

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION



CONSTITUTION

Of

**AUCTIONEERS AND VALUERS ASSOCIATION OF AUSTRALIA
(INCORPORATED)**

A.C.N. 000 109 544

**A Company Limited by Guarantee.
Incorporated 11th August 1952**

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CONSTITUTION

**AUCTIONEERS AND VALUERS ASSOCIATION OF AUSTRALIA
(INCORPORATED)**

A COMPANY LIMITED BY GUARANTEE

PART 1 – PRELIMINARY

1. Name

The name of the company is Auctioneers and Valuers Association of Australia (Incorporated) (hereinafter referred to as ‘**AVAA Inc.**’).

2. Objects

The objects for which AVAA Inc is formed are to do the following things:

- (a) to secure and elevate the standard of the professions of Auctioneers and Valuers by the dissemination of professional knowledge and in the inculcation of sound practice and to afford means of reference for amicable settlement of professional differences and to decide upon questions of professional usage and etiquette;
- (b) to absorb the existing unincorporated body known as Auctioneers Association of New South Wales and to take over all or any of the assets and liabilities of the said Association;
- (c) to arrange for the training of students who are desirous of entering the profession;
- (d) subject to the Law, to take and hold real or personal property to purchase, lease or otherwise acquire property for the purposes of AVAA Inc. with power to sell, lease or otherwise dispose thereof provided that if AVAA Inc. shall take or hold any property which may be subject to any trusts AVAA Inc. shall only deal with the same in such manner as allowed by law having regard to such trusts;
- (e) to collect by lawful means funds and to accept donations and gifts of money and of property both real and personal for the purpose of enabling AVAA Inc. to carry out its objects;
- (f) to borrow or raise or secure the payment of money in such manner as AVAA Inc. shall consider necessary including the mortgage of all or any part of the property of AVAA Inc. or the issue of debentures or other securities chargeable upon all or any part of the property of AVAA Inc. both present and future;
- (g) subject to this Constitution, to lay down rules respecting admission to membership of AVAA Inc. and exclusion therefore and to authorise members to annex to their name distinctive letters indicative of their membership in such cases and subject to such conditions as shall be provided in this Constitution;
- (h) to make provision as to fees payable by persons becoming or being members of AVAA Inc.;

- (i) to facilitate the settlement of industrial disputes amongst members and other parties not being members of AVAA Inc. including disputes arising on sale of goods and valuations;
- (j) to do all such other lawful things as are conducive or incidental to the attainment of any of the objects of this Constitution provided always that AVAA Inc. shall not support with its funds any object or endeavour to impose on or procure to be observed by its members or others any regulation or restriction which being the object of AVAA Inc. would make it a trade union.

3. Definitions

3.1. In this Constitution:

‘Alternate Director’ means a Director appointed under Rule 34;

‘Board’ means the Board of Directors of AVAA Inc.;

‘Constitution’ means this Constitution of AVAA Inc.;

‘Directors’ means the Directors of AVAA Inc.;

‘Law’ means the Corporations Law;

‘members’ means the persons who for the time being are members of AVAA Inc. and **‘member’** means any one of them;

‘officer’ has the same meaning as in the Law;

‘related body corporate’ has the same meaning as in the Law;

‘seal’ means the common seal of AVAA Inc. and includes any official seal of AVAA Inc.;

‘Secretary’ means any person appointed to perform the duties of a secretary of AVAA Inc.;

Words importing the masculine gender only include the feminine and neuter genders;

Words importing the singular include the plural and vice versa;

Headings are included for the sake of convenience only and do not affect the meaning of the Rules to which they relate;

A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.

3.2. Division 10 of Part 1.2 of the Law applies in relation to this Constitution as if it were an instrument made under that Law in force on the day when this Constitution become binding on AVAA Inc.

- 3.3. Except so far as the contrary intention appears in this Constitution, an expression has, in a provision of this Constitution that deals with a matter dealt with by a particular provision of the Law, the same meaning as in that provision of the Law.

4. Legal Capacity and Powers

- 4.1. Subject to Rule 4.2, in pursuing the attainment of the above objects AVAA Inc. has, both within and outside Australia, the legal capacity of a natural person, and without limiting the generality of the foregoing, has both within and outside Australia power:

- (a) to issue debentures of AVAA Inc.;
- (b) to grant a floating charge on property of AVAA Inc.;
- (c) to procure AVAA Inc. to be registered or recognised as a body corporate in any place outside Australia;
- (d) to do any other act that it is authorised to do by any other law (including a law of a foreign country).

- 4.2. AVAA Inc. may, in its absolute discretion, in any financial year not apply all or part of its funds in that financial year in pursuing the attainment of any of the objects outlined in Rule 2, but instead retain those funds to be applied in pursuing the attainment of any of those objects in a later financial year.

