

CORPORATIONS ACT 2001

GOSFORD RACE CLUB LIMITED

ABN 26 003 846 124

A Company limited by guarantee incorporated in
New South Wales



RULES

and

CONSTITUTION

(Amended by Special Resolution

26th October 2015)

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CONSTITUTION OF GOSFORD RACE CLUB LIMITED A.C.N.

I. DEFINITIONS AND INTERPRETATION

I.1 Definitions

In this Constitution, unless the contrary interpretation appears:

“**Absolute Majority**” means a majority of all members of the Board eligible to vote at the time that the resolution is proposed, not merely a majority of the Board members present and voting at the meeting.

“**Act**” means the Corporations Act 2001 and any amendments thereto and including the regulations made pursuant to that Act.

“**Annual General Meeting**” means the annual general meeting required by the Act.

“**Annual Subscription**” means the amount payable annually in respect of membership.

“**Board**” means the Board of Directors of the Club.

“**By-Laws**” means the by-laws made by the Board pursuant to clause 4.

“**Casual Vacancy**” means a vacancy in the office of a member of the Board occurring for any reason other than the retirement of a member of the Board in accordance with clause 20.2 and 21.1.

“**Chair**” means the person elected as such by the Board pursuant to clause 23.5 or by the voting members at a General Meeting pursuant to clause 15(b).

“**Chief Executive**” means:

- (a) the person appointed as such by the Board; or
- (b) any person appointed as acting Chief Executive Officer;

“**Club**” means the Gosford Race Club Limited.

“**Racing NSW**” means Racing NSW or any successor, body or organisation having authority for the control and overall management of NSW Thoroughbred Horse Racing.

“**Deputy Chair**” means the person elected as such by the Board pursuant to clause 23.5

“**Effective Date**” means the date upon which this constitution comes into effect.

“**Entrance Fee**” means the fee payable in respect of the grant of membership.

“**Financial Year**” means a year ending 30 June or such other yearly period nominated by the Board and permissible by the Act.

“**General Meeting**” means an Annual General Meeting or a Special General Meeting.

“Member” means a member of the Club admitted in accordance with this Constitution.

“Office” means the office of the Club at Gosford Race Course or as advised to members from time to time.

“Poll” means the conduct of a vote at a meeting involving the casting of votes, by writing or by electronic means, so that the vote cast by each person voting shall be confidential.

“Premises” means Gosford Racecourse and lands adjoining owned by the Club.

“Register of Members” means the register of members to be kept in compliance with clause 7.

“Relevant documents” has the same meaning as in the Act.

“Returning Officer” shall be the Chief Executive Officer or his nominee or in the event of the Chief Executive Officer being unable to act as returning officer or appoint a nominee then the Returning Officer shall be appointed by the Board.

“Seal” means the common seal of the Club.

“Secretary” means the person appointed to that position in accordance with the Act.

“Special Business” has the meaning set out in clause 12.

“Special General Meeting” means a general meeting of members other than the Annual General Meeting.

“Special Resolution” means a resolution that is passed by a majority of not less than 75% of the voting members eligible to vote on the resolution (who vote in person at a General Meeting) of which not less than 21 days notice was given to the members in accordance with the Constitution specifying the intention to propose the resolution as a special resolution and otherwise in accordance with the Act.

“Treasurer” means the person appointed as such by the Board.

“Voting Member” means a life member or a full member elected to membership prior to the date of the 2015 Annual General Meeting or a full member elected after that date who retains membership of the club for a continuous period of 1 year.

1.2 **Interpretation: meaning of certain words**

In this Constitution unless the contrary intention appears:

- (a) words importing the singular number include the plural number and vice versa;
- (b) words importing the masculine gender include the feminine gender and vice versa;
- (c) words importing persons include corporations, incorporated associations and unincorporated associations;
- (d) words have the same meaning as in the Act.

1.3 **Effect**

This Constitution rescinds and replaces the previous Memorandum & Articles of Association as from the Effective Date provided that the rescission and replacement of the previous Memorandum and Articles shall not affect any obligations or entitlements which have accrued under the previous Memorandum and Articles as at the Effective Date.

2. **NAME**

The name of the Club is Gosford Race Club Limited (“the Club”).

3. **STATEMENT OF PURPOSES AND PRINCIPLES**

3.1 **Statement of Purposes**

The purposes of the Club are:

- (a) to promote, carry on and encourage the racing of thoroughbred horses in or about the Central Coast district in the State of NSW or such other place or places as may be determined by the Board from time to time.
- (b) to establish and maintain a racecourse or racecourses in or about the Central Coast district in the State of NSW or such other place or places as may be determined by the Board from time to time with such buildings, structures and improvements as are considered necessary or desirable for the purpose of the racing of thoroughbred race horses;
- (c) to provide, at the sole discretion of the Board and as appropriate, facilities for the training, care and stabling of thoroughbred race horses;
- (d) to provide facilities of, and incidental to, conducting a thoroughbred racing club and thoroughbred race meetings, functions, meetings, sporting and social events, markets, restaurant and liquor facilities or any activity nominated by the Board;
- (e) to promote and encourage sponsorship and support for thoroughbred races and race meetings;
- (f) to promote the ideals of the sport of thoroughbred horse racing and fellowship among those interested and involved in thoroughbred horse racing;
- (g) to amalgamate, co-operate, affiliate or appoint representatives and enter into arrangements with any other club or body whether incorporated or unincorporated having objects wholly or in part similar to those of the Club;
- (h) to promote the breeding of Thoroughbred horses;
- (i) to foster, encourage and promote persons to become members of the Club and to provide facilities for such members;
- (j) to do all lawful things as are incidental or conducive to attaining the above purposes, including undertaking activities, whether extraneous or like, to provide revenue for the attainment of the above purposes;
- (k) to obtain and renew all necessary licences and authorities for the above purposes.

4. **BY-LAWS**

4.1 **Subject matter**

The Board may from time to time by resolution passed by an absolute majority (subject to any provisions of this constitution) make such By-Laws as it may think fit for the better conduct of the Club and without limiting the generality of the foregoing, may make By-Laws in respect of:

- (a) **Entrance Fee and Annual Subscription:** Prescribing and altering the entrance fee and annual subscription for all classes of members and privileges of all classes or members.
- (b) **Benefits of Membership:** Prescribing the benefits and entitlements associated with the various categories of membership consistent with this constitution.
- (c) **Access:** Delineating and prescribing areas of any racecourse owned or occupied by the Club which may be available for use by members and the Board and the times of such availability.
- (d) **Tickets:** Controlling the issue of tickets in respect of race meetings conducted by the Club.
- (e) **Terms of admission:** Setting the terms and conditions upon which members of the public may be admitted to race meetings.
- (f) **Officers:** Appointing and controlling officers and stewards of the Club and all matters incidental to their duties.
- (g) **Election of Board:** Specifying the procedures for the conduct of the postal ballot for the election of members of the Board.
- (h) **Board proceedings:** Regulating the proceedings of the Board; and
- (i) **Race meetings:** Subject to the directions of Racing NSW and the Rules of Racing, regulating all matters concerning or connected with the holding of race meetings and the conduct thereof.

