

RULES

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RULES

Interpretation

1. (i) In these rules, unless the context otherwise requires:-
 - "Month" means calendar month;
 - "Prescribed" means prescribed by the Ordinance or any Regulation made under the Ordinance;
 - "The Board" means the board of the Society constituted in accordance with these Rules;
 - "The Ordinance" means the Co-operative Societies Ordinance 1939-1973 or any amendment thereof;
 - "The Registrar" means the Registrar of Co-operative Societies;
 - "The Society" means the Urambi Co-operative Traders Limited.
- (ii) Expressions used have the same meaning as those ascribed to them by the Ordinance, words in the singular include the plural and vice versa and words importing the masculine gender include females.
2. The liability of a member of the Society is limited to the amount, if any, unpaid on shares held by him together with any charges payable by him to the Society under these Rules.

Name

3. The name of the Society shall be Urambi Co-operative Traders Limited.

Registered Office

4. The registered office of the Society shall be at Canberra or at such other place in the Australian Capital Territory as the Board may determine from time to time.

Objects

5. The objects of the Society shall be:-
 - (a) To carry on in the Territory the business of

- purchasing sale and distribution of consumer goods.
- (b) To acquire and distribute information as to the markets of the world and as to co-operative trading in general.
 - (c) To establish agencies in the Territory and elsewhere for any object of the Society.
 - (d) To do all such other things calculated to promote the economic interest of its members in relation to the objects mentioned as are prescribed.

Powers

6. The Society shall have the power to do all things authorised or permitted by or under the Ordinance as incidental to its objects and without limiting the generality of the foregoing it shall have the power to do the following:-
- (a) To make advances to its members against products delivered to the Society.
 - (b) Subject to Section 36 of the Ordinance to raise money on loan for any of the objects of the Society provided that at no time shall the amount owed by the Society exceed the sum of Five thousand dollars (\$5,000.00).
 - (c) To receive money on deposit.
 - (d) To acquire shares in any other co-operative society.
 - (e) To make advances to any other co-operative society.
 - (f) To enter into contracts for the purchase of wholesale or retail goods.
 - (g) To acquire by lease or purchase premises from which the business can be operated and to employ persons to operate the business.

Seal

7. The device of the Seal of the Society shall be the name of the Society within two concentric circles and encircling the word "Seal".

The Seal shall be kept at the registered office of the Society in such custody as the Board shall direct. The Seal of the Society shall not be affixed to any instrument

except by the authority of a resolution of the Board or of a general meeting and shall be attested by the signatures of two directors and of the secretary or such other person as the Board may appoint for the purpose.

Membership

8. Application for membership or for additional shares shall be made in writing in or to the effect of a form approved by the Board and shall state the number of shares applied for and shall be accompanied by a subscription of the nominal amount of each share as prescribed in Rule 19(a).
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9. Upon approval of the application the shares applied for shall be allotted and the applicant's name shall be entered in the proper books of the Society. He shall be notified of such allotment upon which he shall be entitled to the privileges of membership.
10. Any balance unpaid in respect of shares at the time of allotment shall be paid by periodic subscriptions or by instalments or otherwise as authorised in any instance by the Board. Shares may be paid for in full on application or at any time subsequently.
11. The Board may in its discretion allow suspension of the periodic subscription by a member or make such other arrangements as it deems fit for the payment of any unpaid balance on the shares of a member.
12. Where shares are held on trust for any other body or any person the trustee or trustees jointly who are registered as members of the Society shall for all purposes of the Society be regarded as the members thereof.
13. If an application for membership or additional shares be not approved the amount lodged in respect thereof shall be returned to the applicant without interest.
14. The Board may accept or reject an application for membership or for additional shares and need not assign any reason for its action.
15. When a member changes his address he shall send notice

thereof in writing to the Society at the registered office within seven days and the new address shall be entered forthwith in the register. Any member who neglects to give such notice shall be liable to a fine of Ten cents (10¢).

16. Each member shall be entitled to one copy of the rules without charge and for any extra copy he shall be charged such amount as specified in Rule 110.

Ceasing Membership

17. A person shall cease to be a member in any of the circumstances set out in Section 21(4) of the Ordinance and, in addition, in the case of a corporate body, where the corporate body is dissolved.

Expulsion of Members

18. (i) A member may be expelled from the Society by special resolution to the effect:-
- (a) that he has failed to discharge his obligations to the Society, whether prescribed by these Rules or arising out of any contract;
 - (b) that he has been guilty of conduct detrimental to the Society.

In either case written notice of the proposed resolution shall be forwarded to the member fourteen days before the date of the meeting at which the special resolution is to be moved, and he shall be given an opportunity of being heard at the meeting.

- (ii) The shares of any member expelled shall be cancelled as at the date of expulsion and the cancellation shall be noted in the register of shares. The Society shall however pay to the expelled member the amount of capital paid up on his shares at the time of expulsion unless the accounts of the Society disclose a deficiency.

For the purpose of this rule "deficiency" shall mean the amount of loss or deficiency shown in the last preceding balance sheet of the Society. Where such a deficiency exists there shall be deducted from

the amount of capital paid up on the shares of the expelled member the proportion of the loss or deficiency appropriate having regard to the number of such shares in relation to the number of shares in the Society.

- (iii) Payment to such expelled member shall be made at such time as shall be determined by the Board in its discretion but not later than twelve months from the date of expulsion.
- (iv) Upon expulsion the relevant shares shall be cancelled.
- (v) No expelled member shall be re-admitted except by special resolution.

A member so re-admitted shall not have restored to him any shares which were cancelled on his expulsion.

For the purpose of this rule the value of net assets shall be taken from the value of the assets and liabilities disclosed in the last balance sheet of the Society.

Death or Bankruptcy of Member

- 19. On the death of a member the Board shall deal with the share or interest of that member in the manner set forth in Section 29 of the Ordinance.
- 20. The value of the share or interest of a deceased member shall be determined by the Board, subject to the provisions of the Ordinance.
- 21. In the event of a member becoming bankrupt or assigning his estate for the benefit of his creditors, the Board may deal with the share or interest of that member in such manner as it shall think fit, subject to the provisions of the Ordinance and of any bankruptcy legislation which shall then be in force.