- 4.3. In Rule 4.2 ‘**financial year**’ means any period or year ending on 31 December and where AVAA Inc. is dissolved means the period commencing on 1 January prior to the date of dissolution and ending on the date of dissolution.

5. Income and Property

- 5.1. The income and property of AVAA Inc. must be applied solely towards the promotion of the objects of AVAA Inc. as set forth in this Constitution, and no portion shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise to the members of AVAA Inc..

- 5.2. Nothing in this Rule 5 shall prevent the payment, in good faith, of:

- (a) reasonable travelling and other expenses properly incurred by any Director:
 - (i) in attending and returning from:
 - (A) meetings of the Directors;
 - (B) meetings of any committee of the Directors; or
 - (C) general meetings of AVAA Inc.;
 - (ii) otherwise in connection with the business of AVAA Inc.;

- (b) reasonable and proper remuneration to any employee of AVAA Inc., or to any member of AVAA Inc. in return for any services actually rendered to AVAA Inc. or for goods supplied in the ordinary course of business;
- (c) interest at a reasonable rate on money lent to AVAA Inc. by any member or Director; or
- (d) reasonable rent for premises let by any member or Director to AVAA Inc.

6. Limited Liability

The liability of the members is limited.

7. Liability of Members on a Winding Up

Every member of AVAA Inc. undertakes to contribute to the assets of AVAA Inc., in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of AVAA Inc. contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required but not exceeding \$10 per member.

8. Surplus Assets on a Winding Up or Dissolution

If upon the winding up or dissolution of AVAA Inc. there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of AVAA Inc., but shall be given or transferred to some other association or associations having objects similar to the objects of AVAA Inc., and whose Constitution prohibits the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on AVAA Inc. under or by virtue of Rule 5.1, such association or associations to be determined by the members of AVAA Inc. at or before the time of winding up or dissolution, and if and so far as effect cannot be given to the above provision, then to some charitable object.

PART 2 – MEMBERSHIP

9. Admission to Membership

- 9.1. The Subscribers to this Constitution and such other persons as the Directors admit to membership in accordance with this Constitution shall be members of AVAA Inc. and shall be deemed to be bound by these Rules.
- 9.2. Every applicant for membership of AVAA Inc. (other than the subscribers to the Constitution) shall make application for membership in writing in such form set out in Appendix 1 or as the Board may from time to time prescribe.
- 9.3. The Board may require an applicant to have completed certain training courses have fulfilled examination requirements, have attained a prescribed level of education or

meet any other requirements which relate to the application for membership as a precondition to membership.

- 9.4. At the next meeting of the Board after the receipt of any application for membership, the application must be considered by the Board, who must determine upon the admission or rejection of the applicant. In no case will the Board be required to give any reason for the rejection of an applicant.
- 9.5. When an applicant has been accepted for membership the Secretary must immediately send to the applicant written notice of his or its acceptance.

10. Classes of Membership

“10.1 AVAA Inc. shall have the following classes of membership:-

Corporate Member

Corporate members:

- a) Must be incorporated under the Corporations Law;
- b) Must appoint a nominee in the form set out in Appendix 2 to this Constitution, acceptable to the AVAA Board, to act on the Company's behalf at meetings and exercise the Corporate Members' right to vote;
- c) Must, if they conduct auctions and receive money on behalf of a person/business/company, maintain a trust account and must provide the Board with a certificate from a registered company auditor within the meaning of the Corporations Law to the satisfaction of the Board no more than once a year as required under Rule 11.5 hereof;
- d) Must, prior to carrying out auctions and/or valuations not act in such capacity until evidence of professional indemnity insurance has been submitted and approved by the Board.

Sole Trader Auctioneer Member

A Sole Trader Auctioneer member:

- a) Must be the principal or partner of a business registered under the Business Names Act;
- b) Must conduct an auction sale at least once a year. The Board of the AVAA Inc may grant exemption here in extenuating circumstances;
- c) Must be working as an auctioneer in own/partnership/business at the time of application for membership;
- d) Must have worked as an auctioneer for at least 2 years prior to the time of application for membership;

- e) Must, if the principal or partner conducts auctions and receives money on behalf of a person/business/company, maintain a trust account and must provide the Board with a certificate from a registered company auditor within the meaning of the Corporations Law to the satisfaction of the Board no more than once a year as required under Rule 11.5 hereof;
- f) Must, prior to carrying out auctions, not act in such capacity until evidence of professional indemnity insurance has been submitted and approved by the Board;
- g) Must satisfy the Board as to their competence as an auctioneer and as to their good character.

Sole Trader Valuer Member

A Sole Trader Valuer member:

- a) Must be the principal or partner of a business registered under the Business Names Act;
- b) Must conduct valuations on a regular basis. The Board of the AVAA Inc may grant exemption here in extenuating circumstances
- c) Must be working as a valuer of goods in own/partnership/business at the time of application for membership;
- d) Must have worked as a valuer of goods for at least 5 years prior to the time of application for membership;
- e) Must not act in such capacity of valuer until evidence of professional indemnity insurance has been submitted and approved by the Board;
- f) Satisfy the Board as to their competence as a valuer of goods and as to their good character.