4.2 **Operation of By-Laws**

- (a) The By-Laws are binding on members to the extent that they document the exercise of the powers granted to the Board by the Constitution.
- (b) The By-Laws made by the Board pursuant to sub-clauses 4.1(d), (e) and (i) are contractually binding on members of the public to the extent that they form part of the terms and conditions applying to benefits or services offered by the Club to members of the public where there has been acceptance of such benefits or services.

4.3 **Recording**

- (a) Every By-Law must be signed by the Chair and entered in a book to be kept solely for the purpose.
- (b) An up-dated record of the By-Laws may be published by the Board as often as is reasonably necessary to ensure that the current By-Laws of the Club are available to all persons requesting a copy of them.

5. **CATEGORIES OF MEMBERSHIP**

5.1 **Categories**

Membership of the Club consists of:

- (a) Full Members;
- (b) Life Members;
- (c) Honorary Members;
- (d) Corporate members; and
- (e) Such other classes of membership as the Board may from time to time determine.

5.2 **Full Members**

- (a) Subject always to Clause 6, any natural person having reached majority may apply in the manner set out in Clause 6 to be admitted as a Full Member.
- (b) Natural persons admitted as Full Members are entitled upon payment of the Entrance Fee and the Annual Subscription to all of the benefits of membership, including but not limited to:
 - (i) the rights set out in the By-laws in respect of Full members; and
 - (ii) the right to attend, speak and vote at General Meetings provided those full members elected as members after the date of the 2015 Annual General Meeting shall not have the right to participate in, stand for election or vote in the election of Board Members until they have been members of the club for a continuous period of 1 year.

5.3 **Life Members**

- (a) Any Member who in the opinion of the Board has rendered distinguished service to the Club may be elected as a Life Member of the Club by a majority of the Members present at a General Meeting of the Club.
- (b) Persons elected as Life members are entitled to all of the benefits afforded to Full Members, including but not limited to the right to attend, speak and vote at General Meetings.
- (c) Persons elected as Life members are not liable to pay the Entrance Fee or the Annual Subscription.

5.4 **Honorary members**

- (a) The board may elect any person as an honorary member of the Club.
- (b) The following provisions apply to persons elected to Honorary Membership:
 - (i) their rights and entitlements are as determined from time to time by the Board;
 - (ii) their number is as determined from time to time by the Board;
 - (iii) they are bound by this constitution and the By-Laws save as otherwise provided by this Clause 5.4;
 - (iv) they are not entitled to attend or vote at any general Meeting; and
 - (v) they are not liable to pay any Entrance Fee or Annual Subscription.

5.5 **Corporate Membership**

- (a) The Board may grant Corporate Membership to any corporation, partnership or business entity in its discretion.
- (b) Corporate Membership does not include any entitlement to receive notices of, or to attend, speak or vote at, General Meetings.
- (c) The amounts payable by, and benefits available to, Corporate members are as specified in the by-Laws.

6. **MEMBERSHIP, ENTRY FEES AND SUBSCRIPTION**

6.1 **First Members Under This Constitution**

The members pursuant to the previous Memorandum and Articles of Association as at the Effective Date are the members of the Club and in the case of each Member in such category of Membership as is most consistent with his or her category of membership under the Previous Rules provided that, in the case of doubt, the category of Membership of any members under this Constitution are as specified by the Board.

6.2 **Eligibility**

A person who applies and is approved for Membership as provided in this Constitution is eligible to be a Member of the Club on payment of the Entrance Fee and Annual Subscription payable under this Constitution and in accordance with the By-Laws.

6.3 **Application for Membership**

- (a) An application of a person for membership of the Club must:
 - (i) be made in writing, by facsimile or electronically in the form as approved by the Board from time to time;
 - (ii) be lodged with the Chief Executive of the Club.

- (b) As soon as practicable after the receipt of an application for Membership:
 - (i) the Chief Executive must refer the application to the Board; and
 - (ii) the Board must determine whether to approve or reject the application.

6.4 Grant of benefits pending approval or rejection of application

- (a) Provided that the amount of the relevant Entrance Fee and Annual Subscription is paid at the time of lodging the application for Membership, an applicant may enjoy the benefit of Membership (not including the right to vote at a General Meeting) pending the approval or rejection of the application.
- (b) The amounts paid with the application must be repaid to the applicant if the application is rejected.

6.5 Approval of application

- (a) If the Board approves an application for Membership, the Chief Executive must, as soon as practicable:
 - (i) notify the applicant in writing, by facsimile or electronically of the approval for Membership and unless already paid, request payment within 28 days after receipt of the notification of the Entrance Fee and the first year's Annual Subscription.
- (b) The Chief Executive must, upon receipt of the amounts referred to in sub-clause 6.5(a), enter the applicant's name in the Register of Members.

6.6 Rejection of application

If the Board rejects an application, the Chief Executive must, as soon as practicable, notify the applicant in writing that the application has been rejected.

6.7 Entitlements to benefits

An applicant for membership become a Member and is entitled to exercise the rights of Membership when his or her name is entered in the Register of Members.

6.8 Membership not transferable

A right, privilege or obligation of a person by reason of being a Member:

- (a) is not capable of being transferred or transmitted to another person; and
- (b) terminates upon the cessation of Membership whether by death, resignation, expulsion, or otherwise.

6.9 Entrance Fee and Annual Subscription

- (a) The entrance fee is the amount specified by the Board from time to time.
- (b) The Annual Subscription:

- (i) is the amount determined by the Board from time to time (including any pro-rata amount as may be determined by the Board in respect of a period of less than a full year); and
- (ii) is payable in advance on such date (if any) as determined by the Board.

6.10 Re-admission of former Members

Any former Member must, upon being again elected to membership by the Board be admitted to the appropriate category of membership as the Board may resolve upon payment of:

- (a) the Re-entrance Fee (if any) as determined by the Board; and
- (b) the relevant Annual Subscription as determined by the Board.
- (c) Any such re-admitted member shall be subject to the restriction on participating in, standing for election or voting on the election of the Board provided for in Clause 5 2(b) (ii) hereof.