Capital and Shares

- 22. (a) The capital of the Society shall be raised by the issue of shares which shall be of one class, all ranking equally, and be of the nominal value of Two (\$2.00) dollars each.

The capital shall vary in amount according to the

nominal value of shares from time to time subscribed. Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of Fifty dollars (\$50.00) nor shall any member hold more than one-fifth of the shares of the Society.

- (b) The shares of the Society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever within the meaning of the Income Tax Assessment Act 1936-1974 of the Commonwealth of Australia or any amendment thereof.

Repayment of Share Capital

23. (a) The Society may in accordance with Section 27 of the Ordinance repay to a member, with his consent, the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the Society.
- (b) The Society may not, except with the consent of the Registrar, make any such repayment, if it has received from any person who is not a member any money on loan or deposit, which is not secured by mortgage and is still unpaid.
- (c) All such repayments shall be made on resolution of the Board, which shall be noted in the register of shares, and thereupon the shares, in respect of which such payments are made, shall be cancelled.
- (d) The value for repayment of shares shall be the amount paid or credited on such shares without interest.

Calls on Shares

24. (a) The board may from time to time make calls upon the members in respect of any moneys unpaid on their share provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the Society at the time or times so specified the amount called on his shares.
- (b) The joint holders of a share shall be jointly and

- severally liable to pay all calls in respect thereof
- (c) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of six per cent per annum from the day appointed for the payment thereof to the time of the actual payment, but the Board shall be at liberty to waive payment of that interest wholly or in part.
 - (d) The Board may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be made and times of payment.
 - (e) The Board may, if it thinks fit, receive from any member willing to advance moneys to the Society all or any part of the moneys uncalled and unpaid upon shares held by such member; and upon all or any of the moneys so advanced may (until such moneys would, but for such advance become presently payable) pay interest at such rate (not exceeding, without the sanction of the Society in general meeting, six per cent as may be agreed upon between the member paying the sum in advance and the Board.

Default in Payment of Calls

- 25. (a) If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- (b) The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before such payment is required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not complied with by the member, any share in

respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.

Forfeited Shares

26. A person whose shares have been forfeited for a default in payment of calls shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Society all moneys which, at the date of forfeiture, were presently payable by him to the Society in respect of the shares.

A statutory declaration in writing that the declarant is a director of the Society, and that a share in the Society has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Shares forfeited for default in payment of calls shall be cancelled and a notation of the cancellation entered in the share register.

Transfer and Transmission of Shares

27. The instrument of transfer of any share shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of the members in respect thereof.

28. The shares in the Society shall be transferred in the following form or in any usual or common form which the Board shall approve:-

I, _____ of _____
 in consideration of the sum of \$ _____ paid to me by _____
 of _____
 (hereinafter called "the said transferee") do hereby
 transfer to the said transferee the share (or shares)
 under number _____ in the _____
 to hold unto the said transferee his executors administrators
 and assigns subject to the several conditions on which I

held the same at the time of the execution hereof and I the said transferee do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

Signed by the transferor
in the presence of:

Signed by the transferee
in the presence of:

Dated this day of 19

29. The Board may decline to register any transfer of shares to a person not qualified to be a member or of whom they do not approve and may also decline to register any transfer of shares during the fourteen days immediately preceding the annual general meeting in each year. The Board may decline to recognise any instrument of transfer unless:-
- (a) A fee of 2¢ per share is paid to the Society in respect thereof; and
 - (b) The instrument of transfer is accompanied by such evidence as the Board may reasonably require to show the right of the transferor to make the transfer of the shares to which it relates.
30. The Board shall cause a record of all transfers to be made in the proper books of the Society.
31. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall upon such evidence being produced as may from time to time be required by the Board if qualified be registered as a member in respect of the share or instead of being registered himself may make such transfer of the share as the bankrupt could have made but the Board shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the bankrupt before bankruptcy.
32. The Board may decline to register any transfer of shares on which the Society has a lien or charge.

General Meeting

33. A general meeting of the Society to be known as the Annual General Meeting shall as provided in Section 52 of the Ordinance be held each year at such time being within three months after the close of the financial year or within such further time as may be allowed by the Registrar or prescribed by regulation and at such place as the Board shall appoint. If the Board neglects or fails to appoint the time and place of the annual general meeting required to be held within the period hereinbefore prescribed ~~any five members of the Society may without~~ prejudice to the power of the Board to convene the meeting convene the annual general meeting to be held within such time as the Registrar may allow.
34. The ordinary business of the annual general meeting shall be -
- (a) to confirm minutes of the last preceding annual general meeting and of any general meetings held since that meeting;
 - (b) to receive from the Board auditors or any officers of the Society reports upon the transactions of the Society during the financial year;
 - (c) to elect Directors;
 - (d) to elect and determine the remuneration of auditors.
35. The annual general meeting may transact special business of which notice is given in accordance with these rules.
36. The Board shall on the requisition of not less than twelve members forthwith proceed to convene a special general meeting of the Society.
37. The Board may whenever it thinks fit convene a special general meeting of the Society.
38. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the Society and may consist of several documents in the like form each signed by one or more of the requisitionists.

39. If the Board does not proceed to cause a special general meeting to be held within twenty-one days from the date on which a requisition therefore was deposited at the registered office the requisitionists or any of them may convene the meeting but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.
40. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the Board and all reasonable expenses incurred in so convening the meeting shall be refunded by the Society to the persons incurring same.

Notice of General Meetings

41. Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which notice is given) specifying the place the day and the hour of meeting and in case of special business the general nature of that business shall be given of any general meeting in manner hereinafter mentioned to such persons as are under these rules entitled to receive such notices from the Society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting; provided that a special general meeting may be called at a shorter notice at the discretion of the Board.
42. The Board shall cause to be inserted in any notice convening a general meeting any business of which notice of his intention to move has been given by a member provided the notice from the member is received not less than three days before the notice of the meeting is issued.

Proceedings at General Meetings

43. All business shall be deemed special that is transacted at special general meetings likewise all that is transacted at the annual general meeting with the exception of that specifically referred to in these rules as being the ordinary business of the annual general meeting.

