

Constitution of: FNQ NRM Ltd

ACN: 106 385 899

ABN: 53 106 385 899

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1. PRELIMINARY

1.1 Type of Company

The Company is a not-for-profit public company limited by guarantee.

1.2 Objects

- (a) The principal object for which the Company is established is the protection and enhancement of the natural environment or of a significant aspect of the natural environment and the provision of information or education or the carrying on of research, about the natural environment or a significant aspect of the natural environment. Without limitation, in carrying out the principal object, the Company may pursue the following objects:
 - (i) to fill the role of a regional NRM body for the Wet Tropics region;
 - (ii) to carry out any other activities associated with ecologically sustainable management of natural resources; and
 - (iii) the maintenance of a fund to be called the "NATURAL CAPITAL FUND" for the purpose of assisting in the protection and enhancement of the natural environment particularly by disseminating information and providing for education or the undertaking of research about the natural environment or significant aspects of the natural environment.
- (b) The Company can only exercise the powers in section 124(1) of the Corporations Act to:
 - (i) carry out the objects of the Company set out in rule 1.2(a); and
 - (ii) do all things incidental or convenient in relation to the exercise of the power under rule 1.2(b)(i).

1.3 Application of income and property

- (a) Subject to rules 1.4 and 22.1, the Company must apply its income and assets solely towards promoting the objects of the Company as stated in rule 1.2.
- (b) No part of the Company's income or assets may be paid or transferred directly or indirectly to any member of the Company except to the extent permitted by this document.

1.4 Certain payments allowed

Rule 1.3 does not prevent the payment of reasonable remuneration to any employee of the Company or to any member of the Company or other person in return for services

rendered to the Company. In addition, rule 1.3 does not prevent the Company paying to a member:

- (a) interest on money lent by the member to the Company at a rate not exceeding the rate charged by Australian banks for overdrawn accounts;
- (b) reasonable remuneration for goods supplied by the member to the Company in the ordinary course of business; and
- (c) reasonable rent for premises lent by the member to the Company.

1.5 Replaceable rules

The replaceable rules referred to in section 141 of the Corporations Act do not apply to the Company and are replaced by the rules set out in this document.

1.6 Definitions

The following definitions apply in this document:

ACNC Act means the *Australian Charities and Not for profits Commission Act 2012* (Cth).

Board means the Directors acting collectively under this document.

Board Special Resolution means a resolution that has been passed by at least 75% of the votes cast by the Directors present at the Board meeting at which the subject of the resolution is an agenda item.

Chairperson means the Director who is for the time being holding the office of chairperson of the Board under rule 14.

Company means the company named at the beginning of this document or whatever its name is for the time being.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a person who is, for the time being, a director of the Company.

member means a person whose name is entered in the Register as a member of the Company.

Members Register means the register of members kept as required by sections 168 and 169 of the Corporations Act.

NRM means Natural Resource Management.

Publicly Responsible Person means a person who meets the criteria for having a degree of responsibility to the community as prescribed by the Commissioner of Taxation.

Representative means a person appointed as such under rule 5.

Secretary means, during the term of that appointment, a person appointed as a secretary of the Company in accordance with this document.

special resolution means a resolution:

- (a) of which notice has been given under rule 8.4; and
- (b) that has been passed by at least 75% of the votes cast by members present and entitled to vote on the resolution.

Subscription Fee means the subscription fee payable for membership in accordance with rule 4.

1.7 Interpretation of this document

Headings and marginal notes are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, modified in relation to the Company, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (iv) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word is defined, another part of speech has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (g) A power to do something includes a power, exercisable in the like circumstances, to revoke or undo it.
- (h) A reference to a power is also a reference to authority or discretion.
- (i) A reference to something being **written** or **in writing** includes that thing being represented or reproduced in any mode in a visible form.
- (j) A word (other than a word defined in rule 1.6) which is defined by the Corporations Act or the ACNC Act has the same meaning in this document where it relates to the same matters as the matters for which it is defined in the Corporations Act or the ACNC Act.

2. MEMBERSHIP

2.1 Membership

Subject to rule 5, the members are any person the Board admits to membership in accordance with this document.

2.2 Classes of membership

- (a) The membership of the Company consists of three class of member; Ordinary Members, Life Members and Affiliate Members.
- (b) The number of members is unlimited.

2.3 Ordinary Members

- (a) Any person is eligible to be an Ordinary Member if:
 - (i) the person has bona fide motives for applying for membership;
 - (ii) the person can demonstrate, through evidence, a commitment to the principles of sustainable natural resource management in the Far North Queensland region; and
 - (iii) if the person has a membership structure, the members of that person support membership of the Company, andis approved by a Board Special Resolution.
- (b) An Ordinary Member has the right to receive notice, attend, ask questions and vote at a general meeting in accordance with rule 8.

2.4 Life Members

- (a) The Board may admit as a Life Member any individual:
 - (i) whose contribution to the Company and the achievement of its objects, as a Member, member or officer of an Ordinary Member, Affiliate Member or member or officer of an Affiliate Member, in the opinion of the Board, is worthy of such recognition; and
 - (ii) who has consented to be admitted as a Life Member in any manner required by the Board.
- (b) Life Members are not required to pay Subscription Fees.
- (c) A Life Member has the right to receive notice, attend, ask questions and vote at a general meeting in accordance with rule 8.

2.5 Affiliate Members

- (a) Any person is eligible to be an Affiliate Member if the person can demonstrate, through evidence:
 - (i) its interest and/or involvement in natural resource management; and
 - (ii) its commitment to the principles of sustainable natural resource management.
- (b) An Affiliate Member has the rights to receive notice, attend, ask questions at a general meeting but does not have a right to vote.

2.6 Limited liability of members

If the Company is wound up, each member must contribute to the assets of the Company up to an amount not exceeding \$10.00 for payment of the debts and liabilities of the Company including the costs of the winding up. This undertaking continues for one year after a person ceases to be a member.

3. ADMISSION

3.1 Applications

Applications for membership of the Company as an Ordinary Member or Affiliate Member must be in writing, signed by the applicant and in a form approved by the Directors in their absolute discretion and sent to the Secretary.

