



Constitution

—
The Arabian Horse Society of Australia Limited
ACN 001 281 590
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A public company limited by guarantee

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Preliminary

1. Defined terms

1.1 Defined terms and definitions

In this Constitution unless the contrary intention appears:

Arabian means a horse of pure arabian lineage, as accepted by the Company, and registered or recorded in the Stud Book pursuant to the Regulations.

Arabian Horse means a horse:

- (a) registered or recorded as an Arabian in the Stud Book;
- (b) registered or recorded as a Derivative in the Register; or
- (c) recorded in the Arabian Performance Index.

Arabian Performance Index means an index held by the Company in which horses of arabian breeding, that are not eligible for registration as an Arabian or Derivative, are recorded pursuant to the Regulations.

Attorney means a person appointed as such under clause 7.5.

Auditor means the Company's auditor.

Board means the Board of Directors of the Company made up by the Directors.

Board Meeting means a meeting of the Board of Directors.

Company means The Arabian Horse Society of Australia Limited ACN 001 281 590.

Constitution means this constitution of the Company as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Cth) as modified or amended from time to time and includes any regulations made under that Act and any exemption or modification to that Act applying to the Company.

Derivative means a horse registered or recorded in the Register as an Anglo Arabian, Arabian Pony, Arabian Warmblood, Arabian Riding Pony, Part Bred Arabian, Quarab, Arabian Stock Horse or Half Arabian pursuant to the Regulations.

Director includes any person occupying the position of a Director on the Board of Directors of the Company and, where appropriate, includes a Director that is appointed to fill a casual vacancy.

Directors means all or some of the Directors acting as the Board of Directors.

Extraordinary General Meeting means a general meeting, other than an Annual General Meeting.

General Meeting means an Annual General Meeting and an Extraordinary General Meeting

Government Authority means any government or any public, statutory, governmental, semi-governmental, local governmental, municipal or judicial body, entity or authority and includes without limitation, a Minister of the Crown (in any right), a department, ministry, commission, and any person, body, entity or authority exercising a power pursuant to an Act of Parliament.

Member means a member under clause 7.1.

Membership means the Members of the Company as a whole.

Membership Class means the classes of membership as prescribed by the Regulations and determined by the Board.

Natural Person means a human being, who is not an entity, business, partnership, company or group considered collectively as a single individual for legal purposes.

Ordinary Resolution means a resolution that has been passed by a majority of the votes cast by Members present at a General Meeting and entitled to vote on the resolution or by a majority of Directors at a Board Meeting.

Participant means a Member admitted to the Membership Class of Participant as provided by the Regulations.

Register means the register recording Derivatives as compiled, published (online) and managed by the Company pursuant to the Regulations.

Register of Members means the register of Members of the Company.

Stud Book means the registry and recording of Arabians in a studbook recognised and accepted by WAHO and compiled, published (online) and managed by the Company, pursuant to the Regulations.

Regulations means the Arabian Horse Society of Australia Limited Regulations, as amended from time to time by the Board.

Representative means a person appointed as such under clause 7.6.

Rule Book means The Arabian Horse Society of Australia Limited Rule Book, as amended from time to time by the Board.

Seal means the Company's common seal.

Secretary means any person appointed by the Board to perform any of the duties of a secretary of the Company under clause 20.

Special Resolution means a resolution:

- (a) of which notice has been given under clause 8.2(b)(iii); and
- (b) that has been passed by at least 75% of the votes cast by Members present at a General Meeting and entitled to vote on the resolution;

in this Constitution, except where the context otherwise requires, an expression in a clause of this Constitution has the same meaning as in the Corporations Act. Where the expression has more than one meaning in the Corporations Act and a provision of the Corporations Act deals with the same matter as a clause of this Constitution, that expression has the same meaning as in that provision.

WAHO means the World Arabian Horse Organisation of which Australia is a Member under the WAHO constitution.

2. Interpretation

In this Constitution, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this Constitution, and a reference to this Constitution includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to an Act includes every amendment, re-enactment, or replacement of that Act and any subordinate legislation made under that Act (such as regulations);
- (f) a reference to A\$, \$A, dollar or \$ is to Australian currency; and
- (g) the meaning of general words is not limited by specific examples introduced by including, for example or similar expressions.

3. Replaceable rules

- (a) To the extent permitted by law, the replaceable rules in the Corporations Act do not apply to the Company.
- (b) The Corporations Act, with the exception of the replaceable rules, overrides any clause in this constitution which is inconsistent with that Act.

4. Objects.

- (a) The Company is a company limited by guarantee and established to pursue a primary purpose of maintaining the purity of Arabian Horses in Australia and elsewhere (the **Principal Purpose**) by:
- (i) maintaining, promoting, compiling, managing and publishing (online) the Stud Book, Register and Arabian Performance Index of Arabian Horses;
 - (ii) promoting the breeding, improvement, exhibition, perpetuation and popularity of Arabian Horses;
 - (iii) promoting the interests of breeders and owners of Arabian Horses;
 - (iv) promoting awareness and disseminating information in relation to diseases, genetics, animal husbandry and nutrition of Arabian Horses;
 - (v) establishing relationships with societies having similar objectives,
 - (vi) promoting horse welfare in the equine industry;
 - (vii) supporting and promoting competitions, events and exhibitions in which Arabian Horses participate and offering prizes and awards in respect of competition or achievement;
 - (viii) appointing and maintaining a list of persons competent to act as judges of Arabian Horses at any show whether promoted or sponsored by the Company or otherwise;
 - (ix) formulating publicity and educational programs and other activities in the interest of Arabian Horses and their proper care and propagation;
 - (x) investigating and studying the history and characteristics of Arabian Horses and their breeding, genetics and husbandry and collecting, preserving and disseminating useful information concerning these topics and findings;
 - (xi) identifying, determining and acting effectively upon matters of national, regional and international importance in relation to Arabian Horses, in particular those pertaining to preserving and promoting the ancient and unique heritage of the Arabian.
 - (xii) fundraising to further the Principal Purpose of the Company; and
 - (xiii) all such other things as are incidental or ancillary to the above objects.
- (b) The Company may only exercise the powers in section 124(1) of the Corporations Act to:
- (i) carry out the Principal Purpose in this clause 4; and
 - (ii) do all things incidental or convenient in relation to the exercise of power under clause 4(b)(i).