44. No item of business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting is considering that item.
45. Save as herein otherwise provided ten members personally present shall be a quorum. If within half an hour after the appointed time for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place and if at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the members present shall be a quorum.
46. The chairman if any of the Board shall preside as chairman at every general meeting of the Society.
47. If there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman the members present shall choose someone from their number to be chairman.
48. The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.
49. At any general meeting a resolution put to the vote of the meeting shall as provided in Section 53 of the Ordinance be decided on a show of hands without any counting of the votes unless a poll is (before or on declaration of the result of the show of hands) demanded by a least five members and unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book

of the proceedings of the Society shall be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

50. If a poll is duly demanded it shall be taken at such meeting in a manner which the chairman shall direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
51. In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
52. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at a time before the close of the meeting which the chairman of the meeting shall direct.
53. In the case of joint holders the vote of the senior who tenders the vote shall be accepted to the exclusion of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members unless otherwise directed by all the joint holders.
54. Any reference in these rules to a member being personally present or voting shall be read so as to include any member who is present or voting by proxy. The proxy may but need not be himself a member of the Society. One person may hold proxies for any number of shares and for any number of members.
55. The instrument appointing a proxy shall be in writing in a common or usual form under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. The instrument appointing a proxy shall be in the following form or a form to similar effect:-

Urambi Co-operative Traders Limited.

I/We, _____, of _____,
 being a member/members of the abovenamed Society hereby
 appoint _____, of _____,
 or failing him/her, _____ of _____,
 _____, as my/our proxy to vote for
 me/us on my/our behalf at the Annual/Special General
 Meeting of the Society to be held on the _____ day of
 19 _____, and at any adjournment thereof.

Signed this _____ day of _____ 19 _____.

56. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Society or at such other place as may be specified for the purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
57. A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind, revocation or transfer as aforesaid has been received by the Society at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.

Board of Directors

58. There shall be a Board of seven directors.
59. The qualification of a Director shall be the holding of not less than five shares in the Society.
60. The first Directors shall be elected at a meeting for the formation of the Society.

61. At the first annual general meeting of the Society three of the Directors shall retire and at the annual general meeting in each subsequent year the Directors shall retire in rotation of three.
62. The Directors to retire in any year shall subject to the provisions as to filling casual vacancies be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
63. A retiring Director shall be eligible for re-election.
64. The Society at the general meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto.
65. Nominations for candidates to fill the vacant positions shall be sought, and the election of directors shall be conducted, in such manner as the Board determines.
66. If at any general meeting at which an election of Directors ought to take place the place of the retiring Directors or any of them shall not be filled the meeting shall stand adjourned until the same day in the next week at the same time and place and such adjourned meeting may receive nominations and elect Directors to the vacancies. If at the adjourned meeting the places of the retiring Directors are not filled the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.
67. Any vacancy occurring in the Board other than by rotation or retirement may be filled by the Board and the person so chosen shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
68. The Society may by resolution remove any Director before the expiration of his period of office and may by simple majority at the same or any other meeting appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become

a Director on the day on which the Director in whose place he is appointed was last elected A Director.

69. All necessary expenses incurred by the Directors in the business of the Society shall be refunded to them by the Society. The Society may in general meeting determine that the Directors shall receive remuneration for their services in such amount as the general meeting may resolve.

Proceedings of the Board

70. The Board may meet together for the despatch of business adjourn and otherwise regulate their meetings as they may think fit providing a meeting of the Board shall be held at least once every three months. Questions arising at any meeting shall be decided by a majority of votes. In case of equality of votes the chairman shall have a second or casting vote. The chairman or any two Directors may and the secretary on the requisition of the chairman or any two Directors shall at any time summon a meeting of the Board.
71. The quorum of any meeting of the Board shall be four.
72. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of Directors the continuing Directors may act only for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Society but not for any other purpose.
73. The Board shall elect a chairman for their meetings at the first meeting of the Board after the annual meeting of the Society but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same the Directors present may choose one of their number to be chairman for the meeting.
74. The Board may delegate any of its powers to committees consisting of such members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that they

may have imposed on them by the Board.

75. A committee may elect a chairman of their meetings. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same the members may choose one of their number to be chairman of the meeting.
76. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of any equality of votes the chairman shall have a second or casting vote.

Duties and Powers of the Board

77. The Board shall cause to be prepared a statement of the accounts of the Society up to the end of the financial year and shall submit it with the auditor's report thereon to the annual meeting of the Society. If the board so resolves, the notice of the annual general meeting may include a notice that the balance sheet and profit and loss account and auditor's report may be inspected by members at the office of the Society during the period of not less than fourteen days before the date of such meeting in which event advice to this effect shall be included in the notice of the meeting.
78. The Board shall have power to enter into an agency agreement on behalf of the Society with any one or more life or fire assurance or insurance company or society.
79. The Board shall have power to fix the rate of interest payable on deposits and to vary same from time to time.

Appointment and Removal of Officers

80. Without prejudice to the general powers conferred on the Board by the Ordinance or by these rules the Board shall have power to appoint and at its discretion remove or suspend officers and to fix the powers duties and remuneration of same or when so deemed necessary to delegate such powers of appointment suspension removal and fixing of duties and remuneration.
81. The Board shall have power to appoint Agents or Sub-Agents

of the Society for any of the purposes of the Society and to fix the remuneration of Agents and Sub-Agents.

82. The Board shall cause every officer having the receipt or charge of any money of the Society to give security as prescribed by the regulations or until so prescribed in such manner as the Board deems fit.

Insurance

83. The Board shall arrange insurance against loss, damage to or liability of the Society by reason of fire, accident or otherwise.

Copy of Rules

84. The Board shall cause to be supplied to every person on demand a copy of the rules on payment of such sum as is specified in Rule 110.

Banking

85. The Board shall cause to be opened a banking account in the name of the Society into which all moneys received shall be paid as soon as possible after receipt.
86. All cheques drawn on such account and all draft bills of exchange promissory notes and other negotiable instruments for and on behalf of the Society shall be signed by one of the directors or the secretary and countersigned by another director or other person or persons authorised by the Board.