3.2 Consideration of applications

- (a) The Directors will consider each application for membership at the next meeting of Directors after the application is received. In considering an application for membership, the Directors may:
 - (i) accept or reject the application; or
 - (ii) ask the applicant to give more evidence of eligibility for membership.
- (b) If the Directors ask for more evidence under rule 3.2, their determination of the application for membership is deferred until the evidence is given.
- (c) The Directors do not have to give any reason for rejecting an application for membership.

3.3 Notice

As soon as practicable following acceptance of an application for membership, the Secretary will send the applicant written notice of the acceptance and request payment of the applicant's first Subscription Fee (if any).

3.4 Time of membership

- (a) Subject to rule 3.4(b) an applicant for membership becomes a member:
 - (i) if the applicant has received a request for payment of a Subscription Fee, when the Subscription Fee is paid; or
 - (ii) if applicant is not required to pay a Subscription Fee, when the applicant's name is entered onto the Members Register.
- (b) If the first Subscription Fee of an applicant for membership is not paid within 30 days after the date the applicant is notified of acceptance of their application for membership, the Directors may cancel their acceptance of the applicant for membership of the Company.

3.5 Non transferable

The rights and privileges of every member are personal to each member and are not transferable by the member's own act or by operation of law.

4. SUBSCRIPTION FEE

4.1 Determination of Subscription Fee

The members may determine the subscription fee payable for membership (**Subscription Fee**).

4.2 Subscription Fee due

- (a) A member must pay the Subscription Fee on or before the date prescribed by the Directors.
- (b) If a member does not pay the Subscription Fee within 30 days after it becomes due the Directors:
 - (i) will give the member notice of that fact; and
 - (ii) if the Subscription Fee remains unpaid 30 days from the date of that notice, may declare that member's membership forfeited.

4.3 Cessation of membership and Subscription Fees

In the event the member ceases to be a member pursuant to rule 4.2(b)(ii) or rule 5:

- (a) the Company will not refund to the member any Subscription Fee; and
- (b) the member will remain liable for and will pay to the Company all Subscription Fees which were due at the date of ceasing to be a member.

5. REPRESENTATIVES

5.1 Appointment of Representative

- (a) Any corporation or organisation which is a member may by written notice to the Secretary:
 - (i) appoint a natural person to act as its Representative in all matters connected with the Company; and
 - (ii) remove a Representative.
- (b) The appointment of a Representative must:
 - (i) be in writing;
 - (ii) include the name of the Representative;
 - (iii) be signed on behalf of the member; and
 - (iv) be given to the Company or, for representation at a general meeting, be given to the chairperson of the meeting before the meeting starts.
- (c) The appointment of a Representative may be standing (ongoing).
- (d) The chairperson of a general meeting may allow a Representative to vote on the condition that they subsequently establishes their status as a Representative within a period prescribed by and to the satisfaction of the chairperson of the general meeting.
- (e) The appointment of a Representative may set out restrictions on the Representative's powers.

5.2 Representatives' rights

A Representative is entitled to:

- (a) exercise at a general meeting all the powers which the corporation or organisation which appointed him or her could exercise if it were a natural person;
- (b) stand for election or be appointed as a Director, if the member corporation or organisation which appointed the Representative would be eligible to be elected or appointed if it were a natural person; and
- (c) be counted towards a quorum on the basis that the member corporation or organisation is to be considered personally present at a general meeting by its Representative, provided that the member corporation or organisation which appointed him or her is eligible to be counted towards the quorum.

6. CESSATION OF MEMBERSHIP

- (a) A member's membership will cease, on the date:
 - (i) the Secretary receives written notice of resignation from that member;
 - (ii) where the member is an individual, the member:

- (A) dies;
 - (B) becomes mentally incapacitated or whose person or estate is liable to be dealt with in any way under the laws relating to mental health; or
 - (C) is convicted of an indictable offence, or
- (iii) where the member is not an individual,:
 - (A) a liquidator is appointed in connection with the winding-up of the member; or
 - (B) an order is made by a Court for the winding-up or deregistration of the member; or
- (iv) subject to rule 6(b), the Board resolves by a Board Special Resolution to cease the member's membership where the member:
 - (A) in the opinion of the Board, ceases to meet the eligibility criteria for membership apply to the member;
 - (B) has committed any act or omission that will, in the opinion of the Board be injurious or prejudicial to the reputation, character, interests or activities of the Company;
 - (C) wilfully refuses or neglects to comply with any of the rules in this document;
 - (D) is in breach of any of the Company's policies and procedures that apply to the member.
- (b) The Board must, at least one month before the Board Special Resolution, allow the member to have a full and fair opportunity to present evidence in defence of the proposed resolution and the Board must consider the evidence presented before resolving to cancel the member's membership.
- (c) If the Board resolves to cancel the member's membership, the Secretary must promptly give notice of the cancellation to the member.

7. REGISTER OF MEMBERS

- (a) The Company must set up and maintain a register of members.
- (b) In accordance with the Corporations Act, the Members Register must contain the following information:
 - (i) the name and address of each member;

- (ii) the date on which the entry of the member's name in the Members Register is made;
 - (iii) the category of membership;
 - (iv) the name and details of each person who stopped being a member within the last seven years;
 - (v) the date on which the person stopped being a member; and
 - (vi) an index of members' names if the Company has more than 50 members and the Register itself is not kept in a form that operates effectively as an index.
- (c) A member must notify the Secretary in writing of any change to the details in the Member's Register within one month of the change.

8. MEETINGS OF MEMBERS

8.1 Annual general meeting

- (a) The Company must hold an annual general meeting at least once in every calendar year.
- (b) Even if these items are not set out in the notice of meeting, the business of an annual general meeting may include:
 - (i) a review of the Company's activities;
 - (ii) a review of the Company's finances;
 - (iii) any auditor's report; and
 - (iv) the appointment and payment of auditors, if any.
- (c) Before or at the annual general meeting, the Board must give information to the members, entitled to attend and vote at the meeting, on the Company's activities and finances during the period since the last annual general meeting.
- (d) The chairperson of the annual general meeting must give members as a whole a reasonable opportunity at the meeting to ask questions or make comments about the management of the Company.

