are required by the Act to be recorded in the record books of the Company including without limitation all declarations made or notices given by any Director of his interest in any contract or proposed contract or the holding of any office or property whereby any conflict of duty or interest may arise.
- (b) Such minutes shall be signed by the Chairman of the meeting, or the Chairman of the next succeeding meeting and minutes which purport to be signed accordingly shall be received in evidence without any further proof as sufficient evidence that the matters and things recorded by such minutes actually took place or happened as recorded and of the regularity of such matters and things and that the same took place at a meeting duly convened and held.

SECRETARY

51 Appointment and Tenure

- (a) There must be at least one Secretary appointed by the Board for a term and on conditions determined by the Board.
- (b) The Board may remove any Secretary so appointed.

CHAPTERS

52 Chapters

- (a) The Board may in its discretion authorise the formation of Chapters and grant to them the right to be and to function as such for so long as the Board deems fit.
- (b) Subject to **clause 52(c)**, the members of Chapters shall apply for Ordinary Membership of the Company in accordance with **clause 9**.
- (c) Where a Corporate Member decides to deregister (meaning that it will no longer exist as an incorporated separate legal entity), it will be deemed to have become a Chapter. The Corporate Member, prior to its deregistration, shall cause its members to pass a special resolution agreeing, among other things, to:
 - (i) deregister the Corporate Member;
 - (ii) form a Chapter in accordance with the Constitution and By-Laws; and
 - (iii) become Ordinary Members of the Company.

All members of the Corporate Member shall form part of the newly formed Chapter and automatically become Ordinary Members of the Company. Such members are not required to apply for Ordinary Membership in accordance with **clause 9**. Where certain members of the Corporate Member do not wish to form part of the newly established Chapter and become Ordinary Members, those

- members shall notify the Secretary within a reasonable time after the special resolution is passed. Such persons shall then not become Ordinary Members.
- (d) A Chapter shall conduct its affairs and programmes in accordance with this Constitution, the By-Laws and such other directions and limitations declared by the Board from time to time.
 - (e) A Chapter exercises all voting rights through its Chapter President.
 - (f) The Board shall have the power to amend the By-Laws.

SPECIAL INTEREST GROUPS

53 Special Interest Groups

- (a) The Board will form Special Interest Groups of the size, type and nature as it deems fit from time to time.
- (b) A Special Interest Group shall conduct its affairs and programmes in accordance with this Constitution, the By-Laws and such other directions and limitations declared by the Board from time to time.
- (c) The Board shall have the power to amend the By-Laws and:
 - (i) define the powers and responsibilities of; and
 - (ii) otherwise exercise control over;
 the Special Interest Groups.
- (d) The Board shall have the right to charge Members and members of Corporate Members a fee for each Special Interest Group that that Member, or member of a Corporate Member, joins.
- (e) A Special Interest Group shall cease to be a Special Interest Group at any time that the Board in its discretion withdraws the authority upon which the Special Interest Group was established.

EXECUTION OF DOCUMENTS

54 Execution of Documents

- (a) Without limiting the manner in which the Company may execute any contract, including as permitted under section 126 of the Act, the Company may execute any agreement, deed or other document by:
 - (i) two Directors signing the same; or
 - (ii) one Director and one Secretary signing the same.
- (b) Nothing in this Constitution requires the Company to execute any agreement, deed or other document under common seal for the same to be effectively executed by the Company.

ACCOUNTS AND INSPECTION OF RECORDS

55 Accounts and Inspection

- (a) The Board shall:
- (i) cause proper financial records to be kept and must, where required by the Act, distribute copies of the financial reports of the Company and a Director's report in accordance with the requirements of the Act; and
 - (ii) from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them will be open to the inspection of Members.