Custody of Books and Documents

87. All books of accounts securities documents and papers of the Society other than such (if any) as the Board may direct to be kept elsewhere shall be kept at the registered office in such manner with such provision for their security as the Board shall direct.

Members' Account

88. The fee payable by any member to inspect his own account in the books of the Society shall be twenty cents or

such lesser amount as the Board may determine from time to time.

Audit

89. One or more auditors shall be appointed at each annual general meeting to hold office until the next annual general meeting.
90. The first auditors of the Society may be appointed by the Board before the first annual general meeting and if so appointed shall hold office until the first annual general meeting unless previously removed by a resolution of the members at a general meeting in which case the members at that meeting may appoint auditors to act until the first annual general meeting.
91. If an appointment is not made at any annual general meeting the Board shall appoint auditors of the Society for the current year.
92. An officer of the Society shall not be capable of being appointed auditor of the Society.
93. A person other than a retiring auditor shall not be capable of being appointed auditor at an annual general meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member of the Society not less than fourteen days before the annual general meeting and the Society shall send a copy of any such notice to the retiring auditor.
94. The Board may fill any casual vacancy in the office of auditor but while any such vacancy continues the surviving or continuing auditor or auditors if any may act.
95. The remuneration of the auditors of the Society shall be fixed by the Society in general meeting except that the remuneration of any auditors appointed by the Board may be fixed by the Board.
96. The books of the Society shall be audited as early as possible after the close of each financial year.

Application of Funds

97. The funds of the Society shall be applied to carrying out the objects of the Society in accordance with these rules. The said funds may be invested in any of the manners set out in Section 37(1) of the Ordinance.
98. Any loss that may result from the transaction of the Society in any year shall be borne as follows:
 Firstly - By the reserve of the Society;
 Secondly - By the shareholders of the Society.
99. Subject to the provisions of the Ordinance as to reserves any part of the surplus arising in any year from the business of the Society may:
- (a) be paid to a member by way of dividend in respect of shares held by him and, subject to the provisions of the Ordinance as to the limitation of the rate of dividend paid, the dividend shall be at such rate and on such conditions as may be declared by the Board from time to time.
 - (b) be paid to a member by way of bonus or rebate based on the business done by him with the Society. Any bonus or rebate so paid shall be at such rate and on such conditions as may be declared by the Board from time to time.
100. Subject to Section 23 of the Ordinance, an amount not exceeding ten per centum of the surplus arising in any year from the business of the Society may be applied to any charitable purpose or for promoting co-operation or any community advancement.
101. Subject to Section 23 of the Ordinance, any part of the surplus arising in any year from the business of the Society may be paid or credited in the discretion of the Board in any of the ways set out in Sub-Section 5 of that Section.

Settlement of Disputes

102. Disputes between a member in his capacity of member and the Society shall be settled by arbitration in accordance with the Arbitration Act 1902 of the State of New South Wales and for this purpose the words "member" and "Society"

have the meanings ascribed to them in Section 58(2) of the Ordinance.

Notwithstanding the above any party may in accordance with Section 58(3) of the Ordinance refer the dispute to the Registrar if it has not been referred to arbitration in accordance with these rules; or if it has been so referred to arbitration one month has elapsed without an award being made.

Nothing in this rule shall extend to any dispute as to the construction or effect of any mortgage or of any contract contained in any document other than the rules of the Society.

Notices

103. A notice may be given by the Society to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in the Australian Capital Territory) to the address if any within the Territory supplied by him to the Society for the giving of notices to him. Provided that notice of meetings other than Annual General Meetings may be given by publication in a daily newspaper circulating throughout the Territory.
104. Where a notice is sent by post service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of the post.
105. If a member has no registered address in this Territory and has not supplied to the Society an address within the Territory for the giving of notices to him a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the Society shall be deemed to be duly given to him on the date on which the advertisement appears.
106. A notice may be given by the Society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

107. A notice may be given by the Society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representative of the deceased or trustees of the bankrupt or by any like description at the address if any in the Territory supplied for the purpose by the persons claiming to be so entitled or (until such address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
108. Notice of every general meeting shall be given in some manner hereinbefore authorised to:
- (a) every member of the Society except those members who have no registered address within the Territory for the giving of notices to them and also to
 - (b) every person entitled to a share in consequence of the death or bankruptcy of a member who but for his death or bankruptcy would be entitled to receive notice of the meeting. No other persons shall be entitled to receive notices of general meetings.
109. For the purpose of this rule "registered address" means the address of the member as appearing in the register of members and shares.

Winding Up

110. The winding up of the Society shall be in accordance with Part VI of the Ordinance.
111. In the event of a deficiency on the winding up of the Society such deficiency shall be borne by the members in proportion to the number of shares held by each.
112. In the event of a surplus of funds on the winding up of the Society such surplus shall be distributed amongst the members in proportion to the number of shares held by each.
113. Upon the commencement of the winding up of the Society all moneys outstanding under mortgages to the Society shall be deemed to be due and payable as at the date of

Alteration of Rules

115. Additional rules may be added and these rules may be rescinded or altered in accordance with Section 50 of the Ordinance.

New record follows

URANDI CO-OPERATIVE COMMUNITY

ADVANCEMENT SOCIETY LIMITED

RULES

ABBOTT TOUT CREER & WILKINSON
Solicitors,
92-96 Northbourne Avenue,
CANBERRA CITY. A.C.T.

49-7788

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RULES

Interpretation

1. (i) In these rules, unless the context otherwise requires:-
 - "Month" means calendar month;
 - "Prescribed" means prescribed by the Ordinance or any Regulation made under the Ordinance;
 - "the Board" means the board of the Society constituted in accordance with these Rules;
 - "the Ordinance" means the Co-operative Societies Ordinance 1939-1973 or any amendment thereof;
 - "the Registrar" means the Registrar of Co-operative Societies;
 - "the Society" means the Urambi Co-operative Community Advancement Society Limited.
- (ii) Expressions used have the same meaning as those ascribed to them by the Ordinance, words in the singular include the plural and vice versa and words importing the masculine gender include females.
2. The liability of a member of the Society is limited to the amount if any unpaid on shares held by him together with any charges payable by him to the Society under these Rules.