8.2 General meetings called by the Board

- (a) A general meeting may be convened at any time by the Board.
- (b) If members with at least 25% of the votes that may be cast at a general meeting, make a written request to the Company for a general meeting to be held, the Board must:
 - (i) within 21 days of the members' request, give all members notice of a general meeting; and

- (ii) hold the general meeting within 2 months of the members' request.
- (c) The percentage of votes that members have is to be worked out as at midnight before the members request the meeting.
- (d) The members who make the request for a general meeting must:
 - (i) state in the request any resolution to be proposed at the meeting;
 - (ii) sign the request; and
 - (iii) give the request to the Company.
- (e) Separate copies of a document setting out the request may be signed by members if the wording of the request is the same in each copy.

8.3 General meetings called by members

- (a) If the Board do not call the meeting within 21 days of being requested under rule 8.2(b), 25% or more of the members who made the request may call and arrange to hold a general meeting.
- (b) To call and hold a meeting under rule 8.3(a) the members must:
 - (i) as far as possible, follow the procedures for general meetings set out in this document;
 - (ii) call the meeting using the list of members on the Members Register, which the Company must provide to the members making the request at no cost; and
 - (iii) hold the general meeting within 3 months after the request was given to the Company.
- (c) The Company must pay the members who request the general meeting any reasonable expenses they incur because the Directors did not call and hold the meeting.

8.4 Notice of meeting

Subject to rule 8.5, at least 21 days' written notice of a general meeting must be given individually to:

- (a) each member (whether or not the member is entitled to vote at the meeting);
- (b) each Director; and
- (c) the auditor (if the Company is required to appoint an auditor).

8.5 Short notice

- (a) Subject to rule 8.5(b), notice of a meeting may be provided less than 21 days before the meeting if:
 - (i) for an annual general meeting, all the members entitled to attend and vote at the annual general meeting agree beforehand; or

- (ii) for any other general meeting, members with at least 75% of the votes that may be cast at the meeting agree beforehand.
- (b) Notice of a meeting cannot be provided less than 21 days before the meeting if a resolution will be moved to:
 - (i) remove a Director;
 - (ii) appoint a Director in order to replace a Director who was removed; or
 - (iii) remove an auditor (if the Company has appointed an auditor).

8.6 Content of notice

- (a) Notice of a general meeting must include:
 - (i) the place, date and time for the meeting (and if the meeting is to be held in two or more places and /or virtually, the technology that will be used to facilitate this);
 - (ii) the general nature of the meeting's business; and
 - (iii) if applicable, that a special resolution is to be proposed and the words of the proposed resolution.

8.7 Postponement or cancellation

The Board may:

- (a) postpone a general meeting;
- (b) cancel a general meeting; or
- (c) change the place for a meeting of members, or
- (d) change the technology used for a meeting of members.

by written notice given individually to each person entitled to be given notice of the meeting.

8.8 Fresh notice

If a general meeting is postponed or adjourned for one month or more, the Company must give new notice of the resumed meeting.

8.9 Technology

- (a) The Company may hold a general meeting at one or more locations where members may physically attend the meeting, or using any technology without members being physically present, or by a combination of these methods provided that any technology used gives the members as a whole a reasonable opportunity to participate (including to exercise rights to speak, to ask questions orally rather in writing and to vote in real time) without being physically present at the same place.
- (b) Anyone using this technology is taken to be present in person at the meeting.

(c) If technology is used to hold a general meeting, the place for the meeting is taken to be:

- (i) if any persons entitled to attend the meeting are entitled to physically attend at only one location, that location;
- (ii) if any persons entitled to attend the meeting are entitled to physically attend at two or more locations, the main location for the meeting as set out in the notice of the meeting; and
- (iii) if no persons entitled to attend the meeting are entitled to physically attend, the registered office of the Company; and

the time for the meeting is taken to be the time at the place for the meeting.

8.10 Accidental omission

The accidental omission to give notice to, or the non-receipt of notice by, any of those entitled to it does not invalidate any resolution passed at a general meeting.

9. PROCEEDINGS AT MEETINGS OF MEMBERS

9.1 Quorum

The quorum for a general meeting is the lesser of 20 Ordinary Members or 20% of the Ordinary Members. Each individual member present may only be counted once toward a quorum.

9.2 Quorum not present

If a quorum is not present within 15 minutes after the time for which a general meeting is called:

- (a) the meeting is adjourned to the day, time and place that the Board decides and notifies to members, or if no decision is notified before then, to the same time on the same day in the next week at the same place; and
- (b) if a quorum is not present at the adjourned meeting, the meeting is dissolved.

9.3 Chairing meetings of members

The Chairperson of the Board is entitled to chair meetings of members. If the Chairperson is not present within 15 minutes after the time for which a meeting is called or is unwilling to act the members present must elect a member or Director present to chair the meeting.

9.4 Attendance at general meetings

- (a) Every member has the right to attend all meetings of members.

- (b) Every Director has the right to attend and speak at all meetings of members.
- (c) The auditor has the right to attend any general meeting and to speak on any part of the business of the meeting which concerns the auditor in the capacity of auditor.

9.5 Adjournment

Subject to rule 8.8, the chairperson of a general meeting at which a quorum is present:

- (a) may; and
- (b) must, if directed by ordinary resolution of the meeting, adjourn it to another time and place.

9.6 Business at adjourned meetings

The only business that may be transacted at a meeting resumed after an adjournment is the business left unfinished immediately before the adjournment.

10. MEMBERS' RESOLUTIONS

10.1 Members resolutions

- (a) Members with at least 25% of the votes that may be cast on a resolution may give written notice to the Company of a resolution they propose to move at a general meeting (**members' resolution**).
- (b) A notice of a members' resolution must set out the wording of the proposed resolution and be signed by the members proposing the resolution.
- (c) Separate copies of a document setting out the notice may be signed by members if the wording is the same in each copy.
- (d) The percentage of votes that members have is to be worked out as at midnight before the request or notice is given to the company.
- (e) If the Company has been given notice of a members' resolution, the resolution must be considered at the next general meeting held more than 2 months after the notice is given.
- (f) This rule does not limit any other right that a member has to propose a resolution at a general meeting.