6.11 Members to provide address

A person in all categories of membership must communicate their address and may communicate their facsimile number and electronic address from time to time to the Chief Executive who must register the same in the Register of Members.

7. REGISTER OF MEMBERS

7.1 Chief Executive to keep

The Chief Executive must keep and maintain a Register of Members in which must be entered:

- (a) the full name, address and date of entry of the name of each Member; and
- (b) the dates on which the person becomes and ceased to be a Member.

8. CEASING MEMBERSHIP

8.1 Failure to pay fees

Subject to any extension which the Board may grant, a member automatically ceases to be a Member if the Entrance Fee or Annual Subscription remains unpaid after 2 months of the due date for payment.

8.2 Disqualification or warning-off

The Board may suspend or terminate the membership of a Member if the member is disqualified or warned-off under the Rules of Racing by the Board or Stewards of the Club or of any Principal Club under the Rules of Racing.

8.3 **Resignation**

A member of the Club who has paid all moneys due and payable as a Member may resign from Membership by giving notice in writing to the Chief Executive of his or her intention to resign.

8.4 **Deletion from Register of Members**

Upon a person ceasing to be a Member, the Chief Executive must:

- (a) strike the person's name from the Register of Members; and
- (b) record in the Register of Members the date of which the person ceased to be a Member.

8.5 **No further right or claim**

Every person ceasing to be a Member whether by resignation, expulsion, death, neglecting to pay the Annual Subscription or otherwise, automatically forfeits all rights in respect of or and any claim upon the Club arising by reason of their status as a Member.

9. **DISCIPLINE, SUSPENSION AND EXPULSION OF MEMBERS**

9.1 **Board's authority**

Subject to these Rules, the Board may:

- (a) reprimand a Member;
- (b) fine a Member the sum as may be determined by the Board;
- (c) suspend the member from the privileges of membership for a period not exceeding one year;
- (d) impose both the penalties in clauses 9.1(b) and 9.1(c); or
- (e) expel a Member (provided that the Board may if it thinks fit offer such Member the opportunity to resign his or her membership of the Club), if the Board is of the opinion that a Member is or has been:
 - (i) in breach of or default under these Rules;
 - (ii) in default of payment of any stake or bet;
 - (iii) guilty of improper conduct or unseemly behaviour at any race meeting of the Club or any official function held by the Club;
 - (iv) guilty of such conduct or action that is unduly prejudicial to or subversive of the purposes or authority of the Club;
 - (v) convicted of any serious criminal offence;
 - (vi) guilty of conduct unbecoming of a Member;

- (vii) guilty of conduct prejudicial to the interests or welfare of the Club;
- (viii) guilty of a breach of the Rules of Racing; or
- (ix) not a fit and proper person to be a Member.

9.2 **Board resolution**

A resolution of the Board in exercise of the power under clause 9.1:

- (a) may be passed only at a meeting held in accordance with clause 9.3; and
- (b) must, if the resolution of the Board is that the member should be expelled, be passed by an Absolute Majority;

9.3 **Holding of Board meeting**

A meeting of the Board to exercise the power under Clause 9.1 must be held not earlier than 14 days, and not later than 28 days, after notice has been given to the Member in accordance with Clause 9.4.

9.4 **Notice**

For the purposes of giving notice in accordance with Clause 9.3, the Chief Executive must, as soon as practicable, cause to be given to the Member a written notice:

- (a) setting out the allegation and advising the Member that disciplinary action may be taken and providing the Member with a copy of this Clause 9;
- (b) stating that the Member, or his or her representative, may address the Board at a meeting to be held not earlier than 14 days and not later than 28 days after the notice has been given to that Member;
- (d) stating the date, place and time of that meeting;
- (e) informing the member that he or she may do one or both of the following:
 - (i) attend that meeting;
 - (ii) give to the Board before the date of that meeting a written statement as to the matters in the allegation and as to any disciplinary action which the Board might consider.

9.5 **Procedure of Board meeting**

At a meeting of the Board to consider a proposed resolution under Clause 9.3 the Board must:

- (a) give the Member, or his or her representative, an opportunity to be heard provided legal representation shall be at the discretion of the Board; and
- (b) give due consideration to any written statement submitted by the Member; and
- (c) pass or not pass the resolution.

10. **ANNUAL GENERAL MEETINGS**

10.1 **Board to convene Annual General Meetings**

The Board must convene an Annual General Meeting of the members at least once a year at a date and place and time selected by the Board but no later than five (5) months from the end of the financial year.

10.2 **Ordinary business of Annual General Meetings**

The ordinary business of an Annual General Meeting is to:

- (a) confirm the minutes of the previous Annual general Meeting and of any special General Meeting held since that meeting;
- (b) receive from the Board reports upon the transactions of the Club during the last preceding Financial Year;
- (c) if necessary to draw lots to finalise Board positions and to declare the election of members of the Board; and
- (d) to appoint the Auditor of the Club.

10.3 **Other business of Annual General Meetings**

The Annual General Meeting may conduct:

- (a) any Special business of which notice has been given in accordance with this Constitution; and
- (b) any other business designated by the Board or business which under the constitution or by the provisions of the Act ought to be or may be transacted at an Annual General Meeting.

10.4 **Members' right to ask questions and make comments at Annual General Meetings**

The chair of an Annual general Meeting must allow a reasonable opportunity for the members at the annual General Meeting to:

- (a) ask questions about or make comments on the affairs and activities of the Club; and
- (b) if the Club's auditor or their representative is present at the meeting ask the Club's auditor or their representative questions relevant to the conduct of the audit and the preparation of the audit report.

10.5 **Members' right to appoint a proxy at any General Meeting**

A member of the Club who is entitled to attend and vote at a meeting of the Club's members may appoint a person as the members proxy to attend and vote for the member at the meeting. Proxies shall be in the form approved and shall be submitted to the Club no later than 48 hours prior to the General Meeting.

11. **SPECIAL GENERAL MEETINGS**

11.1 **Authority to hold Special General Meetings**

In addition to the Annual general Meeting, any other General Meetings may be held in the same year.

11.2 **Designation of Special General Meetings**

All General Meetings other than the Annual general Meeting are Special General Meetings.

11.3 **Board may convene Special General Meeting**

The Board may convene a Special General Meeting of the Club whenever it thinks fit.