5. Income and property of Company

- (a) The income and property of the Company will only be applied towards the promotion of the Principal Purpose of the Company set out in clause 4.
- (b) No income or property will be paid or transferred directly or indirectly to a Member of the Company except for payments to a Member:
- (i) in return for any services rendered or goods supplied in the ordinary and usual course of business to the Company; or
 - (ii) of interest at a rate not exceeding current bank overdraft rates of interest for moneys lent.

6. Amending the Constitution

- (a) Subject to clause 6(b), the Members may amend this Constitution by passing a Special Resolution.

- (b) Any Special Resolution passed by the Members that purports to amend this Constitution is invalid if it would cause the Company to no longer be a public company limited by guarantee, unless that Special Resolution also amends this clause 6(b).

7. Membership

7.1 Admission

- (a) The number of Members the Company can admit is unlimited.
- (b) The Members of the Company will be:
 - (i) the persons who consented to become Members in the Company's application for registration; and
 - (ii) any other persons, corporations or organisations whom or which the Board admit to the Membership in accordance with this Constitution.
- (c) The Membership of the Company shall be comprised of Members admitted to specified Membership Classes, as approved by the Board.
- (d) Applications for membership of the Company will be in writing, signed by the applicant and in a form approved by the Board in their absolute discretion.
- (e) At the next Board Meeting or by circular resolution after the receipt of an application for membership, the application for membership will be considered by the Board. The Board will:
 - (i) determine the admission or rejection of the applicant at the Board's absolute discretion; or
 - (ii) decide to call on the applicant to supply any evidence of eligibility that the Board considers reasonably necessary.

7.2 Membership fees

- (a) The Board must by resolution determine the annual membership fees payable by the Members.
- (b) The Board can by resolution, amend the annual membership fees as they see fit.
- (c) The Board must give notice of any amendments to the annual membership fees pursuant to clause 22.

7.3 Rights of the Members

- (a) Each Member, who is a Natural Person and is at least 18 years of age, shall have the right:
 - (i) to conduct transactions in the Stud Book and Register as prescribed by the Regulations;
 - (ii) to call General Meetings in accordance with clause 8.1(c) and receive notice of General Meetings;
 - (iii) to be present at General Meetings;
 - (iv) to have voting privileges;
 - (v) to appoint a proxy; and
 - (vi) to nominate for election to the Board, subject to clause 12.3.
- (b) Each Member, who is a Natural Person and is under the age of 18, shall have the right:
 - (i) to conduct transactions in the Stud Book and Register as prescribed by the Regulations;
 - (ii) to receive notice of General Meetings; and
 - (iii) to be present at General Meetings.
- (c) Each Member, who is not a Natural Person, shall have the right:

- (i) to conduct transactions in the Stud Book and Register as prescribed by the Regulations;
 - (ii) to call General Meetings in accordance with clause 8.1(c) and receive notice of General Meetings;
 - (iii) to be present at General Meetings;
 - (iv) to have voting privileges; and
 - (v) to appoint a proxy.
- (d) A Member who is admitted to the Membership Class of Participant, shall have the right:
- (i) to receive notice of General Meetings; and
 - (ii) to be present at General Meetings.
- (e) The rights and privileges of each Member are personal to that Member and are not transferable by the Member's own act or operation of law.

7.4 Ceasing to be a Member

- (a) A Member's membership of the Company will cease:
- (i) if that Member gives the Secretary written notice of resignation, from the date of receipt of that notice by the Secretary;
 - (ii) if the Board by resolution terminates the membership of that Member in accordance with clause 7.7;
 - (iii) where the Member is an individual, if the Member:
 - (A) dies;
 - (B) becomes mentally incapacitated or whose person or estate is liable to be dealt with in any way under the laws relating to mental health; or
 - (C) is convicted of an indictable offence;
 - (iv) where the Member is not an individual, if:
 - (A) a liquidator is appointed in connection with the winding-up of the Member;
 - (B) an order is made by a Court for the winding-up or deregistration of the Member; or
 - (C) where, following the passing of a resolution of the Members to wind up the Company, the Company is wound up.
- (b) Any Member ceasing to be a Member:
- (i) will not be entitled to a refund (or partial refund) of any membership fees or other monies paid to the Company; and
 - (ii) will remain liable for and will pay to the Company all membership fees and monies which were due at the date of ceasing to be a Member.

7.5 Powers of Attorney

- (a) If a Member executes or proposes to execute any document or do any act by or through an Attorney which affects the Company or the Member's membership in the Company, the Member must deliver the instrument appointing the attorney to the Company for notation.
- (b) If the Board asks a Member to file with it a certified copy of the instrument for the Company to retain, the Member will promptly comply with that request.
- (c) The Board may ask for whatever evidence it thinks appropriate that the power of attorney is effective and continues to be in force.