10.2 Company must give notice of proposed resolution

- (a) If the Company has been given a notice under rule 10.1:
 - (i) in time to send the notice of proposed members' resolution to members with a notice of meeting, it must do so at the Company's cost; or
 - (ii) too late to send the notice of proposed members' resolution to members

with a notice of meeting, then the members who proposed the resolution must pay the expenses reasonably incurred by the company in giving members notice of the proposed members' resolution. However, at a general meeting, the members may pass a resolution that the company will pay these expenses.

- (b) The Company does not need to send the notice of proposed members' resolution to members if:
 - (i) it is more than 1,000 words long;
 - (ii) the directors consider it may be defamatory;
 - (iii) rule 10.2(a)(ii) applies, and the members who proposed the resolution have not paid the Company enough money to cover the cost of sending the notice of the proposed members' resolution to members; or
 - (iv) the resolution does not relate to a matter that may be properly considered at a general meeting or is otherwise not a valid resolution able to be put to the members.

10.3 Circular resolutions of members

- (a) Subject to rule 10.3(b), the Directors may put a resolution to the members, entitled to vote, to pass a resolution without a general meeting being held (**a circular resolution**).
- (b) Circular resolutions cannot be used:
 - (i) for a resolution to remove an auditor, appoint a Director or remove a Director;
 - (ii) for passing a special resolution; or
 - (iii) where the Corporations Act or this document requires a meeting to be held.
- (c) A circular resolution is passed if all the members entitled to vote on the resolution sign or agree to the circular resolution, in the manner set out in rule 10.3(d) or rule 10.3(e).
- (d) Members may sign:
 - (i) a single document setting out the circular resolution and containing a statement that they agree to the resolution, or
 - (ii) separate copies of that document, as long as the wording is the same in each copy.
- (e) The Company may send a circular resolution by email to members and members may agree by sending a reply email to that effect, including the text of the resolution in their reply.
- (f) A circular resolution is passed at the time when the last member signs or sends a reply email agreeing to the resolution (as applicable).

11. ENTITLEMENT TO VOTE

11.1 Number of votes

- a. Each member entitled to vote has one vote.
- b. A member is not entitled to vote at a general meeting if the member's Subscription Fee is in arrears at the date of the meeting.
- c. Except where a special resolution is required, questions arising at a general meeting must be decided by a majority of votes cast by the members.

11.2 Casting vote of chairperson

If an equal number of votes is cast for and against a resolution at a general meeting, the chairperson has a casting vote whether or not the chairperson is a member.

11.3 Decision on right to vote

A member or Director may challenge a person's right to vote at a general meeting. A challenge may only be made at the meeting. A challenge, or any other doubt as to the validity of a vote, must be decided by the chairperson, whose decision is final.

12. HOW VOTING IS CARRIED OUT

12.1 Voting in advance

If the Board so decides, members entitled to vote may be given the opportunity, at the election of the member, to vote in advance of a general meeting on one or more of the resolutions to be put to the meeting.

12.2 Method of voting

- (a) A resolution put to the vote at a general meeting must be decided on a show of hands unless a poll is demanded under rule 12.3:
 - (i) before the show of hands is taken;
 - (ii) before the result of the show of hands is declared.
- (b) Unless a poll is demanded, the chairperson's declaration of a decision on a show of hands is final.

12.3 Demand for a poll

- (a) A poll may be demanded on any resolution (except a resolution concerning the election of the chairperson of a meeting) by:

- (i) at least 3 Ordinary Members entitled to vote on the resolution; or
 - (ii) the chairperson.
- (b) The demand for a poll does not affect the continuation of the meeting for the transaction of other business and may be withdrawn.

12.4 When and how polls must be taken

If a poll is demanded:

- (a) if the resolution is for the adjournment of the meeting, the poll must be taken immediately and in the manner that the chairperson of the meeting directs;
- (b) in all other cases, the poll must be taken at the time and place in the manner that the chairperson of the meeting directs;
- (c) a person voting who has the right to cast two or more votes need not cast all those votes and may cast those votes in different ways; and
- (d) the result of the poll is the resolution of the meeting at which the poll was demanded.

13. DIRECTORS

13.1 Composition of the Board

- (a) The Board is comprised of between six and nine Directors nominated by the Standing Independent Selection Panel (**SISP**) and appointed in accordance with this document.
- (b) In recognition that the Aboriginal peoples of the Wet Tropics are the Traditional Owners and custodians of the region, one of the Directors must be Indigenous.
- (c) The Board is skills-based and collectively must be capable of overseeing the strategic delivery of community based natural resource management across the Wet Tropics region. Where reasonably practicable the Board must collectively be diverse.

13.2 Term

- (a) The Directors are appointed for a term of 3 years, starting on the date the person consents to be the Director.
- (b) (The Director must retire at the conclusion of their term. A retiring Director will be eligible for re-appointment.

14. APPOINTMENT OF CHAIRPERSON

14.1 Appointment

The Board must appoint a Director to the office of chairperson of the Board for such term, not exceeding the appointee's term of office as a Director, as the Board may decide.

15. APPOINTMENT OF DIRECTORS

15.1 Appointment

- (a) (At least 6 months before the expiry of a Director's term or as soon as practicable after the Board becoming aware of a vacancy arising in the office of a Director the Board will notify the SISP to recommend a person for appointment to the office of Director (**Candidate**).
- (b) The decision of the SISP to appoint a Candidate is ratified at the next general meeting after notification under clause 15.1(a).
- (c) If a vacancy arises for the office of a Director, the Board must appoint a Director to the office of Director who will hold office until the Members in general meeting have ratified the appointment of the Candidate to fill the vacancy. The appointed Director holds office until the end of the term of the vacancy.
- (d) In relation to the role of Chairperson, if the Board has appointed a Chair, and that Chair's three term is due to expire within 12 months of their appointment as Chair, on the request of the majority of Directors the SISP must re-appoint the Chair for a further three year term.