Sole Trader Auctioneer & Valuer Member

A Sole Trader Auctioneer & Valuer member must satisfy the requirements as Sole Trader Auctioneer member and Sole Trader Valuer member outlined above.

Auctioneer Member

This classification of membership is for employees of corporate or partner/sole trader members.

An Auctioneer member must:

- a) Be working as an auctioneer at the time of application for membership;
- b) Have worked as an auctioneer for at least 1 year prior to the time of application for membership;
- c) Satisfy the Board as to their competence as an auctioneer and as to their good character.

Valuer Member

This classification of membership is for employees of corporate or partner/sole trader members.

A Valuer member must:

- a) Be working as a valuer of goods at the time of application for membership;
- b) Have worked as a valuer of goods for at least 5 years prior to the time of application for membership;
- c) Satisfy the Board as to their competence as a valuer of goods and as to their good character.

Auctioneer & Valuer Member

An Auctioneer & Valuer member must satisfy the requirements as Auctioneer member and Valuer member outlined above.

Associate Member

An Associate member:

- a) can be an Auctioneer and/ or valuer for a Corporation, Partnership or Sole Trader that are not members of AVAA Inc.;
- b) Be working as / training to be an auctioneer and / or valuer;
- c) Satisfy the Board that they understand the basic requirements for the conduct of auctions and / or valuations;
- d) Is not entitled to vote at any Annual General Meeting or General Meeting of AVAA Inc. as detailed under Rule 12.3 hereof;

- e) Is not entitled to use the AVAA Inc. registered Logo;
- f) Who is employed by a Corporation, Partnership or Sole Trader as specified in part (a) of Associate Member may only mention their employer's trading name on AVAA Inc website or any list compiled by AVAA Inc. if it forms part of their own email address, if applicable;
- g) Can and must only use the membership designation 'Associate AVAA';
- h) Satisfy the Board that they are of good character.

Fellow Member

A Fellow Member must have been a member of The AVAA for a period of 15 consecutive years.

Life Member

A Life Member may be any person who in the opinion of the Board has represented The AVAA (supporting its principal objects) with distinction.

- 10.2 The Board may upon request in writing, require members or classes of members to provide trust account statements and/or evidence of professional indemnity insurance to the satisfaction of the Board within one month of such request being made.
- 10.3 Notwithstanding the conditions on parts of membership referred to in Clause 10.1 hereof, the Board may in its absolute discretion, accept interim membership to a class of membership, any person whom the Board believes has attributes and/or qualifications sufficient to the Grant of Membership through a class of membership notwithstanding that they do not comply with the conditions on class of membership, provided that no person shall be admitted to membership by virtue of this clause unless the Board is of the opinion that it is in the best interests of AVAA to admit such person to a class of membership.

11. Duties of Members

- 11.1. Where a member (whether as principal, agent, officer, employee or otherwise) does or will in the foreseeable future conduct an auction, carry out a valuation or directly or indirectly does anything in a professional capacity as either an Auctioneer or a Valuer, then that member must not act in such capacity until evidence of professional indemnity insurance has been submitted and approved by the Board.
- 11.2. Where a member (either as a disclosed or an undisclosed principal) conducts a sale by auction and in the course of acting as an auctioneer in that sale, receives money on behalf of a person, then that member must:
 - (a) pay the money (before the end of the next business day) into a general trust account into an Australian Bank account; or

- (b) if directed to do so by the person on whose behalf the money is received, to deliver the money to a third party, then deliver that money as directed (before the end of the next business day or as soon as practicably possible thereafter); or
- (c) if directed to do so by the person on whose behalf the money is received, to hold that money (either directly or indirectly) within the members control, then hold that money as directed and write to that person and confirm the full details of the transaction no later than the end of the next business day.

11.3. Rule 11.2 does not prevent a member from:

- (a) being reimbursed out of trust moneys for out-of-pocket expenses paid by the member or such expenses incurred by the member provided that the member is acting on the instructions of the person on whose behalf the money is held;
- (b) enforcing a lien or claim that a member has to any money;
- (c) exercising a general lien on unpaid moneys or expenses with respect to moneys in a trust account (other than moneys received subject to an express direction by the person on whose behalf it is held);
- (d) holding or disposing of a cheque or other negotiable instrument payable by a third party if the member does so on behalf of a client and in accordance with the client's direction; and
- (e) acting under authority as a member under this Rule.

11.4. The Board may require from time to time (but no more than once a year) a certificate in such form as the Board prescribes, from a member or prospective member that they have satisfied the requirements set out in this Rule.