11.4 **Members may requisition a Special General Meeting**

- (a) The Board must, on the request in writing of Voting members representing not less than five per cent (5%) of the total number of Voting Members, convene a Special General Meeting of the Club.
- (b) The request for a Special General Meeting must:
 - (i) state the objects of the meeting; and
 - (ii) be signed by the Voting Members requesting the meeting; and
 - (iii) be sent to the address of the Office; and
 - (iv) may consist of several documents in a like form, each signed by one or more of the Voting Members making the requisition.
 - (v) if the Board does not cause a Special General Meeting to be held within two months after the date on which the request is sent to the address of the Office, the Voting Members making the request, or any of them, may convene a Special General meeting to be held not later than one month after that date.
 - (vi) if a Special General Meeting is convened by Voting Members in accordance with this clause 11.4, it must be convened in the same manner so far as possible as a General Meeting convened by the Board, and all reasonable expenses incurred in convening the Special General meeting must be refunded by the Club to the person incurring the expenses.

12. **SPECIAL BUSINESS**

- (a) All business that is conducted at a Special General Meeting and all business that is conducted at the Annual General Meeting, except for business conducted under the Rules as ordinary business of the Annual General Meeting, is deemed to be Special business.
- (b) (i) Voting members representing not less than five per cent (5%) of the total number of voting members may request, not less than two (2) months

prior to the date set for the Annual General Meeting that a resolution or resolutions be placed on the agenda for the annual meeting. Any such resolution shall be deemed special business.

- (ii) The request for such special business shall set out the proposed resolution or resolutions, in writing, and shall comply with the provisions of 11.4(b)(i) to (iv) of this Constitution.

13. NOTICE OF GENERAL MEETINGS

13.1 Chief Executive to give notice

The Chief Executive of the Club must cause to be sent to each Member and to the Club's auditor a notice of each General Meeting.

13.2 Notice period for convening General Meetings

Not less than 21 days' notice in writing of a General Meeting must be given to the Members.

13.3 Contents of Notice

A notice of a General Meeting must specify:

- (a) the place, day and hour of meeting;
- (b) in the case of Special Business, the general nature of that business;
- (c) in the case of an election of members of the Board the names of the candidates together with any information about such candidates as may be approved by the Board;
- (d) in the case of an Annual General Meeting that the meeting is the Annual General Meeting.

13.4 Limitation on business

No business other than set out in the notice convening the General Meeting may be conducted at the meeting.

13.5 Failure to give notice

The accidental omission to give notice of any General Meeting to, or the non-receipt of any such notice, by any of the Members does not invalidate any resolution passed at any such meeting.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 Quorum for General Meeting

Ten (10) Voting Members personally present (being Members entitled under the Rules to vote at a General Meeting) constitute a quorum for the conduct of business of a General Meeting.

14.2 **Absence of quorum**

No item of business may be conducted at a General Meeting unless a quorum of Voting Members entitled under these Rules to vote is present at the time when the meeting is considering that item.

14.3 **If quorum absent**

If within half an hour from the appointed time for the commencement of a General Meeting a quorum is not present:

- (a) in the case of a meeting convened upon the request of Voting Members – the meeting must be dissolved;
- (b) in any other case – the meeting stands adjourned to such other day, time and place as the Board may by notice to the Members appoint.

14.4 **Dissolution of adjourned General Meeting if quorum absent**

If at the adjourned General Meeting a quorum is not present within half an hour after the time appointed for the commencement of the meeting, then the meeting must be dissolved.

15. **PRESIDING AT GENERAL MEETINGS**

- (a) The Chair, or in his or her absence, the Deputy Chair, may preside as chair at every General Meeting of the Club.
- (b) If there is no Chair or Deputy Chair, or if at any General Meeting neither the Chair nor the Deputy Chair are present at the time appointed for holding the meeting or are unwilling to act, the Voting Members present must choose one of their number to be Chair of the General Meeting.

16. **ADJOURNMENT OF GENERAL MEETINGS**

16.1 **Authority to adjourn**

The Chair presiding may, with the consent of a majority of Voting Members present at the General Meeting entitled to vote at the meeting, adjourn the meeting from time to time and place to place.

16.2 **Business which may be conducted.**

No business may be conducted at an adjourned General Meeting other than the unfinished business from the General Meeting that was adjourned.

16.3 **Notice of adjourned meeting**

- (a) If a General Meeting is adjourned for 14 days or more, notice of the adjourned General Meeting must be given in accordance with clause 13.
- (b) Except as provided in sub-clause 16.3(a), it is not necessary to give notice of an adjournment or of the business to be conducted at an adjourned General Meeting.

17. **VOTING AT GENERAL MEETINGS**

17.1 **Number of votes**

Upon any question arising at a General Meeting (whether on a show of hands or on a Poll) every Voting Member entitled to vote under the Rules has one vote only.

17.2 **Chair to have casting vote**

In the case of an equality of voting on a question, the Chair of the General Meeting may (in his or her discretion) exercise a second or casting vote.

17.3 **Member must be financial to vote**

A Member is not entitled to vote at a General Meeting unless all moneys due and payable by the Member to the Club have been paid.

17.4 **Chair to determine disputes re votes**

In the case of any dispute as to the admission or rejection of a vote the chair of the General Meeting may determine the dispute and such determination made in good faith shall be conclusive.

17.5 **Objections to qualification to vote**

No objection may be raised to the qualification of any Voting Member to vote except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered and every vote not disallowed at such General Meeting shall be valid for all purposes. Any such objection made in due time is referred to the chair of the meeting whose decision made in good faith shall be conclusive.

17.6 **Voting: show of hands or Poll**

At any General Meeting a resolution put to the vote of the meeting must be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a Poll is demanded:

- (a) by the Chair; or
- (b) by at least ten (10) Voting Members, present in person, having the right to vote at the meeting.

18. **POLL AT GENERAL MEETINGS**

18.1 **Conduct of Poll**

- (a) If at a General Meeting a Poll on any question is demanded by not less than ten (10) Voting Members, it must (subject to sub-clause 18.1(b) and (c)) be taken in such manner and at such time and place as the Chair of the General Meeting directs, and either at once or after an interval or adjournment or otherwise. The result of the Poll is deemed to be the resolution of the General Meeting at which the Poll was demanded.
- (b) A Poll demanded on the election of a Chair of a General Meeting or on the question of the adjournment must be taken immediately and a Poll that is

demand on any other question must be taken at such time before the close of the meeting as the Chair may direct.

- (c) The demand for a Poll may be withdrawn.

18.2 **Continuation of meeting notwithstanding Poll**

The demand for a Poll does not prevent the continuance of the meeting or the transaction of any business other than the question on which a Poll has been demanded.