NOTICES

56 Service of Notices

- (a) A notice may be given by the Company to any Member by:
- (i) serving it on the Member personally;
 - (ii) sending it by post to the Member or leaving it at the Member's address shown in the Register or otherwise the address supplied by the Member to the Company for the giving of notices;
 - (iii) facsimile to the facsimile number supplied by the Member to the Company for the giving of notices; or
 - (iv) sending it to the electronic address supplied by the Member to the Company for the giving of notices.
- (b) Any Member who has not left at or sent to the Office his place of address for inclusion in the Register as the place at which notices may be given to the Member shall not be entitled to receive any notice.
- (c) Where a notice is sent by post, service of the notice shall be taken to be effected by properly addressing, prepaying and posting a letter containing the notice and shall be deemed to have been effected two days after the date of posting. Service of a notice to a Member outside Australia shall be deemed to have been made in the ordinary course of the post.
- (d) Where a notice is sent by facsimile or other electronic means, service of the notice shall be taken to be effected by properly addressing and sending the notice and in such case shall be taken to have been effected on the business day after it is sent.
- (e) A notice may be given by the Company to the persons entitled to a share in consequence of the death, lunacy or bankruptcy of a Member by:
- (i) service on the Member personally;
 - (ii) sending it by post addressed to the person by name or by the title of the representative of the deceased or lunatic or the assignee of the bankrupt or by any like description at the address, if any, within

- Australia supplied for the purpose by the person claiming to be entitled;
or
- (iii) by giving the notice in any manner in which the same might have been given if the death, lunacy or bankruptcy had not occurred.
- (f) Evidence of service of a notice may be established by proving that the envelope containing the notice and stamped appropriately was properly posted and a certificate given by any Officer of the Company to that effect shall be conclusive evidence of service.
- (g) Where a person is:
- (i) a Member of two classes of Membership; and
 - (ii) entitled to receive a notice under both classes of Membership,
- the Company shall only send one notice to that person.

57 Notices of General Meeting

Subject to **clause 56(b)**, notice of every general meeting must be given in any manner authorised by this Constitution to:

- (a) every Member; and
- (b) the auditor (if any) for the time being of the Company.

WINDING UP

58 Winding Up

- (a) If any surplus remains following the winding up of the Company, the surplus will not be paid to or distributed amongst Members, but will be given or transferred to another institution or corporation which has:
 - (i) objects which are similar to the Objects;
 - (ii) a constitution which requires its income and property to be applied in promoting its objects; and
 - (iii) a constitution which prohibits it from paying or distributing its income and property amongst its Members to an extent at least as great as imposed on the Company by **clause 5.2(b)**.
- (b) The identity of the corporation or institution is to be determined by the Members in writing at or before the time of dissolution and failing such determination being made, by application to the Supreme Court, in the State of incorporation of the Company, for determination.

INDEMNITY

59 Indemnity

To the extent permitted by law every Officer (and former Officer) of the Company shall be indemnified out of the funds of the Company against all costs, expenses and liabilities

incurred as such an Officer or employee (or former Officer or employee). However, no such Officer (or former Officer) shall be indemnified out of the funds of the Company under this clause unless:

- (a) it is in respect of a liability to another person (other than the Company or a related body corporate to the Company) where the liability to the other person does not arise out of conduct involving a lack of good faith; or
- (b) it is in respect of a liability for costs and expenses incurred:
 - (i) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the Officer (or former Officer) or in which the Officer (or former Officer) is acquitted; or
 - (ii) in connection with an application, in relation to such proceedings, in which the court grants relief to the Officer (or former Officer) under the Act.

60 Payment of Indemnity Policy Premium

- (a) To the extent permitted by law the Company may at the discretion of the Board enter into and / or pay a premium in respect of a policy of insurance insuring an Officer (or former Officer) of the Company against any liability incurred by such person in that capacity (whether in respect of acts or omissions prior to or after the date of the issue of the policy or both) except for:
 - (i) a liability arising out of conduct involving a wilful breach of duty in relation to the Company; or
 - (ii) a contravention of sections 182 or 183 of the Act.
- (b) The Board shall have the discretion to approve the terms and conditions of any such policy of insurance.
- (c) Where an Officer (or former Officer) has the benefit of an indemnity pursuant to an insurance policy in respect of his actions or omissions then the Company shall not be required to indemnify the Officer under **clause 59** except to the extent that the indemnity affected by the insurance policy does not fully cover the person's liability.