11.5. Where there is a duty on a member to maintain a trust account, subject to Rule 11.6 that member must provide the Board with a certificate from a registered company auditor within the meaning of the Corporations Law to the satisfaction of the Board.

11.6. The Board may, on the written request of a member, waive the requirement for a member to provide an audit certificate from a registered company auditor and allow that member to provide an audit certificate from a nominate person.

11.7. The Board may issue guidelines setting out sufficient levels of cover for the purposes of satisfying the requirement of Rule 11.1.

12. Membership Entitlements

12.1. A right, privilege or obligation which a person has by reason of being a member of AVAA Inc.:

- (a) is not capable of being transferred or transmitted to another person; and

(b) subject to the Law and this Constitution, terminates on cessation of the person's membership.

12.2. Members are entitled to receive notice of meetings and attend meetings.

12.3. Members who are not associate members are entitled to one vote on each resolution proposed at meetings.

12.4. The following classes of members of AVAA Inc.. may use the following designations of membership after their name:

<u>CLASS OF MEMBERSHIP</u>	<u>DESIGNATION</u>
Corporate Member	Corporate Member AVAA and / or AVAA Certified Practising Auctioneer and / or AVAA Certified Practising Valuer
Sole Trader Auctioneer Member	AVAA Certified Practising Auctioneer
Sole Trader Valuer Member	AVAA Certified Practising Valuer
Auctioneer Member	AVAA Certified Practising Auctioneer
Valuer Member	AVAA Certified Practising Valuer
Associate Member	Associate AVAA
Fellow Member	Fellow AVAA
Life Member	Life Member AVAA

13. Register of Members

13.1. The Secretary must establish and maintain a register of members of AVAA Inc. specifying the name, address and occupation of each member of AVAA Inc., together with the date on which that person became a member.

13.2. Where a member ceases to hold membership, the Secretary must make an appropriate entry in the register of members recording the date on which the member ceased to be a member.

13.3. The register of members must be kept at the registered office of AVAA Inc. and must be open for inspection, free of charge, by any member of AVAA Inc. at any reasonable hour.

14. Fees

14.1. Subject to Rules 14.3 and 14.4, a member of AVAA Inc. must pay to AVAA Inc. any entrance fee, annual subscription or other fees and charges relative to each class of

membership as determined by the Board from time to time in the manner and at the time directed by the Board.

- 14.2. Unless the Board determines otherwise, annual subscription are payable on or before 1 February in the year of membership beginning on 1 January and ending on 31 December.
- 14.3. The Board in its absolute discretion may offer members a discounted annual subscription.
- 14.4. An Honorary Life Members is exempt from any annual subscriptions payable under this rule.

15. Resignation of Membership

- 15.1 A member of AVAA Inc. may resign that membership upon giving to the Secretary written notice of the member's resignation and upon receipt of that notice by AVAA Inc., the member ceases to be a member.

16. Cessation of Membership

- 16.1. A person ceases to be a member of AVAA Inc. if the person:
 - (a) dies or in the case of Corporate Members, is wound up or deregistered;
 - (b) resigns as a member in accordance with Rule 15; or
 - (c) is expelled as a member in accordance with Rule 18.
- 16.2. A former member is liable for all outstanding amounts due to AVAA Inc. up to the date the member ceased to be a member.
- 16.3. A certificate of membership must be returned to AVAA Inc. on the cessation of membership.

17. Suspension of a Member

- 17.1. If any person while a member of AAVA Inc.:
 - (a) is convicted of a felony or misdemeanour or indictment;
 - (b) is found by resolution of the majority of the Board on the complaint of any member to have been guilty of any act or omission which shall in the opinion of the Board be unbecoming of an auctioneer or valuer;
 - (c) is bankrupt or in the case of a Corporate Member:
 - (i) an event happens where that Corporate Member is deemed pursuant to the Law unable to pay its debts;

- (ii) an order is made or a resolution is passed for the winding up or dissolution of that Corporate Member;
 - (iii) a receiver or a manager or a receiver and manager is appointed to the whole or part of that Corporate Member's property or assets;
 - (iv) a chargee takes possession of the whole or part of that Corporate Member's property or assets; or
- (d) is a director of a Corporation in respect of which an order is made or a resolution is passed for the winding up or dissolution of that corporation;

that member may be suspended for such period as the Board may determine.

- 17.2. The Board must give a member at least one (1) weeks notice before the meeting at which a resolution is proposed of its intention to suspend a member.
- 17.3. The notice must state what is alleged against the member and of the intended resolution and that at such meeting and before the passing of the resolution that the member shall be given the opportunity to explain or defend.
- 17.4. The member may by notice in writing to the Secretary at leased 24 hours before the meeting elect to have the question dealt with in general meeting in which case an extraordinary general meeting shall be called for that purpose.
- 17.5. If at the extraordinary general meeting a resolution is passed by a majority of two-thirds of those present and voting then the member shall be punished.