15.2 Selection Criteria

- (a) The SISP must endeavour to recommend for appointment a suitable person to the office of Director taking into consideration the following selection criteria:
 - (i) a person who is a resident of the Wet Tropics and if not a resident, has demonstrated connection with and sound knowledge and understanding of natural resource management in the Wet Tropics region;
 - (ii) demonstrated performance and knowledge in the delivery of improved natural resource management outcomes;
 - (iii) well regarded within Aboriginal Traditional Owner, wider community, business, government and/or industry networks;
 - (iv) demonstrated competencies in at least some of the following areas: strategic planning, risk management, financial literacy, governance, stakeholder engagement, innovation,

and leadership.

(v) has key skills required under the Terrain Board Skills Matrix. The Terrain Board Skills Matrix is developed and approved by the Terrain Board and is regularly revised to ensure it contains Director skills aligned with best practices in relation to the modern governance requirements of Terrain.

15.3 Eligibility

- (a) A person is eligible for election as a Director if they:
 - (i) give the Secretary their signed consent to act as a Director; and
 - (ii) are not ineligible to be a Director under the Corporations Act or the ACNC Act.
- (b) A Director need not be a member.

16. CESSATION OF APPOINTMENT

16.1 Cessation of Director's appointment

A person automatically ceases to be a Director if the person:

- (a) is not permitted by the ACNC Act to be a director;
- (b) becomes disqualified from managing corporations under Part 2D.6 of the Corporations Act and is not given permission or leave to manage the Company under section 206F or 206G of the Corporations Act;
- (c) becomes physically or mentally incapable of performing the functions of that office;
- (d) fails to attend three (3) consecutive Board meetings (not including meetings of a committee of the Board) without leave of absence from the Board;
- (e) resigns by notice in writing to the Company;
- (f) is removed from office under rule 16.2;
- (g) is convicted on indictment of an offence and the Directors do not within one month after that conviction resolve to confirm the Director's appointment or election (as the case may be) to the office of Director; or
- (h) is directly or indirectly interest in any contract or proposed contract with the Company and fails to declare the nature of the interest as required by the Corporations Act.

16.2 Removal from office

The members by ordinary resolution may remove a Director from office. The power to

remove a Director under this rule is in addition to section 203D of the Corporations Act.

16.3 Too few Directors

If the number of Directors is reduced below 3, the minimum required by the Corporations Act, the continuing Directors may act as the Board only:

- (a) to appoint Directors up to that minimum number; and
- (b) to convene a general meeting.

17. POWERS OF THE BOARD

17.1 Powers generally

- (a) Except as otherwise required by the Corporations Act, any other applicable law or this document, the Board:
 - (i) has power to manage the business of the Company; and
 - (i) may exercise every right, power or capacity of the Company except those which must be exercised by the Company in general meeting and/or by the members.
- (b) The Board may make regulations, by-laws and policies consistent with this document, which in the opinion of the Board are:
 - (i) necessary or desirable for the proper control, administration and management of the Company's finances, affairs and property; or
 - (ii) necessary for the convenience, comfort and well-being of the members, and amend or rescind any regulations and by-laws.
- (c) A regulation, policy or by-law of the Company made by the Board may be disallowed by the Company in a later general meeting. A resolution or regulation made by the Company in general meeting cannot invalidate prior acts of the Board which would have been valid if that resolution or regulation had not been passed or made.

17.2 Exercise of powers

A power of the Board can be exercised only:

- (a) by resolution passed at a meeting of the Board or otherwise in accordance with rule 24.9; or
- (b) in accordance with a delegation of the power under rule 18.

18. DELEGATION OF BOARD POWERS

18.1 Power to delegate

The Board may delegate, in writing, any of its powers, other than those which by law must be dealt with by the Board to:

- (a) a committee or committees;
- (b) a Director;
- (c) an employee of the Company; or
- (d) any other person.

18.2 Power to revoke delegation

The Board may revoke a delegation previously made whether or not the delegation is expressed to be for a specified period.

18.3 Terms of delegation

- (a) A delegation of powers under rule 18.1 may be made:
 - (iii) for a specified period or without specifying a period; and
 - (iv) on the terms (including power to further delegate) and subject to any restrictions the Board decides.
- (b) A document of delegation may contain the provisions for the protection and convenience of those who deal with the delegate that the Board thinks appropriate.

18.4 Proceedings of committees

Subject to the terms on which a power of the Board is delegated to a committee, the meetings and proceedings of committees are, to the greatest extent practical, governed by the rules of this document which regulate the meetings and proceedings of the Board.

18.5 Deemed limitations

The following limitations and requirements will be deemed imposed by the Board in any delegation of powers:

- (a) The delegate may only make decisions directly related to the matters which have been delegated.
- (b) A resolution of any committee will not become effective until 7 days after the Board has received written notice of the resolution. The resolution will not become effective if the Board resolves to invalidate the resolution before the expiry of the 7 day period.

19. ADVISORY PANELS

19.1 Power to establish advisory panels

The Board may from time to time resolve to appoint one or more groups of persons on an ad hoc or standing basis to assist the Board in any area or in relation to any issues determined by the Board (**Advisory Panels**).

19.2 Terms of advisory panel

The Board may:

- (a) establish guidelines for the meetings and processes of the Advisory Panels;
- (b) appoint persons to the Advisory Panels;
- (c) terminate the appointment of persons to the Advisory Panels;
- (d) resolve to disband any Advisory Panel.

19.3 Deemed limitations

An Advisory Panel may make recommendations to the Board, but no recommendation or decision of an Advisory Panel is binding on the Board.

20. STANDING INDEPENDENT SELECTION PANEL

20.1 Power to establish SISP

- (a) The Board must ensure that there is at all times a Standing Independent Selection Panel (**SISP**) whose tasks will be to make appointments to the position of Director as required by this document.
- (b) The primary objective of the SISP must be to ensure the overall Board is skills-based and capable of overseeing the strategic regional development and implementation of community-driven natural resource management in the Wet Tropics Region.

20.2 Composition

- (a) The SISP must comprise four members, including:
 - (i) an independent chair with broad based natural resource management skills and experience, and credibility and respect throughout the Wet Tropics Region;
 - (ii) an industry representative;
 - (iii) a conservation representative; and
 - (iv) an Indigenous representative (this person can also be an independent chair).
- appointed in accordance with rule 20.4.