7.6 Representatives

- (a) Any corporation or organisation which is a Member may by written notice to the Secretary:
 - (i) appoint a Natural Person to act as its Representative in all matters connected with the Company as permitted by the Corporations Act; and

- (ii) remove a Representative.
- (b) A Representative is entitled to:
 - (i) exercise at a General Meeting all the powers which the corporation or organisation which appointed him or her could exercise if it were a Natural Person; and
 - (ii) be counted towards a quorum on the basis that the Representative Member corporation or organisation is to be considered personally present at a general meeting by its Representative.
- (c) A certificate executed in accordance with section 127 of the Corporations Act is rebuttable evidence of the appointment or of the removal of the appointment (as appropriate) of the Representative.
- (d) The appointment of a Representative must set out restrictions, if any, on the Representative's powers.

7.7 Conduct and Discipline of Members

- (a) The Board may resolve that a Member has:
 - (i) refused or neglected to comply with an obligation under the Constitution, the Regulations, the Rule Book or rules of any competition or event conducted under the Rule Book;
 - (ii) engaged in behaviour or conduct that is unsportsmanlike, dishonest, unbecoming of a Member, contrary or prejudicial to the interests or furtherance of the Company or which may bring or tend to bring the Company into disrepute;
 - (iii) been convicted under any Federal or State Legislation of any act of cruelty upon an animal; or
 - (iv) failed to comply with a reasonable direction of an official or judge at any competition or event conducted under the Rule Book or in conjunction with the Company.
- (b) Where the Board has passed a resolution under clause 7.7(a), the Secretary shall as soon as practicable cause to be served on the Member a notice in writing:
 - (i) setting out the resolution of the Board and the grounds on which it is based;
 - (ii) stating that the Member may address the Board at a meeting (either a Board Meeting or a meeting convened for a special purpose) to be held not earlier than 21 days after the service of the notice;
 - (iii) stating the date, place and time of the meeting;
 - (iv) informing the Member that they may do one or either of the following:
 - (A) attend the meeting; and/or
 - (B) provide to the Board a written statement seeking the revocation of the resolution at least 48 hours prior to the meeting.
 - (v) informing the Member they will be permitted a support person or representation by a solicitor or authorised person at the meeting;
 - (vi) informing the Member the powers of the Board in regard to the Member's membership; and
 - (vii) informing the Member that if they fail to either attend the meeting or to give reasons to the meeting as required, the Board may determine the matter in the Member's absence.
- (c) At a meeting of the Board held in accordance with clause 7.7(b) the Board:
 - (i) shall give the member an opportunity to be heard;
 - (ii) shall give due consideration to any written statement submitted by the Member; and
 - (iii) shall by resolution determine whether to confirm, to vary or to revoke the resolution at clause 7.7(a).

- (d) If the Board, having considered any matter placed before it by the Member, is satisfied that its resolution at clause 7.7(a) is confirmed, the Board may by further resolution impose a disciplinary penalty on the Member by :
 - (i) expelling the Member from the Membership of the Company;
 - (ii) suspending the Member from the Membership of the Company for a specified period;
 - (iii) imposing a fine up to \$15,000 on the Member;
 - (iv) reprimanding the Member;
 - (v) prohibiting the Member from conducting all or specific transactions in the Stud Book or Register;
 - (vi) cancelling or suspending a Member from their appointment to the list of judges maintained by the Company; and/or
 - (vii) cancelling or suspending the registration of any Arabian Horse owned by the Member as recorded in the Stud Book or Register upon the determination of fraudulent and/or wilful misrepresentation of Arabian Horse identity and/or parentage affecting the integrity of the Stud Book or Register.
- (e) The Board may, at its absolute discretion, resolve to impose one or various disciplinary penalties under clause 7.7(d) on a Member.
- (f) The Board may include in the Regulations a table of prescribed disciplinary penalties as long as those penalties fall within the scope of clause 7.7(d).
- (g) In addition to any penalty the Board may impose under clause 7.7(d), the Board may cause any resolution under clause 7.7 to be published in any way the Board determines appropriate and name the Member and Arabian Horse so affected.
- (h) Any Member that receives a disciplinary penalty from the Board, pursuant to clause 7.7, has no right of appeal.

8. General Meetings

8.1 Calling a General Meeting

- (a) The Board must call an Annual General Meeting at least once in each calendar year and within 5 months after the end of its financial year.
- (b) The Board may at its discretion, convene an Extraordinary General Meeting.
- (c) Subject to clause 7.3 and the Corporations Act, a Member may:
 - (i) only request the Board to call an Extraordinary General Meeting in accordance with section 249D of the Corporations Act; and
 - (ii) not request or call and arrange to hold an Extraordinary General Meeting except under section 249E or 249F of the Corporations Act.
- (d) If the Company receives a request to call an Extraordinary General Meeting, pursuant to clause 8.1(c) it must:
 - (i) give notice to the Membership of the Extraordinary General Meeting within 21 days; and
 - (ii) convene the Extraordinary General Meeting within 2 months.