18. Expulsion of a Member

- 18.1. The Directors shall have the power to expel a member from membership of AVAA Inc. where the member:
- (a) persistently refused and neglected to comply with any provision of this Constitution;
 - (b) persistently and wilfully acted in a manner prejudicial to the interests of AVAA Inc.;
 - (c) failed to pay the fee within one month of the due date as determined under Rule 14;
 - (d) fails to provide the trust account statements and professional indemnity insurance within one month of the due date as determined under Rule 0;
 - (e) in the case of a Corporate Member, ceases to offer services related to auction sales and/or valuations; or
 - (f) in the case of an Associate Member, ceases to meet all the relevant requirements set out in Rule 14

- 18.2. The Board is not required to give notice to a member concerning the Boards intention to terminate a membership in accordance with this Rule.

PART 3 - THE BOARD OF DIRECTORS

19. Directors Must Be Members

A Director must be a member (other than a Corporate Member).

20. Board of Directors

- 20.1** The Board of Directors consists of the following positions:

President
Vice-President
Treasurer
Four (4) Ordinary Directors

- 20.1. A President can only hold such office for a maximum of five (5) consecutive years.
- 20.2. At each annual general meeting all the Directors must retire from office.
- 20.3. Subject to Rules 20.1, the Board of Directors is to consist of 7 Directors elected by the members at the annual general meeting under Rule 19.
- 20.4. In the event of a casual vacancy occurring in the membership of the Board, the Board must appoint a member to fill the vacancy.
- 20.5. A retiring Director is eligible for re-election.

21. Election of Directors

- 21.1. Nominations of members for election as Directors under Rule 20.3 must be:
- (a) made in writing by two member of AVAA Inc.; and
 - (b) delivered to AVAA Inc. at twenty-eight (28) days prior to the general meeting.
- 21.2. A member may nominate for more than one position on the Board but may only hold one office at a time.
- 21.3. If insufficient nominations are received to fill all vacancies on the Board, the candidates nominated are taken to be elected and further nominations may be received.
- 21.4. If insufficient further nominations are received any vacant positions remaining on the Board are taken to be casual vacancies.

- 21.5. If the number of nominations received exceeds the number of vacancies to be filled a ballot of members is to be held in such usual and proper manner as the Board of Directors directs.

22. Remuneration

The Directors may be paid the expenses outlined in Rule 5.2(a) of the Constitution.

23. Secretary

- 23.1. A Secretary must be appointed by the Directors.
- 23.2. The Secretary holds office on such terms and conditions, as to remuneration and otherwise, as the Directors determine.

24. Vacation of Office

In addition to the circumstances in which the office of a Director becomes vacant by virtue of the Law, the office of a Director becomes vacant if the Director:

- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health or incapacity;
- (b) resigns his or her office by notice in writing to AVAA Inc.;
- (c) is absent without the consent of the Directors from meetings of the Directors held during a period of 6 months;
- (d) ceases to be a member of AVAA Inc.;
- (e) without the written consent of AVAA Inc., holds any other office of profit under AAVA Inc. except that of managing director or manager; or
- (f) is directly or indirectly interested in any contract or proposed contract involving AAVA Inc. and fails to declare their interest in such contract or proposed contract.

25. Meetings and Quorum

- 25.1. The Board may meet at such place and time as they think fit.
- 25.2. A Director may at any time, and the Secretary shall, upon receiving a requisition from a Director, convene a meeting of the Board.
- 25.3. The quorum required for a the transaction of business at a meeting of Board shall be three (3).
- 25.4. Subject to Rule 25.3, the Board may act despite any vacancy on the Board of Directors.

- 25.5. No business is to be transacted by the Board of Directors unless a quorum is present and if, within half an hour of the time appointed for the meeting, a quorum is not present, the meeting is to stand adjourned to the same place and at the same hour of the same day in the following week.
- 25.6. If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the meeting is to be dissolved.
- 25.7. The Directors may meet either in person or by telephone or by other means of electronic communication by which all persons participating in the meeting are able to hear the entire meeting and to be heard by all other persons attending the meeting. A meeting conducted by telephone or by other means of electronic communication will be taken to be held at the place agreed on by the Directors attending the meeting, provided that at least one of the Directors present at the meeting was at that place for the duration of the meeting.
- 25.8. The President shall preside at all meetings and in his absence the Vice-President and in his absence the Board shall appoint a Director to act as chairman for the meeting.