19. **MANNER OF DETERMINING WHETHER RESOLUTION CARRIED AT A GENERAL MEETING**

19.1 **Questions decided by majority**

A resolution at a General Meeting (other than a Special Resolution) is carried if a majority of votes are cast in favour.

Vote on show of hands

19.2 If a question arising at a General Meeting of the Club is determined on a show of hands:

- (a) a declaration by the Chair that a resolution has been:

- (i) carried; or
- (ii) carried unanimously; or
- (iii) carried by a particular majority; or
- (iv) lost; and

- (b) an entry to that effect in the minute book of the Club;

is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

20. **BOARD**

20.1 The existing Board of 7 members holding office on the day of the Annual General Meeting in the year 2015 is the Board that are members of the Board and the Chair, Deputy Chair and Treasurer and the Chair and members of all sub-committees are the persons holding the equivalent office on that day.

20.2 The Board members whose terms of appointment have expired shall retire at each Annual General Meeting. The equivalent number of voting members must be elected at that meeting as members of the Board in lieu of the retired Board members in accordance with the constitution for a term of 3 years. The annual rotation of Board Members shall continue at each Annual General Meeting. Retiring Board Members shall be eligible for re-election.

20.4 **Vacancies**

The office of a member of the Board becomes vacant if he or she:

- (a) ceases to be a Member;
- (b) becomes an insolvent under administration within the meaning of the Corporations Law;
- (c) becomes an employee of the Club;
- (d) without the approval of the Board is absent from four (4) consecutive meetings of the Board or a total of four (4) in a Financial Year;
- (e) resigns from office by notice in writing given to the Chief Executive;

20.5 **Removal by the Board**

20.5.1 **Misconduct**

Subject to Rule 20.5.2, if the conduct or position of any member of the Board is such that his or her continuance in office appears to a majority of the other members of the Board to be prejudicial to the interests of the Club

- (a) a majority of the Board at a meeting of the Board specially convened for that purpose may suspend such member and invite such member to resign;
- (b) if the member refuses or neglects to resign the Board must within 28 days thereafter proceed to call a General Meeting at which the Voting Members may, if they think fit and by ordinary resolution;
 - (i) confirm such a suspension and remove such member of the Board from office; or
 - (ii) annul such suspension and reinstate such member of the Board in his or her office.
- (c) for the purposes of the Board meeting referred to in 20.5.1(a), the Chief Executive must cause to be given to the Board member against whom misconduct is alleged, a written notice:
 - (i) setting out the allegation and advising the Member that the Board may vote to suspend or remove such member of the Board from office;
 - (ii) stating that the Board member may address the Board at a Board meeting to be held not earlier than 14 days after the notice has been given to the Member; and
 - (iii) stating the date, place and time of that meeting.

20.5.2 **Protection of Club's licences**

The office of a member of the Board may at the discretion of the Board become vacant if, in the reasonable opinion of the Board, that person's continuing to hold office as a member of the Board prejudices or may be likely to prejudice any essential licence held by the Club.

20.6 **Removal by General Meeting**

The Club in General Meeting may, by resolution, remove any member of the Board before the expiration of the member's term of office and appoint another Member of the Club who is eligible for election under clause 21.2 in his or her place to hold office until the expiration of the term of the removed Board Member.

20.7 **Casual Vacancies**

- (a) In the event of a Casual Vacancy occurring in the office of a member of the Board, the Board may in its sole discretion:
 - (i) appoint a Voting Member who is eligible for election under clause 21.2 to fill the vacancy; or
 - (ii) convene a Special General Meeting and call for nominations for the purpose of the election of a Voting Member to fill the vacancy, in which case the provisions of clause 21 shall apply as far as possible but with necessary modifications to such an election.
- (b) a Voting Member appointed or elected as a member of the Board pursuant to the preceding sub-clause 20.7(a) holds office, subject to these Rules, until the time that the term of office of the member of the Board whose vacation of office created the Casual Vacancy would have ended but for the vacation of office.

21. **ELECTION OF BOARD MEMBERS**

21.1 **Elections**

Board Members whose terms of appointment have expired shall retire and an election for Board shall occur in accordance with the provisions of Clause 20(2) hereof.

21.2 **Eligibility**

A person may be nominated for election, elected, appointed or serve as a member of the Board only if:

- (a) the person is a Voting Member; and
- (b) the person is not:
 - (i) an employee of the Club; or
 - (ii) the auditor, or a director, partner, officer or employee of the auditor, of the Club; or
 - (iii) a person licensed by Racing NSW or a person employed by anyone licensed by Racing NSW.

21.3 **Nomination of candidates**

Nominations of candidates for election as members of the Board must be:

- (a) made in writing, signed by two Voting Members of the Club and accompanied by the written consent of the candidate (which may be endorsed on the form of nomination); and
- (b) delivered to the Chief Executive of the Club not less than 28 days before the date fixed for the holding of the Annual General Meeting or Special General Meeting or date as may be determined by the Board from time to time.

21.4 Election of Candidates

- (a) If insufficient nominations are received to fill all vacancies on the Board, the candidates validly nominated are deemed to be elected and further nominations may be received at the Annual General Meeting or Special General Meeting.
- (b) If the number of nominations received is equal to the number of vacancies to be filled, the candidates validly nominated are deemed to be elected.
- (c) If the number of nominations exceeds the number of vacancies to be filled, then a ballot by postal vote shall be taken as provided by the Board and the ballot shall be counted by the Returning Officer.

21.5. Conduct of Postal Vote

- (a) A Postal Vote if required for the election of the Board is to be conducted in accordance with the by-laws or in the absence of such by-laws in the manner as the Board determines.

22. POWERS AND FUNCTIONS OF THE BOARD

22.1 Board to have powers of the Club

- (a) The management of the business of the Club is vested in the Board.
- (b) The Board may exercise all such powers and do all such acts and things as the Club is authorised or permitted to exercise and do except such powers, acts or things which by statute or this Constitution must be exercised or done by the Club in the General Meeting.

22.2 Functions of the Board

Without limiting the generality of clause 22.1, but subject to this Constitution and the Act, the Board

- (a) has control and management of the business and affairs of the Club; and
- (b) has power to exercise all such powers and functions as may be exercised by the Club other than those powers and functions that are required by this Constitution to be exercised by General Meetings of the Members of the Club; and
- (c) has power to perform all such acts and things as appear to the Board to be necessary or desirable for the proper management of the business and affairs of the Club; and

- (d) has power to borrow money, to charge any property or business of the Club or give any security for a debt, liability or obligation of the Club or of any other person.