Name

3. The name of the Society shall be Urambi Co-operative Community Advancement Society Limited.

Registered Office

4. The registered office of the Society shall be at Canberra or at such other place in the Australian Capital Territory as the Board may determine from time to time.

Objects

5. The objects of the Society shall be:-
 - (a) To acquire land on which to erect a building or buildings

suitable for residential purposes, or on which such a building has been or is being erected, and to dispose of or lease that land, or to let part of such a building;

(b) To erect on a member's land, or to erect on its own land for sale or letting, buildings suitable for residential purposes;

(c) To provide services in respect of land acquired by the Society;

(d) To provide and maintain on land acquired by the Society buildings and grounds for any purpose incidental to the use of that land for residential purposes;

(e) To assist its members to acquire or erect homes;

(f) To assist its members to acquire other freehold property or leasehold property;

(g) To assist its members to obtain loans upon the security of freehold property or leasehold property, whether or not from another Co-operative Society.

Previous clause 4 deleted.

Powers.

6. The Society shall have the power to do all things authorised or permitted by or under the Ordinance as incidental to its objects and without limiting the generality of the foregoing it shall have the power to do the following:-

(a) Subject to Section 36 of the Ordinance to raise money on loan for any of the objects of the Society provided that at no time shall the amount owed by the Society exceed the sum of Five million dollars (\$5,000,000);

(b) To receive money on deposit;

(c) To acquire shares in any other Co-operative Society;

(d) To make advances to any other Co-operative Society;

(e) To enter into contracts for the sale of freehold or leasehold property or the interest therein with its individual members;

(f) To enter into contracts with any person for the erection of dwellings and buildings or for the carrying out of any work or the supply of any materials incidental thereto.

Seal.

7. The device of the Seal of the Society shall be the name of the Society within two concentric circles and encircling the word "Seal".

The Seal shall be kept at the registered office of the Society in such custody as the Board shall direct. The Seal of the Society shall not be affixed to any instrument except by the authority of a resolution of the Board or of a general meeting and shall be attested by the signatures of two directors and of the secretary or such other person as the Board may appoint for the purpose.

Membership.

8. Application for membership or for additional shares shall be made in writing in or to the effect of a form approved by the Board and shall state the number of shares applied for and shall be accompanied by a subscription of the nominal amount of each share as prescribed in Rule 19 (a).

9. Upon approval of the application the shares applied for shall be allotted and the applicant's name shall be entered in the proper books of the Society. He shall be notified of such allotment upon which he shall be entitled to the privileges of membership.

10. Any balance unpaid in respect of shares at the time of allotment shall be paid by periodic subscriptions or by instalments or otherwise as authorised in any instance by the Board. Shares may be paid for in full on application or at any time subsequently.

11. The Board may in its discretion allow suspension of the periodic subscriptions by a member or make such other arrangements as it deems fit for the payment of any unpaid balance on the shares of a member.
12. Where shares are held on trust for any other body or any person the trustee or trustees jointly who are registered as members of the Society shall for all purposes of the Society be regarded as the members thereof.
13. If an application for membership or additional shares be not approved the amount lodged in respect thereof shall be returned to the applicant without interest.
14. The Board may accept or reject an application for membership or for additional shares and need not assign any reason for its action.
15. When a member changes his address he shall send notice thereof in writing to the Society at the registered office within seven days and the new address shall be entered forthwith in the register. Any member who neglects to give such notice shall be liable to a fine of 10 cents (10¢).
16. Each member shall be entitled to one copy of the rules without charge and for any extra copy he shall be charged such amount as specified in Rule 110.

Ceasing Membership

17. A person shall cease to be member in any of the circumstances set out in section 21 (4) of the Ordinance and in addition, in the case of a corporate body, where the corporate body is dissolved.

Expulsion of Members

18. (i) A member may be expelled from the Society by special resolution to the effect:-
 - (a) that he has failed to discharge his obligations to

the Society, whether prescribed by these Rules or arising out of any contract;

- (b) that he has been guilty of conduct detrimental to the Society.

In either case written notice of the proposed resolution shall be forwarded to the member fourteen days before the date of the meeting at which the special resolution is to be moved, and he shall be given an opportunity of being heard at the meeting.

(ii) The shares of any member expelled shall be cancelled as at the date of expulsion and the cancellation shall be noted in the register of shares. The Society shall however pay to the expelled member the amount of capital paid up on his shares at the time of expulsion unless the accounts of the Society disclose a deficiency.

For the purpose of this rule "deficiency" shall mean the amount of loss or deficiency shown in the last preceding balance sheet of the Society. Where such a deficiency exists there shall be deducted from the amount of capital paid up on the shares of the expelled member the proportion of the loss or deficiency appropriate having regard to the number of such shares in relation to the number of shares in the Society.

(iii) Payment to such expelled member shall be made at such time as shall be determined by the Board in its discretion but not later than twelve months from the date of expulsion.

(iv) Upon expulsion the relevant shares shall be cancelled.

(v) No expelled member shall be re-admitted except by special resolution.

A member so re-admitted shall not have restored to him any shares which were cancelled on his expulsion.

For the purpose of this rule the value of net assets shall be taken from the value of the assets and liabilities disclosed in the last balance sheet of the Society.

Death or Bankruptcy of Member.

- 18A. On the death of a member the Board shall deal with the share or interest of that member in the manner set forth in Section 29 of the Ordinance.
- 18B. The value of the share or interest of a deceased member shall be determined by the Board, subject to the provisions of the Ordinance.
- 18C. In the event of a member becoming bankrupt or assigning his estate for the benefit of his creditors, the Board may deal with the share or interest of that member in such manner as it shall think fit, subject to the provisions of the Ordinance and of any bankruptcy legislation which shall then be in force.

Capital and Shares.

19. (a) The capital of the Society shall be raised by the issue of shares which shall be of one class, all ranking equally, and be of the nominal value of \$2 each.

The capital shall vary in amount according to the nominal value of shares from time to time subscribed.