26. Committees

- 26.1. The Board may delegate any of their powers to a committee or committees consisting of such of their number as they think fit.
- 26.2. A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Board and a power so exercised is deemed to have been exercised by the Directors.
- 26.3. The members of such a committee may elect one of their number as chairperson of their meetings.
- 26.4. Where such a meeting is held and:
 - (a) a chairperson has not been elected as provided by Rule 26.3; or
 - (b) the chairperson is not present within 10 minutes after the time appointed for the holding of the meeting or is unwilling to act;the members present may elect one of their number to be chairperson of the meeting.
- 26.5. A committee may meet and adjourn as it thinks proper.
- 26.6. Despite any delegation under this Rule, the Board may continue to exercise any function delegated.
- 26.7. The Board may, by instrument in writing, revoke wholly or in part any delegation under this Rule.

27. Voting and Decisions

- 27.1. Questions arising at a meeting of the Board or of any committee must be determined by a majority of votes of the members of the Board or committee present and voting.
- 27.2. Each Director present at the meeting of the Board or of any committee is entitled to one vote and questions arising shall be decided by a majority of votes.

28. Powers and Duties of Directors

- 28.1. Subject to the Law and this Constitution, the business of AVAA Inc. will be managed by the Board, who may pay all expenses incurred in forming and promoting AVAA Inc., and may exercise all such powers of AVAA Inc. which are not, by the Law, or this Constitution, required to be exercised by AVAA Inc. in general meeting.
- 28.2. Without limiting the generality of Rule 28.1, the Board may exercise all the powers of AVAA Inc. to borrow money and mortgage or charge its property, or any part, and to issue debentures or give any other security for a debt, liability or obligation of AVAA Inc.

29. Power of Attorney

- 29.1. The Board may, by power of attorney, appoint any person or persons to be the attorney or attorneys of AVAA Inc.:
 - (a) for such purposes;
 - (b) with such powers, authorities and discretions (being powers, authorities and discretions vested in or exercisable by the Directors);
 - (c) for such period; and
 - (d) subject to such conditions,as they think fit.
- 29.2. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in him or her.

30. Financial Instruments

All cheques, promissory notes, bankers drafts, bills of exchange and other negotiable instruments, and all receipts for money paid to AVAA Inc., must be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by a Director and the Secretary or in such other manner as the Directors from time to time determine.

31. Minutes

- 31.1. The Directors must cause minutes to be made of all:

- (a) appointments of officers and employees; and
- (b) proceedings at all meetings of AVAA Inc.

31.2. The minutes must be signed by the Chairman of the Board present at any meeting.

32. Signed Resolutions

- 32.1. If all the Directors have signed a document containing a statement that they are in favour of a resolution of the Directors in terms set out in the document, a resolution in those terms shall be deemed to have been passed at a meeting of the Directors held on the day on which the document was signed and at the time at which the document was last signed by a Director or, if the Directors signed the document on different days, on the day on which, and at the time at which, the document was last signed by a Director.
- 32.2. For the purposes of Rule 32.1, 2 or more separate documents containing statements in identical terms each of which is signed by one or more Directors shall together be deemed to constitute one document containing a statement in those terms signed by those Directors on the respective days on which they signed the separate documents.
- 32.3. A reference in Rule 32.1 to all the Directors does not include a reference to a Director who, at a meeting of Directors, would not be entitled to vote on the resolution.

33. Defects in Appointment

All acts done by any meeting of the Directors or of a committee or by any person acting as a Director are, notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person to be a Director or a member of the committee, or to act as, a Director, or that a person so appointed was disqualified, is as valid as if the person had been duly appointed and was qualified to be a Director or to be a member of the committee.

34. Alternate Director

- 34.1. A Director may appoint a member to be an Alternate Director in his or her place during such period as he or she thinks fit.
- 34.2. An Alternate Director is entitled to notice of meetings of the Directors and, if the appointor is not present at such a meeting, is entitled to attend and vote in his or her place.
- 34.3. An Alternate Director may exercise any powers that the appointor may exercise and the exercise of any such power by the Alternate Director shall be deemed to be the exercise of the power by the appointor.
- 34.4. The appointment of an Alternate Director may be terminated at any time by the appointor notwithstanding that the period of the appointment of the Alternate Director has not expired, and terminates in any event if the appointor vacates office as a Director.

- 34.5. An appointment, or the termination of an appointment, of an Alternate Director shall be effected by a notice in writing signed by the Director who makes or made the appointment which is served on AVAA Inc.

PART 4 - GENERAL MEETINGS

35. Annual General Meetings

An annual general meeting of AVAA Inc. must be held in accordance with the provisions of the Law.

36. General Meetings

- 36.1. A general meeting must be held once in every calendar year not being more than fifteen months after the last general meeting and at such time and place as may be prescribed by the Board.
- 36.2. The members (being at least 5) may requisition or convene a general meeting in accordance with the Law.
- 36.3. Where a meeting has been requisitioned in accordance with the Law and at such meeting a resolution requires confirmation at another meeting, the Board shall convene that further meeting for the purpose of considering the resolution and if the Board does not convene the meeting within seven (7) days from the date of the passing of the first resolution, the requisitioners or such majority of them may themselves convene the meeting in accordance with the Law.
- 36.4. All business at a general meeting shall be special except for consideration of the accounts, the election of Directors, the report of the auditors and Directors and the appointment and fixing of the remuneration of the auditors.