22.3 **Delegation to the Chief Executive**

The Board may:

- (a) delegate to the Chief Executive any of the powers and functions that the Board can exercise; and
- (b) revoke or vary a delegation of powers and functions to the Chief Executive.

22.4 **Delegation to Executive Sub-Committee**

There shall be constituted an Executive Sub-Committee comprising the Chair, the Deputy Chair and Treasurer which Sub-Committee shall have the power to make any decision or pass any resolution that the full Board might otherwise have made or passed if in their reasonable opinion it is impracticable to call for a meeting of the full Board by reason of time constraints.

23. **PROCEEDINGS OF THE BOARD**

23.1 **Meetings of the Board**

- (a) The Board must meet as often as is necessary for the good governance of the Club but not less than ten (10) times or such lesser number of times as the Board may decide in each Financial Year.
- (b) The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (c) Meetings of the Board may be convened by the Chair or by any member of the Board and the Chief Executive must, on the written request of a member of the Board, convene a meeting of the Board.

23.2 **Quorum for Board meetings**

- (a) A quorum for a meeting of the Board is the presence in person of a majority of the members of the Board at the time.
- (b) A member of the Board who has a Material Personal Interest in a contract, proposed contract, issue or matter within the meaning of Rule 24.3.4, hereof, must not be counted in a quorum in respect of consideration of that contract, proposed contract, issue or matter.
- (c) No business may be conducted unless a quorum is present.
- (d) If within half an hour of the time appointed for the meeting a quorum is not present, the meeting stands adjourned to the same place and the same time and day in the following week.

23.3 **Notice of meetings of the Board**

- (a) Written notice of each Board meeting must be given to each member of the Board at least three (3) days before the date of the meeting or such other period as the Board may decide from time to time.

- (b) Written notice must be given to members of the Board of any special meeting specifying the general nature of the business to be conducted and no other business may be conducted at such a meeting unless all members of the Board are present and agree to the conduct of such other business.

23.4 **Votes at meetings of the Board**

- (a) Questions arising at a meeting of the Board, or at a meeting of any sub-committee appointed by the Board, must be determined on a show of hands or, if a member of the Board requests, by a Poll taken in such manner as the person presiding at that meeting may determine.
- (b) Each member of the Board present at a meeting of the Board, or at a meeting of any sub-committee appointed by the Board (including the person presiding at the meeting) is entitled to one vote and, in the event of an equality of votes on any question, the person presiding may exercise a second or casting vote.

23.5 **Chair, Deputy Chair and Treasurer**

- (a) The Board must elect at the first Board meeting after each Annual General Meeting, a Chair, a Deputy Chair (who, in the absence of the Chair at a meeting of the Board, may exercise all the powers and authorities of the Chair) and a Treasurer.
- (b) If no Chair or Deputy Chair is elected or if at any meeting the Chair or Deputy Chair is not present within half an hour of the time appointed for holding the same, the members of the Board present may choose one of their number to be chair of such meeting.
- (b) The Chair, Deputy Chair and Treasurer hold office on an annual basis or until otherwise determined by the Board or until they cease to be members of the Board.

23.6 **Quorum empowered to exercise powers of Committee**

A meeting of the Board at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions by or under this Constitution for the time being vested in or exercisable by the Board.

23.7 **Sub-Committees of the Board**

- (a) The Board may delegate any of its powers to sub-committees consisting of such number of members of the Board and such other persons if any as the Board thinks fit and may from time to time revoke such delegation. Any sub-committee so formed must in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
- (c) The meetings and proceedings of any such sub-committee are governed as far as possible but with necessary modifications by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are not inconsistent with any By-Laws made by the Board.

23.8 **Defects in appointment or qualification of members of the Board**

All acts done at any meeting of the Board or of a sub-Committee of members of the Board or by any person acting as a member of the Board are as valid as if every such person or sub-Committee had been duly appointed and every member of the Board was qualified and entitled to vote notwithstanding that it may afterwards be discovered that there was some defect in the appointment of a member of the Board or of the sub-committee or of the person acting as aforesaid or that any member of the Board was disqualified or not entitled to vote.

23.9 **Conferring by electronic means**

Without limiting the discretion of the Board to regulate their meetings the Board may, if it thinks fit, confer by radio, telephone, closed circuit television or other electronic means of audio or audio-visual communication, and a resolution passed by such a conference is deemed to have been passed at a meeting of the Board held on the day on which and at the time at which the conference was held notwithstanding the Board Members are not present together in one place at the time of the conference. The provisions of these Rules relating to proceedings of the Board apply so far as they are capable of application and, as far as possible but with necessary modifications to such conferences.

23.10 **Circulating resolutions**

- (a) Provided that a proposed resolution is submitted in writing to all members of the Board entitled to receive notice of a meeting of the Board, approval of such a resolution by not less than the number of members of the Board required to constitute a quorum is as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- (b) The approval by members of the Board may be in writing or may be by telex, facsimile or electronic transmission to the Office, or may be oral and be communicated by telephone to the Chair. A statement in writing by the Chair that such an approval has been communicated to him or her shall be prima facie evidence thereof.

24. **DUTIES AND OBLIGATIONS OF MEMBERS OF THE BOARD**

24.1 **Care and diligence**

Each member of the Board must carefully and diligently attend to the performance of his or her duties and the exercise of his or her powers as a member of the Board.

24.2 **Proper purpose**

Each member of the Board must perform his or her duties and exercise his or her powers:

- (a) in good faith in the best interests of the Club and of its Members as a whole; and
- (b) for a proper purpose.

24.3 **Conflicts of interest**

24.3.1 **Primacy of Club interests:** Each member of the Board must at all times:

- (a) give primacy to the interests of the Club; and
- (b) not allow his or her personal interests, or the interests of any associated person, to conflict with those of the Club.

24.3.2 **Required Disclosure:** A member of the Board who has any Material Personal Interest in a contract, proposed contract or any other issue or matter must, as soon as he or she becomes aware of his or her interest, disclose the nature and extent of his or her interest to the Board.

24.3.3 **Voting:** A member of the Board who has any Material Personal Interest must not:

- (a) take part in any decision of the Board with respect to that contract, proposed contract or other issue or matter; or
- (b) take part in any deliberations with respect to that contract, proposed contract, issue or matter.

24.3.4 **Definition of “Material Personal Interest”:** A “Material Personal Interest” means any direct or indirect interest in:

- (a) any contract or proposed contract with the Club; or
- (b) any other issue or matter, other than an issue or matter in which the Board member’s interest is in common with a majority of Members of the Club.