Every member shall hold at least five shares, but no member shall hold shares exceeding the nominal value of ten thousand dollars nor shall any member hold more than one-fifth of the shares of the Society.

- (b) The shares of the Society shall not be quoted for sale or purchase at any stock exchange or in any other public manner whatever within the meaning of the Income Tax Assessment Act 1936-1974 of the Commonwealth of Australia or any amendment thereof.

Repayment of Share Capital.

20. (a) The Society may in accordance with Section 27 of the Ordinance repay to a member, with his consent, the whole or any part of the amount paid up on any share held by him at any time when the money is not required for the purposes of the Society.
- (b) The Society may not, except with the consent of the Registrar, make any such repayment, if it has received from any person who is not a member any money on loan or deposit, which is not secured by mortgage and is still unpaid.
- (c) All such repayments shall be made on resolution of the board, which shall be noted in the register of shares, and thereupon the shares, in respect of which such payments are made, shall be cancelled.
- (d) The value for repayment of shares shall be the amount paid or credited on such shares without interest.

Calls on Shares.

21. (a) The board may from time to time make calls upon the members in respect of any moneys unpaid on their shares,

provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable at less than one month from the last call; and each member shall (subject to receiving at least fourteen days' notice specifying the time or times of payment) pay to the Society at the time or times so specified the amount called on his shares.

- (b) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- (c) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at the rate of six per cent per annum from the day appointed for the payment thereof to the time of the actual payment, but the board shall be at liberty to waive payment of that interest wholly or in part.
- (d) The board may made arrangements on the issue of shares for a difference between the holders in the amount of calls to be made and times of payment.
- (e) The Board may, if it thinks fit, receive from any member willing to advance moneys to the Society all or any part of the moneys uncalled and unpaid upon any shares held by such member; and upon all or any of the moneys so advanced may (until such moneys would, but for such advance become presently payable) pay interest at such rate (not exceeding, without the sanction of the Society in general meeting, six per cent) as may be agreed upon between the member paying the sum in advance and the Board.

Default in Payment of Calls.

- 22. (a) If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- (b) The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the

notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

- (c) If the requirements of any such notice as aforesaid are not complied with by the member, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.

Forfeited Shares.

23. A person whose shares have been forfeited for a default in payment of calls shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Society all moneys which, at the date of forfeiture, were presently payable by him to the Society in respect of the shares.
- A statutory declaration in writing that the declarant is a director of the Society, and that a share in the Society has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- Shares forfeited for default in payment of calls shall be cancelled and a notation of the cancellation entered in the share register.

Transfer and Transmission of Shares.

24. The instrument of transfer of any share shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of the of the members in respect thereof.
25. The shares in the Society shall be transferred in the following form or in any usual or common form which the Board shall approve:-

I _____ of _____
in consideration of the sum of \$ _____ paid to
me by _____ of _____
(hereinafter called "the said transferee") do hereby
transfer to the said transferee the share (or shares)
under number _____ in the _____
to hold unto the said transferee his executors administrators
and assigns subject to the several conditions on which
I held the same at the time of the execution hereof
and I the said transferee do hereby agree to take the said
share (or shares) _____

Signed by the transferor
in the presence of _____

Signed by the transferee
in the presence of _____

Dated this _____ day of _____ 19 _____

26. The Board may decline to register any transfer of shares to a person not qualified to be a member or of whom they do not approve and may also decline to register any transfer of shares during the fourteen days immediately preceding the annual general meeting in each year. The Board may decline to recognise any instrument of transfer unless:-
 - (a) a fee of 2¢ per share is paid to the Society in respect thereof; and
 - (b) the instrument of transfer is accompanied by such evidence as the Board may reasonably require to show the right of the transferor to make the transfer of the shares to which it relates.
27. The Board shall cause a record of all transfers to be made in the proper books of the Society.
28. Any person becoming entitled to a share in consequence of the bankruptcy of a member shall upon such evidence being produced as may from time to time be required by the Board if qualified be registered as a member in respect of the share or instead of being registered himself may make

such transfer of the share as the bankrupt could have made but the Board shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the bankrupt before bankruptcy.

29. The Board may decline to register any transfer of shares on which the Society has a lien or charge.

General Meeting.

30. A general meeting of the Society to be known as the Annual General Meeting shall as provided in Section 52 of the Ordinance be held each year at such time being within three months after the close of the financial year or within such further time as may be allowed by the Registrar or prescribed by regulation and at such place as the Board shall appoint. If the Board neglects or fails to appoint the time and place of the annual general meeting required to be held within the period hereinbefore prescribed any five members of the Society may without prejudice to the power of the Board to convene the meeting convene the annual general meeting to be held within such time as the Registrar may allow.
31. The ordinary business of the annual general meeting shall be -
- (a) to confirm minutes of the last preceding annual general meeting and of any general meetings held since that meeting;
 - (b) to receive from the Board auditors or any officers of the Society reports upon the transactions of the Society during the financial year;
 - (c) to elect Directors;
 - (d) to elect and determine the remuneration of auditors.
32. The annual general meeting may transact special business of which notice is given in accordance with these rules.
33. The Board shall on the requisition of not less than twelve members forthwith proceed to convene a special general meeting of the Society.

34. The Board may whenever it thinks fit convene a special general meeting of the Society.
35. A requisition for a special general meeting shall state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the Society and may consist of several documents in the like form each signed by one or more of the requisitionists.
36. If the Board does not proceed to issue a special general meeting to be held within twenty-one days from the date on which a requisition therefore was deposited at the registered office the requisitionists or any of them may convene the meeting but any meeting so convened shall not be held after three months from the date of the deposit of the requisition.
37. Any special general meeting convened by requisitionists in pursuance of these rules shall be convened in the same manner as nearly as possible as that in which such meetings are convened by the Board and all reasonable expenses incurred in so convening the meeting shall be refunded by the Society to the persons incurring same.

Notice of General Meetings.

38. Seven days' notice at the least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which notice is given) specifying the place the day and the hour of meeting and in case of special business the general nature of that business shall be given of any general meeting in manner hereinafter mentioned to such persons as are under these rules entitled to receive such notices from the Society; but the non-receipt of the notice by any member shall not invalidate the proceedings at such general meeting; provided that a special general meeting may be called at a shorter notice at the discretion of the Board.