8.2 Notice of general meeting

- (a) Subject to the provisions of the Corporations Act allowing General Meetings to be held with shorter notice, at least 21 days written notice (inclusive of the day on which the notice is served or deemed to be served and exclusive of the day for which notice is given) must be given to the Members of all General Meetings.
- (b) A notice calling General Meeting:

- (i) must specify the place, date and time of the meeting and if the meeting is to be held in two or more places, the technology that will be used to facilitate this; including, without limitation, a telephone activated with a conference call or speaker phone facility, video conference or any similar data streaming medium;
 - (ii) must state the general nature of the business to be transacted at the meeting; and
 - (iii) if applicable, must state that a Special Resolution is to be proposed and the words of that Special Resolution.
- (c) A notice of a General Meeting need not state that the business to be transacted at the meeting includes:
- (i) the consideration of the annual financial report, Directors' report and the Auditor's report;
 - (ii) the appointment of Directors who have been elected by the Members; or
 - (iii) the appointment and fixing of the remuneration of the Auditor.
- (d) The Board may postpone or cancel any General Meeting whenever they think fit (other than a meeting called as the result of a request under clause 8.1(c)).
- (e) The Board must give notice of the postponement or cancellation of a General Meeting to all Members entitled to receive notices from the Company pursuant to clause 7.3.
- (f) The failure or accidental omission to send a notice of a General Meeting (including a proxy appointment form) to a Member or the non-receipt of a notice (or form) by a Member does not invalidate the proceedings at or any resolution passed at the General Meeting.

8.3 Using technology to hold meetings

- (a) The Company may, at the discretion of the Board, hold a General Meeting at two or more venues using any technology that gives the Membership as a whole a reasonable opportunity to participate, including to hear and be heard.
- (b) Anyone using this technology is taken to be present in person at the meeting.

9. Auditor's right to attend meetings

- (a) The Auditor is entitled to attend any General Meeting and to be heard by the Membership on any part of the business of the meeting that concerns the Auditor.
- (b) The Company must give the Auditor any communications relating to the General Meeting that a Member of the Company is entitled to receive.

10. Proceedings at General Meetings

10.1 Quorum

- (a) A Member is considered to be present at a General Meeting if they are present in person, present using technology as approved by the Board or by proxy, Attorney or Representative.
- (b) No business may be transacted at a General Meeting unless a quorum of the Membership is present when the General Meeting proceeds to business.
- (c) A quorum for the purposes of a General Meeting shall be 30 Members present at the General Meeting pursuant to clause 10.1(a).
- (d) If a quorum is not present within 30 minutes after the time appointed for a General Meeting:
 - (i) if the General Meeting was called on the requisition of a Member, it is automatically dissolved; or
 - (ii) in any other case:
 - (A) it will stand adjourned to the same time and place 7 days after the meeting, or to another day, time and place determined by the Board; and

- (B) if at the adjourned General Meeting a quorum is not present within 30 minutes after the time appointed for the General Meeting, it is automatically dissolved.

10.2 Chairperson

- (a) The Chairperson, or in the Chairperson's absence, the Senior Vice Chairperson of the Board will be the chairperson at General Meetings.
- (b) The Directors present may elect an alternate chairperson of a General Meeting if:
 - (i) neither the Chairperson nor the Senior Vice Chairperson is present within 15 minutes after the time appointed for holding the General Meeting; or
 - (ii) the Chairperson and Senior Vice Chairperson are unwilling to act as chairperson of the General Meeting.
- (c) If there is a dispute at a General Meeting about a question of procedure, the chairperson of the General Meeting may determine the question.

10.3 Adjournment

- (a) The Board may adjourn or cancel any General Meeting whenever they think fit (other than a meeting called as the result of a request under clause 8.1(c).
- (b) An adjourned General Meeting may take place at a different venue from the initial General Meeting.
- (c) The only business that can be transacted at an adjourned General Meeting is the unfinished business of the initial General Meeting.
- (d) Notice of an adjourned General Meeting must only be given if a General Meeting has been adjourned for more than 21 days.

10.4 Resolutions

- (a) Subject to the Corporations Act regarding Special Resolutions, a resolution at a General Meeting shall be decided by Ordinary Resolution.
- (b) A resolution put to a vote at a General Meeting shall be decided on a show of hands unless a poll is demanded in accordance with the Corporations Act.
- (c) Unless a poll is demanded at a General Meeting:
 - (i) a declaration by the chairperson that a resolution has been carried, carried by a specified majority, or lost; and
 - (ii) an entry to that effect in the minutes of the meeting.are conclusive evidence of the fact without proof of the number or proportion of the votes in favour of or against the resolution.
- (d) The demand for a poll may be withdrawn.
- (e) A resolution of a General Meeting may not be impeached or invalidated on the ground that a person voting at the General Meeting was not entitled to do so.

10.5 Taking a poll

- (a) A poll will be taken when and in the manner that the chairperson directs.
- (b) The result of the poll will be the resolution of the General Meeting at which the poll was demanded.
- (c) The chairperson may determine any dispute about the admission or rejection of a vote.
- (d) The chairperson's determination, if made in good faith, will be final and conclusive.
- (e) After a poll has been demanded at a General Meeting, the General Meeting may continue for the transaction of business other than the question on which the poll was demanded.

10.6 Casting vote of chairperson

The chairperson has a casting vote when necessary in addition to the chairperson's vote as a Member.

10.7 Offensive material and behaviour

A person may be refused admission to, or required to leave and not return to, a meeting if the person:

- (a) behaves in a way that is in the opinion of the chairperson offensive to the meeting; or
- (b) refuses to permit examination of any article in the person's possession; or
- (c) is in possession of any:
 - (i) electronic or recording device;
 - (ii) placard or banner; or
 - (iii) other article.

which the chairperson considers to be dangerous, offensive or liable to cause disruption.