37. Notice

- 37.1. The Secretary must, at least 28 days before the date fixed for the holding of a general meeting, cause to be sent to each member a notice specifying the place, date and time of the meeting and the general nature of the business proposed to be transacted at the meeting.
- 37.2. If the secretary accidentally omits to give any member notice in accordance with Rule 37.1, a resolution passed at such meeting is not invalidated by the omission.

38. Procedure

- 38.1. No business shall be transacted at a general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 38.2. Six (6) members present in person or by proxy, attorney or representative shall constitute a quorum at general meetings. vc

38.3. If within a twenty minutes after the appointed time for the commencement of a general meeting a quorum is not present, the meeting:

- (a) if convened on the requisition of members, is to be dissolved; and
- (b) in any other case, is to stand adjourned to the same day in the following week at the same time and (unless another place is specified at the time of the adjournment by the person presiding as chairperson at the meeting or communicated by written notice to members given before the day to which the meeting is adjourned) at the same place.

38.4. If at the adjourned meeting a quorum is not present within an hour after the time appointed for the commencement of the meeting, the members present is to constitute a quorum.

39. Chairperson

39.1. The President of the Board or in his absence the Vice-President shall preside as chairperson at every general meeting.

39.2. If the President and the Vice-President are not present at any meeting or either is not present within 15 minutes after the time appointed for the meeting or if present but unwilling to act as chairperson, the members present must elect one of their number to preside as chairperson at the meeting.

40. Adjournment

40.1. The chairperson of a general meeting at which a quorum is present may, with the consent of the majority of members present at the meeting, adjourn the meeting from time to time and place to place, but no business is to be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

40.2. If a general meeting is adjourned for 30 days or more, the Secretary must give notice of the adjourned meeting as in the case of an original meeting.

40.3. Subject to Rules 40.1 and 40.2, notice of an adjournment of a general meeting or of the business to be transacted at an adjourned meeting is not required to be given.

41. Making of decisions

41.1. A question arising at a general meeting of AVAA Inc. is to be determined on a show of hands unless (before or on the declaration of the show of hands) a poll is demanded:

- (a) by the chairperson;
- (b) by at least five (5) members present in person or by proxy, attorney or representative.

- 41.2. Unless a poll is so demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or carried by a particular majority or lost, or an entry to that effect in the minute book of AVAA Inc., is evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
- 41.3. The demand for a poll may be withdrawn.
- 41.4. If a poll is demanded, the poll must be taken:
- (a) immediately in the case of a poll which relates to the election of the chairperson of the meeting or to the question of an adjournment; or
 - (b) in any other case, in such manner and at such time before the close of the meeting as the chairperson directs,

and the resolution of the poll on the matter is taken to be the resolution of the meeting on that matter.

42. Voting

- 42.1. On a poll at a general meeting of AVAA Inc. each member present in person or by proxy, attorney or representative has one vote only.
- 42.2. In the case of an equality of votes on a question at a general meeting, the chairperson of the meeting is entitled to a casting vote.
- 42.3. A member or their proxy, attorney or representative is not entitled to vote at any general meeting of AVAA Inc. unless all money due and payable by the member to AVAA Inc. has been paid, other than the amount of the annual subscription payable in respect of the then current year.
- 42.4. If a member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, bankruptcy or insolvency, his or her committee or trustee or such other person as properly has the management of his or her estate may exercise any rights of the member as if the committee, trustee or other person were the member.

43. Appointment of proxies

- 43.1. Each member is to be entitled to appoint another member of AVAA Inc. as his or her proxy by notice given to the Secretary no later than 24 hours before the time of the meeting in respect of which the proxy is appointed.
- 43.2. The notice appointing the proxy is to be in the form set out in Appendix 3 to this Constitution.

PART 5 - MISCELLANEOUS

44. Seal

- 44.1. The Directors shall provide for the safe custody of the seal.
- 44.2. The seal shall be used only by the authority of the Directors, or of a committee authorised by the Directors to authorise the use of the seal, and every document to which the seal is affixed shall be signed by two members of the Board and be countersigned by another Director, a Secretary or another person appointed by the Directors to countersign that document or a class of documents in which that document is included.

45. Accounts

The Directors shall cause proper accounting and other records to be kept and shall distribute copies of every profit and loss account and balance sheet (including every document required by the Law to be attached thereto) accompanied by a copy of the auditor's report as required by the Law, provided however that the Directors shall cause to be made out and laid before each annual general meeting a balance sheet and profit and loss account made up to a date not more than 6 months before the date of the meeting.