20.3 Term

A SISP member is appointed for a term of 4 years.

- (a) Other than a SISP member appointed under rule 20.5, a SISP member's term of office concludes at the end of the annual general meeting at which they are due to retire.
- (b) A SISP member who retires under rule 20.3(b) may be nominated for election or re-election, noting the restriction at rule 20.2(d)
- (c) A person cannot serve for more than eight years as a SISP member.

20.4 Nomination and election

- (a) At each annual general meeting:
 - (i) subject to rule 20.5(c), any SISP member appointed by the Board to fill a casual vacancy must retire; and
 - (ii) any SISP member whose term of office has ended must retire.
- (b) If the election of a SISP member is required at a general meeting, the notice of the general meeting must include:
 - (i) a call for nominations for election of SISP members;
 - (ii) the number of positions available and the relevant attributes required for the SISP member;
 - (iii) the nomination(s) must be delivered to the Secretary at the address specified in the notice and include a summary of evidence supporting the relevant attributes and a consent from the nominee(s) for appointment as a SISP member;
 - (iv) the nomination must be delivered to the Secretary at least 7 days before the meeting.
- (c) The Board may also nominate one or more persons to be SISP members.
- (d) At least 48 hours before a general meeting, at which the election of a SISP member is to be conducted, a list of nominees, together with a summary of supporting evidence, will be given to the members entitled to vote.
- (e) The members may elect each SISP member by a separate resolution conducted in accordance this document.

20.5 Casual vacancy

- (a) The Board may appoint a person as a SISP member to fill a casual vacancy.
- (b) Subject to rule 20.5(c), any person appointed under this rule holds office until the next annual general meeting.
- (c) If the next annual general meeting is to be held more than 3 months of the casual vacancy occurring the Board must convene a general meeting for the purpose of electing a SISP member to fill the casual vacancy and the nomination and election

procedures set out in rule 20.4 apply.

20.6 Deemed terms of SISP

- (a) In addition to any requirements on the SISP under this document, the SISP must endeavour to appoint individuals to the Board that collectively will:
 - (i) have a well-developed understanding of natural resource management issues and a commitment to finding solutions from a regional perspective;
 - (ii) act and operate as a cohesive and integrated team in the best interests of the region's bio-diversity conservation and sustainable use of natural resources in the Wet Tropics; and
 - (iii) have the capacity to:
 - A. engender trust in the community, business sector, natural resource management groups and Government in decisions relating to planning and implementing priority projects and initiatives to achieve cost effective outcomes for natural resource management in the region; and
 - B. develop an environment in which these same groups are prepared to invest and committed to implementing change.
- (b) Before embarking on a selection process for a particular position the SISP must:
 - (iv) satisfy itself that an appropriate publicity program to inform regional stakeholders about the vacant position and the selection criteria attaching to the position has been undertaken; and
 - (v) ensure that any publicity program must require that the applications will be lodged initially at the registered office of the Company or a designated employment agency.
- (c) The SISP may undertake a "short- listing" process in relation to applications and must not select an appointee without having first interviewed the appointee and persons which may have been short-listed for the appointment.
- (d) The SISP must have regard to the term of the Chairperson as referred to at subclause 15.(d)

21. DIRECTORS' DUTIES AND INTERESTS

21.1 Compliance with duties under the ACNC Act and general law

Each Director must comply with his or her duties described in governance standard 5 of the regulations made under the ACNC Act and under the general law.

21.2 Director can hold other offices etc

A Director may:

- (a) hold any office or place of profit or employment other than that of the Company's

- auditor or any, partner, director or employee of the auditor;
- (b) be a member of any corporation (including the Company) or partnership other than the Company's auditor;
- (c) be a creditor of any corporation (including the Company) or partnership; or
- (d) (enter into any agreement with the Company.

21.3 Disclosure of interests

Each Director must disclose the nature and extent of any actual or perceived material conflict of interest in a matter that is being considered at a meeting of the Board (or that is proposed in a circular resolution) to the other Directors.

21.4 Director interested in a matter

- (a) Each Director who has a material personal interest in a matter that is being considered at a meeting of the Board (or that proposed in a circular resolution) must not, except as provided under rule 21.4(b):
 - (i) be present at the meeting while the matter is being discussed; or
 - (ii) vote on the matter.
- (b) A Director may be counted in a quorum at a Board meeting that considers, and votes on, any matter in which that Director has an interest.
- (c) The Company may proceed with any transaction that relates to the interest and the Director may participate in the execution of any relevant document by or on behalf of the Company.
- (d)The Director may retain benefits under the transaction even though the Director has the interest.
- (e) The Company cannot avoid the transaction merely because of the existence of the interest.

21.5 Agreements with third parties

The Company cannot avoid an agreement with a third party merely because a Director:

- (a) fails to make a disclosure of an interest; or
- (b) is present at, or counted in the quorum for, a Board meeting that considers or votes on that agreement.

22. DIRECTORS' REMUNERATION

22.1 Payments to Directors

- (a) With the approval of the members, a Director may be paid reasonable fees for carrying out their duties in their capacity as a Director.
- (b) With the approval of the Board the Company may pay to a Director:
 - (i) reasonable expenses (including travelling and accommodation) incurred in carrying out duties as a Director;
 - (ii) reasonable remuneration where the Director is an employee of the Company and the terms of employment have been approved by the Board;
 - (iii) interest on money lent by the Director to the Company at a rate not exceeding the rate charged by Australian banks for overdrawn accounts;
 - (iv) reasonable remuneration for goods supplied by the Director to the Company in the ordinary course of business; and
 - (v) reasonable rent for premises leased by the Director to the Company.

23. OFFICERS' INDEMNITY AND INSURANCE

23.1 Officer's right of indemnity

Rules 23.2 and 23.3 apply:

- (a) to each person who is or has been a director, secretary or executive officer of the Company;
- (b) to any other officers or former officers of the Company;
- (c) if the Directors so determine, to any auditor or former auditor of the Company, each an **Officer** for the purposes of this rule.