24.4 **Use of information and position**

A member of the Board must not knowingly or recklessly:

- (a) **Information:** make improper use of information acquired by virtue of his or her position in the Club so as to gain, directly or indirectly, any pecuniary benefit or material advantage for himself or herself or any other person, or so as to cause a detriment to the Club; or
- (b) **Position:** make improper use of his or her position in the Club so as to gain, directly or indirectly, any pecuniary benefit or material advantage for himself or herself or any other person or so as to cause detriment to the Club.

25. **CHIEF EXECUTIVE**

25.1 **Appointment and removal of Chief Executive**

A Chief Executive may be appointed by the Board for such term and upon such terms and conditions as the Board in its absolute discretion may think fit and any Chief Executive so appointed may be removed by the Board.

25.2 **Acting Chief Executive**

The Board may also at any time appoint a person as an acting Chief Executive or as a temporary substitute for a Chief Executive who for the purposes of these Rules is deemed to be a Chief Executive.

25.3 Chief Executive to be Secretary

The Chief Executive may be appointed by the Board as the Secretary of the Club for the purposes of the Act.

25.4 Duties of the Chief Executive

The Chief Executive must:

- (a) keep minute of the resolutions and proceedings of each General Meeting and each meeting of the Board in books provided for that purpose;
- (b) keep a record of the names of persons present at General Meetings and at meetings of the Board;
- (c) keep the Register of Members;
- (d) carry on the general administration of the Club subject to the direction of the Board;
- (e) perform all powers and functions delegated to him or her by the Board;
- (f) discharge the duties of the Secretary under the Act;
- (g) advise the Board of the Club's responsibilities and obligations under all appropriate legislations, directions and rulings of Racing NSW and ensure the Club's compliance with its responsibilities and obligations thereunder; and
- (h) perform all such other duties and functions as are required by this Constitution and by the Board.

26. TREASURER

26.1 The Treasurer is responsible for the oversight of, and reporting to. the Board in relation to:

- (a) the collection and receipt of all moneys due to the Club and the making of all payments authorised by the Club; and
- (b) the keeping of correct accounting records, accounts and books in accordance with Rule 30.1 and the Act and otherwise showing the financial affairs of the Club with full details of all receipts and expenditure connected with activities of the Club.

27. LIQUOR LICENCE

27.1 No commissions or allowances

No officer or servant of the Club may be paid or receive any amount by way of commission or allowance from the receipts of the Club for the supply of liquor.

28. **MINUTES**

28.1 **Minutes of all proceedings to be kept**

The Board must cause minutes of the resolutions and proceedings of each General Meeting and each meeting of the Board (including sub-committees) together with a record of the names of persons present at meetings of the Board to be duly entered in books kept for the purpose in accordance with the requirements of the Act.

29. **THE SEAL**

- (a) The Board may provide a common seal for the Club and must provide for the safe custody of that seal.
- (b) The common seal must not be affixed to any instrument except by the authority of the Board or of a sub-committee of the Board authorised by the Board in that behalf.
- (c) Every instrument to which the Seal shall be affixed must, subject to any provisions contained in this clause 29 be signed by a member of the Board and shall be countersigned by the Chief Executive or by another member of the Board or by some other person appointed by the Board for the purpose.
- (d) The Club may execute a document without using the Common Seal if the document is signed by two (2) directors or one (1) director and the Chief Executive Officer.

30. **ACCOUNTS**

30.1 **Board to keep**

The Board must cause to be kept such accounting and other records as will correctly record and explain the transactions and financial position of the Club and must ensure that such records are kept in such manner as will enable the preparation from time to time of true and fair accounts of the Club and as will enable such accounts to be conveniently and properly audited.

30.2 **Audited financial statements to be laid before Annual General Meeting**

At the Annual General Meeting in every year the Board must lay before the Club the audited financial statements for the last Financial Year of the Club together with such other accounts, reports and statements as are required by the Act.

30.3 **Copy of financial statements to be sent**

A copy of every document which is by Rule 30.2 hereof required to be laid before each Annual General Meeting must either be sent to all persons entitled to receive notices of General Meetings with the notice of the Annual General Meeting or, be made available on the internet.

31. **FUNDS**

31.1 **Source**

The funds of the Club are to be derived from any such sources as the Board determines.

31.2 **Management**

The funds of the Club must be managed by the Chief Executive Officer, at the direction of , the Treasurer and the Board.

31.3 **Signing of cheques, etc.**

All cheques, drafts, bills of exchange, promissory notes and other negotiable instrument must be signed by the Chief Executive and the Treasurer or a Board Member or by two (2) Board Members or by any person or persons nominated by the Board from time to time. Any proposed payments, to be paid electronically, should be approved prior to payment as if a cheque were to be issued.

32. **CUSTODY AND INSPECTION OF BOOKS AND RECORDS**

32.1 **Chief Executive to have custody and control**

Except as otherwise provided in these Rules, the Chief Executive must keep in his or her custody or under his or her control all books, documents and securities of the Club.

32.2 **Access to records by members of the Board**

A member of the Board has a right to inspect and obtain a copy of all books, documents and securities of the Club for the purpose of the performance of his or her duties as a member of the Board.

33. **THE AUDITOR**

33.1 **Requirement for audit**

The Board must ensure that the accounts and financial statements of the Club for each Financial Year are audited by an external auditor appointed pursuant to clause 33.2.

33.2 **Appointment and removal**

The auditor of the Club:

- (a) subject to Rule 33.3, must be appointed by the Voting Members at the Annual General Meeting or, failing such appointment, by the Board; and
- (b) may be removed from office only by resignation or by the Voting Members at the Annual General Meeting.

33.3 **Eligibility for appointment**

A person may be appointed as the auditor of the Club only if the person:

- (a) has the qualifications specified from time to time by the Act; and
- (b) is not ineligible for appointment under the Act.

34. **ALTERATION OF THE CONSTITUTION**

This Constitution may not be altered except by special resolution in accordance with the Act.