11. Votes of Members

11.1 Entitlement to vote

Each Member that is entitled to vote under clause 7.3, has 1 vote per resolution at a General Meeting.

11.2 Objections

- (a) An objection to the qualification of a voter may only be raised at the General Meeting at which the voter tendered their vote.
- (b) An objection must be referred to the chairperson of the General Meeting, whose decision is final.
- (c) A vote which the chairperson does not disallow because of an objection is valid for all purposes.

11.3 Votes by proxy

- (a) If a Member appoints a proxy, the proxy may vote on a resolution by a show of hands or a poll.
- (b) A proxy must be a Member of the Company and over the age of 18 years.
- (c) If a proxy is appointed, they may vote or abstain as he or she chooses.
- (d) If person is appointed as a proxy by two or more Members, the proxy will be deemed to have voted all proxies appointed to them and any votes they hold in their capacity as a Member in the same manner.
- (e) A proxy of a Member may demand or join in demanding a poll.

11.4 Document appointing proxy

- (a) An appointment of a proxy is valid if it is signed by the Member of the Company making the appointment and contains the following information:
 - (i) the Member's name, address and membership number;
 - (ii) the Company's name;
 - (iii) the proxy's name and membership number; and
 - (iv) the meeting at which the appointment may be used.
- (b) The Board may determine that an appointment of a proxy is valid even if it only contains some of the information required at clause 11.4(a).
- (c) A proxy's appointment is valid at an adjourned General Meeting.

- (d) A proxy may be appointed for all General Meetings or for any number of general meetings or for a particular purpose.
- (e) The appointment of the proxy of the Member will be taken to confer authority to vote on any resolution and a Special Resolution, at a General Meeting.
- (f) If a proxy appointment is signed by a Member but does not in the opinion of the Board, identify the proxy whose favour it is given, the chairperson may either act as proxy or complete the appointment by inserting the name or names of one or more Directors or the Secretary to act as proxy.

11.5 Lodgement of proxy

- (a) The written appointment of a proxy must be received by the Company, at least 48 hours (unless otherwise specified in the notice of meeting to which the proxy relates) before:
 - (i) the time for holding the General Meeting or adjourned general meeting at which the appointee proposes to vote; or
 - (ii) the taking of a poll on which the appointee proposes to vote.
- (b) The Company receives an appointment of a when it is received at:
 - (i) the Company's registered office; or
 - (ii) a place or electronic address specified for that purpose in the notice of meeting or in a notice to Members.

11.6 Validity

- (a) A vote cast in accordance with an appointment of a proxy is valid unless:
 - (i) before the vote was cast the Member revoked the proxy; and
 - (ii) written notification of the revocation was received by the Company before the relevant General Meeting.

12. Appointment and removal of Directors

12.1 Number and composition of Directors

- (a) There will be no less than 5 and no more than:
 - (i) 10 Directors on the Board until the conclusion of the Annual General Meeting in 2020;
 - (ii) 9 Directors on the Board between the conclusion of the Annual General Meeting in 2020 and the conclusion of the Annual General Meeting in 2021; and
 - (iii) 8 Directors on the Board as of the conclusion of the Annual General Meeting in 2021.

12.2 Term

- (a) Each Director appointed to the Board pursuant to clause 12.3, shall serve for a period of 2 years.
- (b) A retiring Director is eligible for reappointment pursuant to clause 12.3.
- (c) If a Director is appointed by the Board pursuant to clause 12.4, they shall hold office until the next Annual General Meeting.
- (d) A Director's term will begin at the conclusion of the Annual General Meeting held after the election in which he or she is appointed.

REFER TO LETTER- OPTIONS 1 AND 2 FOR CLAUSE 12.3

12.3 Appointment of Directors

- (a) Directors must not be ineligible to be a director under the Corporations Act.
- (b) The Members will appoint the Directors to the Board through an election.

- (c) Members who nominate for election as a Director of the Board shall:
 - (i) be eligible to nominate for election pursuant to clause 7.3;
 - (ii) be domiciled in a state or territory of Australia;
 - (iii) have been a Member of the Company for the preceding 5 years in any Membership Class;
 - (iv) have owned an Arabian Horse, as registered in the Stud Book or Register, within the preceding 5 years; and
 - (v) not be the spouse, partner in a defacto relationship, immediate family member (father, mother, son, daughter, brother, sister, step/in-law) of any current Director, nor of any Member also nominated for the position of Director in the same election year.
- (d) Nominations for election to the Board shall be in writing in a manner prescribed by the Regulations and be provided to the Secretary by pre-paid postage or electronically, no later than the last day of October of each year.
- (e) Any nomination for election to the Board that does not strictly comply with clause 12.3(d), shall be null and void, as determined by the Board.
- (f) Before the end of December of each year, the Secretary shall issue ballot papers or cause online voting facilities to be available, as directed by the Board, for the election of Directors.
- (g) Directors shall be elected as follows:
 - (i) each year Members with voting privileges as provided in clause 7.3 shall be entitled to vote to appoint Directors in accordance with clause 12.1(a).
 - (ii) all nominees will then be ranked in terms of total number of votes received and the nominees with the greatest number of votes shall be determined to be Directors.
 - (iii) should only four Members nominate, they will automatically be appointed to the position of Director;
 - (iv) should there be a tie between nominees for a position as a Director, the Board will direct the Secretary to:
 - (A) issue ballot papers; and/or
 - (B) cause online voting facilities to be available,for the election of a Director from the tied nominees, which will be determined pursuant to clause 12.3(g)(ii).