23.2 Indemnity

- (a) The Company must indemnify every Officer on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses (**Liabilities**) incurred by the Officer as an officer of the Company.
- (b) The Company may make a payment (whether by way of advance, loan or otherwise) in respect of legal costs incurred by an Officer in defending an action for a Liability incurred as an Officer.
- (c) The indemnity in this rule:
 - (i) does not operate in respect of any Liability of the Officer to the extent that Liability is covered by insurance;
 - (ii) is enforceable without the Officer having to first incur any expense or make

any payment; and

(iii) is a continuing obligation and is enforceable by the Officer even though the Officer may have ceased to be an officer or auditor of the Company.

23.3 Insurance

Subject to the Corporations Act and any other applicable law, the Company may enter into, and pay premiums on, a contract of insurance in respect of any Officer against any Liability as an officer or auditor of the Company including, but not limited to:

- (a) costs and expenses in defending any proceedings, whether civil or criminal, whatever their outcome; or
- (b) a Liability arising from negligence or other conduct.

23.4 Directors' access to documents

If the Board agree, the Company must give a Director or former director access to:

- (a) certain documents, including documents provided for or available to the Board, and
- (b) any other documents referred to in those documents.

24. BOARD MEETINGS

24.1 Convening Board meetings

A Director may at any time, and a Secretary must on request from a Director, convene a Board meeting.

24.2 Notice of Board meeting

The convenor of each Board meeting:

- (a) must give reasonable notice of the meeting (and, if it is adjourned, of its resumption) individually to each Director; and
- (b) may give that notice orally (including by telephone) or in writing,

but failure to give notice to, or non-receipt of notice by, a Director does not result in a Board meeting being invalid.

24.3 Use of technology

A Board meeting may be held using any technology by which each Director participating can hear and be heard by each other Director participating or in any other way permitted by part 2G.5 of the Corporations Act. All Directors so participating in a meeting are taken for all purposes to be present while so participating.

24.4 Place and time of meeting

A Board meeting held by technology at more than one physical location is taken to be held

at the place at which the greatest number of the Directors physically present at the meeting are located or, if an equal number of Directors are physically present in each of two or more locations, at the location where the chairperson of the meeting is physically present, or if the meeting is not held at any location, at the registered office of the Company. The time for a meeting held using technology is taken to be the time at the place for the meeting,

24.5 Chairing Board meetings

The Chairperson will chair Board meetings. If the Chairperson is not present within 15 minutes after the time for which a Board meeting is called or is unwilling to act, the Directors present must elect a Director present to chair the meeting.

24.6 Quorum

Unless the Board decides otherwise, the quorum for a Board meeting is a majority of Directors and a quorum must be present for the whole meeting.

24.7 Majority decisions

A resolution of the Board must be passed by a majority of the votes cast by Directors present and entitled to vote on the resolution. The chairperson of a Board meeting has a deliberative vote and a casting vote.

24.8 Procedural rules

The Board may adjourn and, subject to this document, otherwise regulate its meetings as it decides.

24.9 Board Circular resolutions

- (a) Subject to rule 24.9(b), the Directors may pass a resolution without a Board meeting being held (**a Board circular resolution**).
- (b) A Board circular resolution is passed if all the Directors, entitled to vote on the resolution, agree to the Board circular resolution in the manner set out in rule 24.9(c) or (d).
- (c) Directors may sign:
 - (i) a single document setting out the Board circular resolution and containing a statement that they agree to the resolution, or
 - (ii) separate copies of that document, as long as the wording is the same in each copy.
- (d) The Secretary may send a Board circular resolution by email to all the Directors and the Directors may agree by sending a reply email to that effect, including the text of the resolution in their reply.
- (e) A Board circular resolution is passed at the time when the last Director signs or sends a reply email agreeing to the resolution (as applicable).

24.10 Valid proceedings

Each resolution passed or thing done by, or with the participation of, a person acting as a Director or member of a committee is valid even if it is later discovered that:

- (a) there was a defect in the appointment of the person; or
- (b) the person was disqualified from continuing in office, voting on the resolution or doing the thing.

25. SECRETARY

25.1 Appointment of Secretary

The Board:

- (a) must appoint at least one individual; and
 - (b) may appoint more than one individual,
- to be a Secretary either for a specified term or without specifying a term.

25.2 Terms and conditions of office

A Secretary holds office on the terms (including as to remuneration) that the Board decides. The Board may vary any decision previously made by it in respect of a Secretary.

26. MINUTES

26.1 Minutes must be kept

The Board must cause minutes of:

- (a) proceedings and resolutions of meetings of the Company's members;
- (b) the names of Directors present at each Board meeting or committee meeting;
- (c) proceedings and resolutions of Board meetings (including meetings of a committee to which Board powers are delegated under rule 18);
- (d) resolutions passed by Directors without a meeting; and
- (e) disclosures and notices of Directors' interests.

26.2 Minutes as evidence

A minute recorded and signed in accordance with section 251A of the Corporations Act is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.

26.3 Inspection of minute books

The Company must allow members to inspect, and provide copies of, the minute books for the meetings of members in accordance with section 251B of the Corporations Act.

27. FINANCIAL REPORTS AND AUDIT

27.1 Company must keep financial records

The Board must cause the Company to keep written financial records that:

- (a) correctly record and explain its transactions (including transactions undertaken as trustee) and financial position and performance; and
- (b) would enable true and fair financial statements to be prepared and audited, and must allow a Director and the auditor to inspect those records at all reasonable times.

27.2 Appointment of auditor or reviewer

If required by the Corporations Act or ACNC Act (as the case may be), the company must appoint a qualified auditor or reviewer. No member may act as auditor or reviewer of the Company.

28. FINANCIAL YEAR

28.1 Company's financial year

The Company's financial year is from 1 July to 30 June, unless the Board pass a resolution to change the financial year.