39. The Board shall cause to be inserted in any notice convening a general meeting any business of which notice of his intention to move has been given by a member provided the notice from the member is received not less than three days before the notice of the meeting is issued.

Proceedings at General Meetings.

40. All business shall be deemed special that is transacted at special general meetings likewise all that is transacted at the annual general meeting with the exception of that specifically referred to in these rules as being the ordinary business of the annual general meeting.
41. No item of business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting is considering that item.
42. Save as herein otherwise provided ten members personally present shall be a quorum. If within half an hour after the appointed time for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place and if at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the members present shall be a quorum.
43. The chairman if any of the Board shall preside as chairman at every general meeting of the Society.
44. If there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman the members present shall choose someone from their number to be chairman.
45. The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and

from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

At any general meeting a resolution put to the vote at the meeting shall as provided in Section 53 of the Ordinance be decided on a show of hands without any counting of the votes unless a poll is (before or on declaration of the result of the show of hands) demanded by at least five members and unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Society shall be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

47. If a poll is duly demanded it shall be taken at such meeting in a manner which the chairman shall direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
48. In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
49. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at a time before the close of the meeting which the chairman of the meeting shall direct.

50. In the case of joint holders the vote of the senior who tenders the vote shall be accepted to the exclusion of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members unless otherwise directed by all the joint holders.
51. Any reference in these rules to a member being personally present or voting shall be read so as to include any member who is present or voting by proxy. The proxy may be given by any member of the Society, and he shall be deemed to be a proxy for any number of shares and for any number of members.
52. The instrument appointing a proxy shall be in writing in a common or usual form under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. The instrument appointing a proxy shall be in the following form or a form to similar effect:-

Uranhi Co-operative Community
 Advancement Society Limited.

I/We, _____, of _____,
 being a member/members of the abovenamed Society
 hereby appoint _____, of _____,
 or failing him/her, _____ of _____,
 as my/our proxy to vote for me/us
 on my/our behalf at the Annual/Special General Meeting
 of the Society to be held on the _____ day
 of _____ 19____, and at any adjournment thereof.

Signed this _____ day of _____ 19____.

53. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Society

or at such other place as may be specified for the purpose in the notice convening the meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

54. A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind, revocation or transfer as aforesaid has been received by the Society at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.

Board of Directors.

55. There shall be a Board of seven Directors.
56. The qualification of a Director shall be the holding of not less than five shares in the Society.
57. The first Directors shall be elected at a meeting for the formation of the Society.
58. At the first annual general meeting of the Society three of the Directors shall retire and at the annual general meeting in each subsequent year the Directors shall retire in rotation of three.
59. The Directors to retire in any year shall subject to the provisions as to filling casual vacancies be those who have been longest in office since their last election but as between persons who became directors on the same

day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

60. A retiring Director shall be eligible for re-election.
61. The Society at the general meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto.
62. Nominations for candidates to fill the vacant positions shall be sought, and the election of directors shall be conducted, in such manner as the Board determines.
63. If at any general meeting at which an election of Directors ought to take place the place of the retiring Directors or any of them shall not be filled the meeting shall stand adjourned until the same day in the next week at the same time and place and such adjourned meeting may receive nominations and elect Directors to the vacancies. If at the adjourned meeting the places of the retiring Directors are not filled the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected at the adjourned meeting.
64. Any vacancy occurring in the Board other than by rotation or retirement may be filled by the Board and the person so chosen shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
65. The Society may by resolution remove any Director before the expiration of his period of office and may by simple majority at the same or any other meeting appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

66. All necessary expenses incurred by the Directors in the business of the Society shall be refunded to them by the Society. The Society may in general meeting determine that the Directors shall receive remuneration for their services in such amount as the general meeting may resolve.

Proceedings of the Board.

67. The Board may meet together for the despatch of business adjourn and otherwise regulate their meetings as they may think fit, providing a meeting of the Board shall be held at least once every three months. Questions arising at any meeting shall be decided by a majority of votes. In case of equality of votes the chairman shall have a second or casting vote. The chairman or any two Directors may and the secretary on the requisition of the chairman or any two Directors shall at any time summon a meeting of the Board.
68. The quorum of any meeting of the Board shall be four.
69. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by or pursuant to these rules as the necessary quorum of Directors the continuing Directors may act only for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Society but not for any other purpose.
70. The Board shall elect a chairman for their meetings at the first meeting of the Board after the annual meeting of the Society but if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same the Directors present may choose one of their number to be chairman of the meeting.
71. The Board may delegate any of its powers to committees consisting of such members of their body as they think fit. Any committee so formed shall in the exercise of

the powers so delegated conform to any regulations that may be imposed on them by the Board.

72. A committee may elect a chairman of their meetings. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same the members may choose one of their number to be chairman of the meeting.
73. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of any equality of votes the chairman shall have a second or casting vote.

Duties and Powers of the Board.

74. The Board shall cause to be prepared a statement of the accounts of the Society up to the end of the financial year and shall submit it with the auditor's report thereon to the annual meeting of the Society. If the Board so resolves, the notice of the annual general meeting may include a notice that the balance sheet and profit and loss account and auditor's report may be inspected by members at the office of the Society during the period of not less than fourteen days before the date of such meeting in which event advice to this effect shall be included in the notice of the meeting.
75. The Board shall have power to enter into an agency agreement on behalf of the Society with any one or more life or fire assurance or insurance company or society.
76. The Board shall have power to fix the rate of interest payable on deposits and to vary same from time to time.

Appointment and Removal of Officers.

77. Without prejudice to the general powers conferred on the Board by the Ordinance or by these rules the Board shall have power to appoint and at its discretion remove or

78A. The Board shall cause every officer having the receipt or charge of any money of the Society to give security as prescribed by the regulations or until so prescribed in such manner as the Board deems fit.

suspend officers and to fix the powers duties and remuneration of same or when so deemed necessary to delegate such powers of appointment suspension removal and fixing of duties and remuneration.