12.4 Additional and casual Directors

Subject to clause 12.1(a) and clause 12.2(c), the Directors may appoint any Member that is eligible pursuant to clause 7.3, as a Director to fill a casual vacancy on the Board.

12.5 Vacation of office

- (a) The office of a Director immediately becomes vacant if the Director:
 - (i) is prohibited by the Corporations Act from holding office or continuing as a Director;
 - (ii) is liable to have a person appointed, under a law relating to the administration of estates of persons who through mental or physical incapacity are incapable of managing their affairs;
 - (iii) resigns by notice in writing to the Company;
 - (iv) is removed by a resolution of the Company; or
 - (v) is removed by Court Order.
- (b) Directors may only be removed from the Board, prior to their term elapsing, by the Members requesting the Company calls an Extraordinary General Meeting pursuant to clause 8.1(c) and 8.1(d).

13. Duties of Directors

- (a) The Directors will cause the Company to comply with any obligations under the Corporations Act or any other legislation, including, without limitation, any governance standards and reporting requirements.
- (b) The Constitution and the Corporation Act imposes duties on the Directors to:
 - (i) exercise their powers and duties with the care and diligence that a reasonable person would, which includes taking steps to ensure that they are properly informed about the financial position of the Company;
 - (ii) exercise their powers and duties in good faith in the best interests of the Company and for the Principal Purpose as provided at clause 4;
 - (iii) not improperly use their position or information obtained through their position to gain an advantage for themselves or someone else, or to cause detriment to the Company;
 - (iv) disclose conflicts of interest in accordance with clause 15.4; and
 - (v) keep all information, transactions, correspondence or matters of the Company and Board confidential.

14. Powers of the Board

- (a) Subject to clause 13, the business of the Company is managed by the Board who may exercise all powers of the Company that this Constitution or the Corporations Act do not require to be exercised by the Company in a General Meeting or by the Members passing a resolution.
- (b) Without limiting the generality of clause 14(a), the Board may exercise all the powers of the Company to:
 - (i) manage and maintain the Stud Book and Register;
 - (ii) employ, remunerate, remove or suspend persons as may be necessary for the Principal Purpose of the Company as provided at clause 4;
 - (iii) alter and repeal from time to time the Regulations and Rule Book;
 - (iv) engage in any business transactions or activity capable of being conducted directly or indirectly to benefit the Company and for the Principal Purpose as provided at clause 4;
 - (v) establish subsidiary companies or trusts for the benefit of the Company;
 - (vi) purchase or otherwise acquire property, assets or liabilities on behalf of the Company;
 - (vii) invest money for the benefit of the Company;
 - (viii) open and operate bank accounts as the Board sees fit;
 - (ix) admit people, companies and organisations to Membership of the Company and discipline those Members;
 - (x) appoint legal counsel to act on behalf of the Company;
 - (xi) accept donations and conduct fundraising; and
 - (xii) register the Company with relevant regulators including but not limited to the Australian Taxation Office and Australian Securities and Investments Commission.

15. Proceedings of Board Meetings

15.1 Board Meetings

- (a) The Chairperson may at any time, and the Secretary must on the request of a Director, call a Directors' meeting.

- (b) The Chairperson must call a minimum of 4 Board Meetings in a calendar year.
- (c) A Board Meeting must be called on at least 48 hours written notice of a meeting to each Director.
- (d) It is not necessary to give notice of a Board Meeting to a Director whom the Secretary, when giving notice to the other Directors, reasonably believes to be temporarily outside Australia.
- (e) Subject to the Corporations Act, a Board meeting may be held by the Directors communicating with each other by any technological means by which they are able simultaneously to hear each other and to participate in discussion.
- (f) The Directors need not all be physically present in the same place for a Directors' meeting to be held.
- (g) Subject to clause 15.4, a Director who participates in a Board Meeting held in accordance with this Constitution is taken to be present and entitled to vote at the meeting.
- (h) The Directors may meet together, adjourn and regulate their meetings as they think fit.
- (i) A quorum is not less than the majority of the Directors on the Board.
- (j) Where a quorum cannot be established for the consideration of a particular matter at a Board Meeting, the Chairperson may request that the Members deal with the matter.

15.2 Resolutions at Board Meetings

- (a) Subject to this Constitution, resolutions at Board Meetings are to be decided by Ordinary Resolution.
- (b) Subject to clause 15.4, each Director has 1 vote.
- (c) The Chairperson has a casting vote in addition to his or her deliberative vote on any matters to be decided by the Board.

15.3 Payments to Directors

No payment will be made to any Director of the Company other than payment:

- (a) of out of pocket expenses incurred by the Director in the performance of any duty as a Director of the Company where the amount payable does not exceed an amount previously approved by the Board;
- (b) for any service rendered to the Company by the Director in a professional or technical capacity, other than in the capacity as Director, 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 payment for the service; and
- (c) relating to an indemnity in favour of the Director and permitted by section 199A of the Corporations Act or a contract of insurance permitted by section 199B of the Corporations Act.