35. **NOTICES**

35.1 **Method of service of notices**

Any notice, application, form, letter or any communication required to be in writing under this Constitution or the Act, may be served by the Club on any member, member of the Board or other person or by any other member upon the Club, member of the Board, another member or other person or by any other person on the Club or any member or member of the Board by any of the following methods:

- (a) by serving it upon the Club Member, member of the Board or other person personally;
- (b) by leaving it:
 - (i) in the case of a Member, at the Member's address as recorded in the Register of Members; or
 - (ii) in the case of a member of the Board or other person, at the Board member's or other person's address as most recently advised to the Club for the purpose of receiving notices from the Club;
 - (iii) In the case of the Club to the Club's registered office; or
- (c) by sending it by post in a letter, envelope or wrapper addressed:
 - (i) in the case of a Member, to the Member's address as recorded in the Register of Members; or
 - (ii) in the case of a member of the Board or other person, to the Board member's or other person's address as most recently advised to the Club for the purpose of receiving notices from the Club;
- (d) by sending it by facsimile transmission to a facsimile number of the Club or facsimile number nominated by the Member, member of the Board or other person for the purpose of receiving notices from the Club; or
- (e) by sending it to the electronic address of the Club or an electronic address nominated by the Member, member of the Board or other person for the purpose of receiving notices from the Club.

35.2 **Time of service by post**

Any notice sent by post is deemed to have been served on the day following that on which the letter, envelope or wrapper containing the same is posted as aforesaid and in proving such service it is sufficient to prove that the letter, envelope or wrapper containing the notice was properly addressed and put into the post office or other public postal receptacle. A certificate in writing signed by any member of the Board, Chief Executive or other officer of the Club that the letter, envelope or wrapper containing the notice was so addressed and posted is prima facie evidence thereof.

35.3 **Time of service by facsimile or electronic transmission**

Any notice sent by facsimile or electronic transmission is deemed to have been served on the day following that on which the facsimile or electronic message is transmitted and in proving such service it is sufficient to prove that the facsimile or electronic message was properly addressed and transmitted. A certificate in writing signed by any member of the Board, the Chief Executive or other officer of the Club that the facsimile was so addressed and transmitted is prima facie evidence thereof.

36. **DISPOSAL OF ASSETS**

36.1 **Income and property to be used solely for Club purposes**

The income and property of the Club must be used and applied solely in promotion of its purposes and the exercise of its powers as set out herein.

36.2 **Prohibition on payment of dividends, etc. to Members**

Without limiting the generality of clause 36.1, but subject to clause 36.3, no portion of the income or property of the Club may be distributed, paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to or amongst the Members.

36.3 **Permitted payments to Members**

Clause 36.2 does not prevent the payment in good faith of:

- (a) interest to any Member in respect of moneys advanced by him or her to the Club or otherwise owing by the Club to him or her;
- (b) remuneration to any officers or servants of the Club or to any Member or any other person in return for any services actually rendered to the Club;
- (c) reimbursements of out of pocket expenses incurred on behalf of the Club;
- (d) repayment of money lent to the Club;
- (e) reasonable and proper charges for goods hired by the Club;
- (f) reasonable and proper rent for Premises demised or let to the Club; or
- (g) any interest or dividend received by the Club as trustee for any person to such person.

36.4 **Disposal of assets on winding up**

If the Club is wound up in accordance with the provisions of the Act, and there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same must be given or transferred to some other thoroughbred racing club or clubs registered under the Rules of Racing pursuant to which Thoroughbred racing is conducted in NSW as sanctioned under legislation, having purposes similar to the purposes of the Club and which prohibits the distribution of its income and property amongst its or their Members to an extent at least as great as is imposed on the Club under or by virtue of this Rule, such Club or Clubs to be determined in accordance with a Special Resolution of the Voting Members or, in the absence of a Special Resolution of the Voting Members, by the Board of Racing NSW.

37. **INDEMNITY**

37.1 **Indemnity for legal costs**

Every member of the Board and officer of the Club must be indemnified out of the property of the Club against any liability incurred by him or her in their capacity as a member of the Board or officer in defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application in relation to any such proceedings in which relief is granted to him or her by the Court.

37.2 **Indemnity where no negligence, etc.**

Every member of the Board and officer of the Club must be indemnified out of the property of the Club against all costs, losses and expenses including travelling expenses incurred by him or her in his or her capacity as a member of the Board or officer by reason of any contract entered into or other act or thing properly done by him or her as a member of the Board or officer or in any way in the discharge of his or her duties unless the same arise from his or her own negligence, default, breach of duty or breach of trust and it is the duty of the Board to pay the same out of the funds of the Club.

37.3 **No liability for acts of others**

Unless the same arises from his or her own negligence, default, breach of duty or breach of trust, no member of the Board of the Club is liable for:

- (a) the acts, receipts, neglects or defaults of any other member of the Board or officer;
- (b) any loss or expense happening to the Club through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Club;
- (c) the insufficiency or deficiency of any security in or upon which any of the moneys of the Club shall be invested;
- (d) any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys, securities or effects are deposited;
- (e) any loss occasioned by any error of judgement on his or her part; or
- (f) any other loss, damage or misfortune which occurs in the execution of the duties of his or her office or in relation thereto.

38. **CONFIDENTIALITY**

38.1 **Obligation of confidentiality**

Subject only to this Constitution, every member of the Board, Chief Executive, Treasurer, auditor, trustee, member of a sub-Committee, agent, accountant or other officer of the Club, unless otherwise resolved by the Board is bound to observe confidentiality with respect to all transactions of the Club and all matters relating thereto.

38.2 **Exceptions**

The obligations of confidentiality under clause 38.1 do not apply to the extent that a disclosure of information is required by:

- (a) compulsion or obligation of law;
- (b) the Board;
- (c) the auditors for the time being;
- (d) a General Meeting of Members.

39. **HONORARIUM**

Notwithstanding anything else in these rules to the contrary, the Board may in its discretion, prescribe in the By-Laws, amounts payable to any of its officers or other members of the Board by way of an honorarium, such payment being intended to compensate for expenses (including intangibles) incurred or intended to be incurred in pursuing the objects of the Club and not otherwise.

40. **COMPANY LIMITED BY GUARANTEE**

The company is a company limited by Guarantee and accordingly the following provisions apply:

- (a) the number of Members shall be unlimited; and
- (b) the liability of Members is limited to the extent provided for in clause 41.

41. **UNDERTAKING BY MEMBERS**

Every Member undertakes to contribute to the assets of the Club in the event of it being wound up or within one year afterwards for payment of the debts and liabilities of the Club contracted before the time at which the Members cease to be a member and of the costs, charges and expenses of winding up the Club and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding two dollars.

42. **CONSTITUTION**

42.1 **Effect of the Constitution**

This Constitution has effect as a contract:

- (a) between the Club and each Member
- (b) between the Club and each Board Member and Chief Executive
- (c) between a Member and each other Member.

43. **RELATIONSHIP TO THE ACT**

This Constitution is subject to the Act and where there is an inconsistency between a provision in this Constitution and the Act, the Act shall prevail to the extent of the inconsistency.