29. PUBLIC FUND

29.1 Public Fund

- (a) The Company may maintain a fund, called the Natural Capital Fund. The objective of the fund is to support the Company's natural environmental purposes set out in rule 1.2.
- (b) Gifts of money or property for the purpose described in rule 29.1(a) must be made to the fund.
- (c) Contributions which are described in Items 7 or 8 of the table in section 30-15 of the Income Tax Assessment Act 1997 in relation to a fund-raising event held for the purpose described in rule 29.1(a) must be made to the fund. Any money received by the Company because of such gifts or contributions must be credited to the fund. No other money or property may be credited to the fund.
- (d) The income and property of the Natural Capital Fund may only be applied towards the Company's environmental objectives.

- (e) Any allocation of funds or property to other persons or organisations will be made in accordance with the established purposes of the Company and not be influenced by the preference of the donor.

29.2 Informing the Department

- (a) The Company must inform the Department responsible for the environment as soon as possible if:
 - (a) it changes its name or the name of its public fund; or
 - (b) there is any change to the membership of the management committee of the public fund; or
 - (c) there has been any departure from the model rules for public funds located in the Guidelines to the Register of Environmental Organisations.
- (b) The Company will provide to the Department responsible for the environment, within four months of the end of the financial year being 30 June, statistical information about gifts made to the gift fund during that income year. An audited financial statement for the Company and its public fund will be supplied with the annual statistical return. The statement will provide information on the expenditure of public fund monies and the management of public fund assets.
- (c) The Company agrees to comply with any rules that the Australian Treasurer or Minister with responsibility for the environment may make to ensure that gifts made to the gift fund are used only for the purpose described in rule 29.1(a).

29.3 Management of the Natural Capital Fund

- (a) Members of the public are to be invited to make gifts of money or property to the fund.
- (b) Money from interest on donations, income derived from donated property, and money from the realisation of such property is to be deposited into the fund.
- (c) A separate bank account is to be opened to deposit money donated to the fund, including interest accruing thereon, and gifts to it are to be kept separate from other funds of the Company.
- (d) Receipts are to be issued in the name of the fund and proper accounting records and procedures are to be kept and used for the fund.
- (e) The funds will be operated on a not-for-profit basis.
- (f) A committee or management of no fewer than 3 persons will administer the fund. The committee will be appointed by the Board. A majority of the members of the committee are required to be Publicly Responsible Persons.

29.4 Winding up or transfer of fund

- (a) Subject to rule 29.4(b), if the Natural Capital Fund is wound up, any surplus assets of the fund are to be transferred to another fund with similar objectives that is on the Register of the Environmental Organisations.

- (b) If the Company is endorsed in its own right as a deductible gift recipient under the *Income Tax Assessment Act 1997* (Cth) for the Company's natural environmental purposes set out in rule 1.2, any assets of the Natural Capital Fund, as the Board decides, may be transferred to the Company for those purposes.

30. WINDING UP OF COMPANY

30.1 Surplus assets not to be distributed to members

If the Company is wound up, any surplus assets must not be distributed to a member or a former member of the Company.

30.2 Distribution of surplus assets

- (a) Subject to the Corporations Act and any other applicable law, and any court order, any surplus assets (including 'gift funds' defined in rule 30.2(d)) that remain after the Company is wound up must be distributed to one or more charities:
 - (i) with purpose(s) similar to, or inclusive of, the purpose(s) in rule 1.2;
 - (ii) which also prohibit the distribution of any surplus assets to its members to at least the same extent as the Company;
 - (iii) if the Company is endorsed as a deductible gift recipient, that is or are deductible gift recipients within the meaning of the *Income Tax Assessment Act 1997* (Cth).
- (b) The decision as to the organisation or organisations to be given the surplus assets must be made by a special resolution of members at or before the time of winding up. If the members do not make this decision, the Company may apply to the Supreme Court to make this decision.
- (c) If the Company's deductible gift recipient endorsement is revoked (whether or not the Company is to be wound up), any surplus gift funds must be transferred to one or more organisations that meet the requirements of rule 30.2(a)(i), (ii) and (iii) as decided by the Board.
- (d) For the purpose of this rule:
 - (i) 'gift funds' means:
 - (A) gifts of money or property for the principal purpose of the Company;
 - (B) contributions made in relation to a fund-raising event held for the principal purpose of the Company; and
 - (C) money received by the Company because of such gifts and contributions.
 - (ii) 'contributions' and 'fund-raising event' have the same meaning as in Division 30 of the *Income Tax Assessment Act 1997* (Cth).

31. AMENDING THE CONSTITUTION

The members may amend this constitution by passing a special resolution.

32. NOTICES

32.1 Notices by Company

A notice is properly given by the Company to a person if it is:

- (a) in writing signed on behalf of the Company (by original or printed signature);
- (b) addressed to the person to whom it is to be given; and
- (c) either:
 - (i) delivered personally;
 - (ii) sent by prepaid mail to that person's address; or
 - (iii) sent by electronic message to the electronic address (if any) nominated by that person.

32.2 When notice is given

A notice to a person by the Company is regarded as given and received:

- (a) if it is delivered personally:
 - (i) by 5.00 pm (local time in the place of receipt) on a business day - on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a business day, or on a day that is not a business day - on the next business day;
- (b) if it is sent by electronic message:
 - (i) by 5.00 pm (local time in the place from which it is sent or given) on a business day – on that day; or
 - (ii) after 5.00 pm (local time in the place from which it is sent or given) on a business day, or on a day that is not a business day – on the next business day; and
- (c) if it is sent by mail, five business days after posting.

A certificate in writing signed by a Director or Secretary stating that a notice was sent is conclusive evidence of service.

32.3 Business days

For the purposes of rule 32.2, a business day is a day that is not a Saturday, Sunday or

public holiday in the place to which the notice is sent.

32.4 Counting days

If a specified period must pass after a notice is given before an action may be taken, neither the day on which the notice is given nor the day on which the action is to be taken may be counted in reckoning the period.

32.5 Notices to "lost" members

(a) If:

- (i) on two or more consecutive occasions a notice served on a member in accordance with this rule is returned unclaimed or with an indication that the member is not known at the address to which it was sent; or
- (ii) the Board believes on other reasonable grounds that a member is not at the address shown in the Members Register or notified to the Company,

the Company may give effective notice to that member by exhibiting the notice at the Company's registered office for at least 48 hours.

(b) This rule ceases to apply if the member gives the Company notice of a new address.