15.4 Directors' interests

- (a) Each Director is obliged to inform the other Directors of any potential personal interest that a Director is aware of in a matter which is to be considered at a Board Meeting.
- (b) If the Directors have, as a majority, determined that a particular Director has a personal interest in a matter that is being considered at a Board Meeting, or if prohibited from doing so by law, that particular Director must not:
 - (i) be present while the matter is being considered at the meeting; or
 - (ii) vote on the matter.
- (c) The Directors may determine from time to time whether a Director has a personal interest for the purposes of clause 15.4(b) and, for the avoidance of doubt, a Director will not be precluded from being present at or voting at a Directors' meeting unless the Directors have made a determination in accordance with clause 15.4(b), or unless otherwise prohibited by law.

15.5 Chairperson and Senior Vice Chairperson

- (a) The Board must elect a Director as Chairperson of the Board.
- (b) The Chairperson of the Board shall be the chairperson of all Board Meetings.
- (c) The Board must elect a Director as Senior Vice Chairperson of the Board to act in the Chairperson's absence.
- (d) The Board may elect a Director as Junior Vice Chairperson of the Board to act in the Chairperson's and Senior Vice Chairperson's absence.
- (e) The Chairperson, Senior Vice Chairperson and if elected, Junior Vice Chairperson, will hold office until the conclusion of the next Annual General Meeting, unless otherwise determined by the Members.
- (f) If the Chairperson, Senior Vice Chairperson or Junior Vice Chairperson are not present at any Board Meeting within 15 minutes after the time appointed for the Board Meeting to begin, the Directors present must elect a Director to be the chairperson of the Board Meeting.

15.6 Treasurer

- (a) The Directors must elect a Director as Treasurer of the Board.
- (b) The Treasurer will hold office until the conclusion of the next Annual General Meeting, unless otherwise determined by the Members.
- (c) The Treasurer's role is to provide reports of the Company's transactions and financial position to the Board and to the Members at Annual General Meetings.

15.7 Delegation

- (a) The Board may delegate any of their powers, other than those which by law must be dealt with by Board, to a committee or committees.
- (b) Without limiting clause 15.7(a) the Board may:
 - (i) establish committees or panels for managing any of the affairs of the Company or providing assistance and/or advice to the Board;
 - (ii) appoint any persons to be members of those committees or panels; and
 - (iii) delegate to any person appointed under clause 15.7(b)(i) any of the powers, authorities and discretions which may be exercised by the Board under this Constitution.
- (c) The Board may at any time vary or revoke any delegation of power to a committee or panel.
- (d) A committee cannot, unless expressly authorised by the Board, bind the Company, and can only make recommendations to the Board and must exercise its powers in accordance with any directions of the Board.
- (e) Unless the Board determines otherwise, the Chairperson or another Director must be a member of any committees established by the Board.
- (f) A committee may be authorised by the Board to sub-delegate all or any of the powers for the time being vested in it.
- (g) A committee established by the Board, must if so directed, keep minutes of their meetings and provide them to the Chairperson.

15.8 Circular resolutions

- (a) The Board may pass a resolution without a Board Meeting being held if all the Directors entitled to vote on the resolution sign or agree to a document containing a statement that they are in favour of the resolution set out in the document. The resolution is passed when the last Director signs or agrees to it.
- (b) For the purposes of clause 15.8(a) separate copies of a document may be used for signing or agreeing to a resolution by Directors if the wording of the resolution and statement is identical in each copy.

- (c) Any document referred to in this clause 15.8 may be in the form of a facsimile or electronic transmission.
- (d) The Company may send a written resolution by email to Directors and Directors may agree by sending a reply email to that effect, including the text of the resolution in their reply.
- (e) The minutes of Directors' meetings must record that a resolution was passed in accordance with this clause 15.8.

15.9 Validity of acts of Directors

If it is discovered that:

- (a) there was a defect in the appointment of a person as a Director; or
- (b) a Director was disqualified by law from acting in that position,

all acts of the Board before the discovery was made are as valid as if the person had been duly appointed and was not disqualified.

16. Register of Members

16.1 Register of Members

- (a) The Company must keep all registers required by this Constitution, the Corporations Act and any other regulatory or legislative requirements.
- (b) The Company's Register of Members must be kept by the Secretary and must contain:
 - (i) for each current member:
 - (A) name;
 - (B) address;
 - (C) any alternative address nominated by the Member for the service of notices; and
 - (D) the date the Member was entered on to the register.
 - (ii) for each person who stopped being a Member in the last 7 years:
 - (A) name;
 - (B) address;
 - (C) any alternative address nominated by the Member for the service of notices; and
 - (D) dates the membership started and ended.

17. Minutes

17.1 Board Meeting Minutes

The Company must, within one month of a Board Meeting, cause minutes to be made of:

- (a) the names of the Directors present at all Directors' meetings and meetings of Directors' committees;
- (b) all proceedings and resolutions of the Company, Directors' meetings and meetings of Directors' committees;
- (c) all resolutions passed by Directors in accordance with clause 15.8;
- (d) all orders made by the Directors and Directors' committees; and
- (e) all disclosures of interests made under clause 15.4.

17.2 General Meeting Minutes

The Company must, within one month, make and keep the following records:

- (a) minutes of proceedings and resolutions of General Meetings; and
- (b) a copy of the notice of each General Meeting and associated documentation provided to Members.

17.3 Signing of minutes

The Company must ensure that minutes of a General Meeting or Board Meeting are signed within 60 days after the meeting by:

- (a) the chairperson of the meeting; or
- (b) the chairperson of the next meeting.