46. Inspection of Records

The Directors shall determine whether and to what extent, and at what time and places and under what conditions, the accounting records and other documents of AVAA Inc. or any of them will be open to the inspection of members other than Directors, and a member other than a Director does not have the right to inspect any document of AVAA Inc. except as provided by the Law or authorised by the Directors or by AVAA Inc. in general meeting.

47. Audit

A properly qualified auditor or auditors shall be appointed and removed by the Board and their duties regulated in accordance with the Law.

48. Notices

- 48.1. A notice may be given by AVAA Inc. to any member either by serving it on him or her personally or by sending it by post to him or her at his or her address as shown in the register of members or the address supplied by him or her to AVAA Inc. for the giving of notices to him or her.
- 48.2. 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 to have been effected on the second day after the date of its posting.
- 48.3. Notice of every general meeting shall be given in the manner authorised by Rules 48.1 and 48.2 to:

- (a) every member; and
- (b) the auditor (if any) for the time being of AVAA Inc..

48.4. No other person is entitled to receive notices of general meetings.

49. Indemnity and Insurance

49.1. To the extent permitted by law, and unless the Directors in their absolute discretion resolve that the circumstances do not justify indemnification, AVAA Inc. must indemnify each person who is, or has been, an officer or employee of AVAA Inc. (to the extent that the officer or employee is not otherwise indemnified) against all liability incurred by that person as such an officer or employee:

- (a) to any person (other than AVAA Inc. or a related body corporate) unless the liability arises out of conduct involving a lack of good faith; or
- (b) for costs and expenses incurred by the person in defending proceedings, whether civil or criminal, in which judgement is given in favour of the person or in which the person is acquitted or in connection with an application, in relation to such proceedings in which the Court grants relief to the person under the Law.

49.2. To the extent permitted by law, AVAA Inc. may pay or agree to pay a premium in respect of a contract insuring a person who is, or has been, an officer or employee of AVAA Inc. against a liability incurred by the person as such an officer or employee, including, but without limiting the generality of the foregoing a liability for costs and expenses incurred by the person in defending proceedings, whether civil or criminal and whatever their outcome.

50. Internal Disputes

The Directors shall ensure that a mechanism is established for resolving internal disputes within its membership. This may include:

- (a) the appointment of an independent person to arbitrate in the dispute;
- (b) a process to bring the parties together to resolve the dispute at an early stage;
- (c) a process to ensure that all parties receive a full and fair opportunity of presenting their case;
- (d) where the dispute cannot be resolved internally by arbitration or mediation, referral of the matter to a Community Justice Centre which functions as ‘a centre for dispute settlement’.

APPENDIX 1

**APPLICATION FOR MEMBERSHIP OF AUCTIONEERS AND VALUERS
ASSOCIATION OF AUSTRALIA (INCORPORATED)**

(Rule 9.2)

*

I,
(full name of applicant)

of
(address)

.....hereby apply to become
(occupation)

a member of the abovenamed Company ('AVAA Inc.'). In the event of my admission as a member, I agree to be bound by the Constitution of AVAA Inc. for the time being in force.

.....
Date Signature of applicant

I,
(full name),

a member of AVAA Inc., nominate the applicant for membership of AVAA Inc.

.....
Date Signature of proposer

I,
(full name),

a member of AVAA Inc., second the nomination of the applicant for membership of AVAA Inc.

.....
Date Signature of seconder

APPENDIX 2

**FORM FOR NOMINATION OF CORPORATE
MEMBER REPRESENTATIVE FOR AUCTIONEERS AND
VALUERS ASSOCIATION OF AUSTRALIA (INCORPORATED)**
(Rule Error! Reference source not found.)

.....
(company name) (ACN)

having its registered office at
(address)

and being a Corporate Member of the abovenamed Company ('**AAVA Inc.**) hereby appoints

.....
(name of nominee)

of

.....
(address)

being a

.....
(office held in Corporate Member company)

of the Corporate Member as its nominee for the purpose of representing the Corporate Member as required by the Constitution of AVAA Inc. effective from the date below until revoked in writing by the Corporate Member.

.....
(Date)

.....
(Common Seal of Company)

APPENDIX 3

**FORM OF APPOINTMENT OF PROXY FOR
AUCTIONEERS AND VALUERS ASSOCIATION OF AUSTRALIA
(INCORPORATED)
(Rule 43.2)**

I,
(full name)

of
(address)

being a member of the abovenamed Company ('AVAA Inc.') hereby appoint

.....
(full name of proxy)

of
(address)

a member of AVAA Inc., as my proxy to vote for me and on my behalf at the General Meeting/Annual General Meeting of AVAA Inc. to be held on the day of20....., and at any adjournment of that meeting.

* My proxy is authorised to vote in favour of the resolution (insert details).

* My proxy is authorised to vote against the resolution (insert details).

.....
Date

.....
Signature of member appointing proxy

* Delete as appropriate

NOTE: A person appointed as a proxy must be a member of AVAA Inc.