78. The Board shall have power to appoint Agents or Sub-agents of the Society for any of the purposes of the Society and to fix the remuneration of Agents and Sub-agents.

Insurance.

79. The Board shall arrange insurance against loss, damage to or liability of the Society by reason of fire, accident or otherwise.

Copy of Rules.

80. The Board shall cause to be supplied to every person on demand a copy of the rules on payment of such sum as is specified in Rule 110.

Banking.

81. The Board shall cause to be opened a banking account in the name of the Society into which all moneys received shall be paid as soon as possible after receipt.
82. All cheques drawn on such account and all draft bills of exchange promissory notes and other negotiable instruments for and on behalf of the Society shall be signed by one of the directors or the secretary and countersigned by another director or other person or persons authorised by the Board.

Custody of Books and Documents.

83. All books of accounts securities documents and papers of the Society other than such (if any) as the Board may direct to be kept elsewhere shall be kept at the registered office in such manner with such provision for their security as the Board shall direct.

Members' Account.

84. The fee payable by any member to inspect his own account in the books of the Society shall be twenty cents or such lesser amount as the Board may determine from time to time.

Audit.

85. One or more auditors shall be appointed at each annual general meeting to hold office until the next annual general meeting.
86. The first auditors of the Society may be appointed by the Board before the first annual general meeting and if so appointed shall hold office until the first annual general meeting unless previously removed by a resolution of the members at a general meeting in which case the members at that meeting may appoint auditors to act until the first annual general meeting.
87. If an appointment is not made at any annual general meeting the Board shall appoint auditors of the Society for the current year.
88. An officer of the Society shall not be capable of being appointed auditor of the Society.
89. A person other than a retiring auditor shall not be capable of being appointed auditor at an annual general meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member of the Society not less than fourteen days before the annual general meeting and the Society shall send a copy of any such notice to the retiring auditor.
90. The Board may fill any casual vacancy in the office of auditor but while any such vacancy continues the surviving or continuing auditor or auditors if any may act.

91. The remuneration of the auditors of the Society shall be fixed by the Society in general meeting except that the remuneration of any auditors appointed by the Board may be fixed by the Board.
92. The books of the Society shall be audited as early as possible after the close of each financial year.

Application of Funds.

93. The funds of the Society shall be applied to carrying out the objects of the Society in accordance with these rules. The said funds may be invested in any of the manners set out in Section 37 (1) of the Ordinance.

94. Any loss that may result from the transaction of the Society in any year shall be borne as follows:

Firstly - By the reserve of the Society;
Secondly - By the shareholders of the Society.

95. Subject to the provisions of the Ordinance as to reserves any part of the surplus arising in any year from the business of the Society may:
- (a) be paid to a member by way of dividend in respect of shares held by him and, subject to the provisions of the Ordinance as to the limitation of the rate of dividend paid, the dividend shall be at such rate and on such conditions as may be declared by the Board from time to time.
 - (b) be paid to a member by way of bonus or rebate based on the business done by him with the Society. Any bonus or rebate so paid shall be at such rate and on such conditions as may be declared by the Board from time to time.
96. Subject to Section 23 of the Ordinance, an amount not exceeding ten per centum of the surplus arising in any year from the business of the Society may be applied to any charitable purpose or for promoting co-operation or any community advancement.
97. Subject to Section 23 of the Ordinance, any part of the

surplus arising in any year from the business of the Society may be paid or credited in the discretion of the Board in any of the ways set out in sub-section 5 of that Section.

Settlement of Disputes.

98. Disputes between a member in his capacity of member and the Society shall be settled by arbitration in accordance with the Arbitration Act 1988 of the State of New South Wales and for the purpose of the Arbitration Act 1988 the Society shall be deemed to be a body corporate within the meaning of section 23(2) of the Ordinance.

Notwithstanding the above any party may in accordance with Section 58(3) of the Ordinance refer the dispute to the Registrar if it has not been referred to arbitration in accordance with these rules; or if it has been so referred to arbitration one month has elapsed without an award being made.

Nothing in this rule shall extend to any dispute as to the construction or effect of any mortgage or of any contract contained in any document other than the rules of the Society.

Notices.

99. A notice may be given by the Society to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in the Australian Capital Territory) to the address if any within the Territory supplied by him to the Society for the giving of notices to him. Provided that notice of meetings other than Annual General Meetings may be given by publication in a daily newspaper circulating throughout the Territory.
100. Where a notice is sent by post service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice

and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of the post.

101. IF a member has no registered address in this Territory and has not supplied to the Society an address within the Territory for the giving of notices to him a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the Society shall be deemed to be duly given to him on the date on which the advertisement appears.

102. A notice may be given by the Society to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share.

103. A notice may be given by the Society to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representative of the deceased or trustees of the bankrupt or by any like description at the address if any in the Territory supplied for the purpose by the persons claiming to be so entitled or (until such address has been supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

104. Notice of every general meeting shall be given in some manner hereinbefore authorised to (a) every member of the Society except those members who have no registered address within the Territory for the giving of notices to them and also to (b) every person entitled to a share in consequence of the death or bankruptcy of a member who but for his death or bankruptcy would be entitled to receive notice of the meeting. No other persons shall be entitled to receive notices of general meetings.

105. For the purpose of this rule "registered address" means the address of the member as appearing in the register of members and shares.

Winding Up.

106. The winding up of the Society shall be in accordance with Part VI of the Ordinance.
107. In the event of a deficiency on the winding up of the Society such deficiency shall be borne by the members in proportion to the number of shares held by each.
108. In the event of a surplus of funds on the winding up of the Society such surplus shall be distributed amongst the members in proportion to the number of shares held by each.
109. Upon the commencement of the winding up of the Society all moneys outstanding under mortgages to the Society shall be deemed to be due and payable as at the date of commencement of the winding up of the Society.

Charges payable by Members.

110. A member shall be liable to pay the charges prescribed in these rules and in particular the following:-
 - (a) copy book of rules \$3.00;
 - (b) transfer of shares 2¢ per share;
 - (c) inspection by member of his own account in Society's books 20¢.

Alteration of Rules.

111. Additional rules may be added and these rules may be rescinded or altered in accordance with Section 50 of the Ordinance.