18. Financial records

- (a) The Company's financial year is from 1 January to 31 December, unless the Board resolves to change the financial year.
- (b) The Company must make and keep written financial records that:
 - (i) correctly record and explain its transactions, financial position and performance; and
 - (ii) enable true and fair financial statements to be prepared and to be audited.
- (c) The Company must also keep written records that correctly record its operations.
- (d) The Company must retain its records for at least 7 years.
- (e) The Board must take reasonable steps to ensure that the Company's records are kept safe.

19. Inspection of Company documents

19.1 Members' access to documents

- (a) Except as otherwise required by the Corporations Act or other applicable laws or Government Authorities, the Directors may determine whether and to what extent, and at what times and places and under what conditions, the minutes of Board Meetings, financial records and other documents of the Company will open for inspection by the Members, other than Directors.
- (b) The Board has no obligation, other than required by the Corporations Act, to provide financial records, minutes of Board Meetings or other documents of the company to Members.

19.2 Directors' access to documents

- (a) A Director has a right of access to the financial records of the Company at all reasonable times.
- (b) If the Board agree, the Company may give a Director or former Director access to:
 - (i) certain documents, including documents provided for or available to the Directors; and
 - (ii) any other documents referred to in those documents.

20. Secretary

- (a) The Board must appoint a person as the Secretary of the Company for a term and on conditions determined by them.
- (b) In the event the Secretary is not also a Director of the Company, the Secretary is entitled to attend and be heard on any matter at all Board Meetings but does not have a voting right at Board Meetings.
- (c) The Board may, subject to the terms of the Secretary's appointment, suspend, remove or dismiss the Secretary.

21. Seals

21.1 Common Seal

- (a) the Board must provide for the safe custody of the Seal;
- (b) the Seal must not be used without the authority of the Board; and
- (c) every document to which the Seal is affixed must be signed by the Chairperson and be countersigned by another Director.

21.2 Duplicate Seal

If the Company has a Seal, the Company may have one or more duplicate seals of the Seal each of which:

- (a) must be a facsimile of the Seal with 'Duplicate Seal' on its face; and
- (b) must not be used except with the authority of the Board.

22. Notices

22.1 Service of notices

- (a) Notice may be given by the Company to any person who is entitled to notice under this Constitution:
 - (i) by serving it on the person; or
 - (ii) by sending it by post, facsimile transmission or electronic notification to the person at the person's address shown in the Register of Members or the address supplied by the person to the Company for sending notices to the person.
- (b) A notice sent by post is taken to be served:
 - (i) by properly addressing, prepaying and posting a letter containing the notice; and
 - (ii) on the day after the day on which it was posted.
- (c) A notice sent by facsimile transmission or electronic notification is taken to be served:
 - (i) by properly addressing the facsimile transmission or electronic notification and transmitting it; and
 - (ii) on the day after its despatch.
- (d) A certificate in writing or affidavit by a Director or Secretary of the Company that a document or its envelope or wrapper was addressed and stamped and was posted is conclusive evidence of posting.
- (e) Subject to the Corporations Act, the signature to a written notice given by the Company may be written or printed.
- (f) All notices sent by post outside Australia must be sent by prepaid airmail post.
- (g) For the purposes of any laws, a document may be served on the Company pursuant to clause 109X of the Corporations Act.

23. Audit and accounts

- (a) The Board must cause the Company to keep financial records and any other records in relation to the business of the Company in accordance with the requirements of the Corporations Act.
- (b) The Board must cause the financial records of the Company to be audited in accordance with the requirements of the Corporations Act.
- (c) The Board must cause the Company to keep records that explain all transactions and other acts that the Company engages in that are relevant to the Principal Purpose in clause 4(a) and that also explain how gifts of money and property and any money received because of those gifts are applied to the Principal Purpose in clause 4(a) and the records shall be

retained for at least 7 years after the completion of the transactions or acts to which they relate.

24. Winding up

- (a) The Company must be wound up if the Members resolve that the Company should be wound up, and/or if the Company is required to be wound up at law.
- (b) If the Company is wound up, each Member undertakes to contribute to the property of the Company for the payment of debts and liabilities of the Company and payment of costs, charges and expenses of winding up such amount as may be required, such amount not exceeding \$20.
- (c) Subject to clause 24(b), if any surplus remains following the winding up of the Company, the surplus will not be paid to or distributed to the Members or Directors, but will be given or transferred to another company or organisation which, by its constitution, has a similar Principal Purpose. Such an organisation shall be determined by the Members at or before the winding up and in default, by application to the Supreme Court of New South Wales for determination.

25. Indemnity and Insurance

25.1 Indemnity

- (a) To the extent permitted by law and subject to the restrictions in section 199A of the Corporations Act the Company indemnifies every person who is or has been an officer of the Company against:
 - (i) any liability (other than for legal costs) incurred by that person as an officer of the Company (including liabilities incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment); or
 - (ii) reasonable legal costs incurred in defending an action for a liability incurred by that person as an officer of the Company (including legal costs incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment).
- (b) The Company's obligation to indemnify officers under this clause 25.1 is a continuing obligation and is enforceable by an officer even though that person is no longer an officer of the Company.
- (c) For the purposes of this clause 25, officer means:
 - (i) a Director;
 - (ii) a Secretary; or
 - (iii) other officer.

25.2 Insurance

To the extent permitted by law (including the Corporations Act), and if the Directors consider it appropriate, the Company may pay or agree to pay a premium for a contract insuring a person who is or has been an officer of the Company against any liability incurred by the person as an officer of the Company.