61 Indemnity to Continue

The indemnity granted by the Company contained in **clauses 59** and **60** shall continue in full force and effect notwithstanding the deletion or modification of that clause, in respect of acts and omissions occurring prior to the date of the deletion or modification.

Strata Community Association Limited

We the several persons whose signatures appear hereunder hereby agree to the foregoing constitution:

SIGNED for and on behalf of **INSTITUTE OF**)
STRATA TITLE MANAGEMENT LIMITED)
ACN 001 767 997 in accordance with)
section 127 of the *Corporations Act 2001*

.....
Signature of Director

.....
Signature of Director/Secretary

.....
Print Name

.....
Print Name

Strata Community Association Limited

SIGNED for and on behalf of **OWNERS**)
CORPORATIONS VICTORIA INC.)
ABN 91 066 558 592)
by affixing its common seal in accordance)
with its constitution) (Common seal)

.....
Signature of Authorised Signatory

.....
Signature of Authorised Signatory

.....
Name of Authorised Signatory
(Please print)

.....
Name of Authorised Signatory
(Please print)

.....
Position
(Please print)

.....
Position
(Please print)

SIGNED for and on behalf of **COMMUNITY**)
TITLES INSTITUTE QUEENSLAND)
LIMITED ACN 010 517 923 in accordance)
with section 127 of the *Corporations Act*
2001

.....
Signature of Director

.....
Signature of Director/Secretary

.....
Print Name

.....
Print Name

SIGNED for and on behalf of **STRATA**)
TITLES INSTITUTE OF WESTERN)
AUSTRALIA (INC.))
ABN 88 839 360 415)
by affixing its common seal in accordance)
with its constitution)

(Common seal)

Signature of Authorised Signatory

Signature of Authorised Signatory

Name of Authorised Signatory
(Please print)

Name of Authorised Signatory
(Please print)

Position
(Please print)

Position
(Please print)

SIGNED for and on behalf of **COMMUNITY**)
TITLES INSTITUTE OF SOUTH)
AUSTRALIA INCORPORATED)
(SA Association No. A9159))
by its authorised signatories)

Signature of Authorised Signatory

Signature of Authorised Signatory

Name of Authorised Signatory
(Please print)

Name of Authorised Signatory
(Please print)

Position
(Please print)

Position
(Please print)

SIGNED for and on behalf of **STRATA**)
MANAGERS INSTITUTE (ACT) INC)
ABN 48 250 855 037)
by its authorised signatories)
)

.....
Signature of Authorised Signatory

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Signature of Authorised Signatory

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Name of Authorised Signatory
(Please print)

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Name of Authorised Signatory
(Please print)

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Position
(Please print)

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Position
(Please print)

Annexure A Form of Appointment Of Proxy

STRATA COMMUNITY ASSOCIATION LIMITED (incorporated under the *Corporations Act 2001*)

PROXY FORM

1. Your details

(Please print your name and address)

Name of Member/Representative: _____

ACN / ABN: _____

Address: _____

City: _____

State: _____

Postcode: _____

Telephone: _____

2. Appoints

Name: _____

(Please print name of proxy)

or failing the person so named, or if no person is named, the **Chairman of the Meeting** to vote in accordance with the following directions or, if no directions have been given, as the proxy or the Chairman sees fit at the (Annual) General Meeting of Strata Community Association Limited to be held on *[insert date]* commencing at *[insert time]* and at any adjournment thereof.

3. Directions

4. Signature

5. Date

Schedule 1 By-Laws