

Jewellers Association of Australia Limited

Constitution

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1 Preliminary

1.1 Association is limited by guarantee

- (a) The Association is a public company limited by guarantee and the liability of members is limited as provided in this Constitution.
- (b) This Constitution contains the rules setting out the manner in which the Members have agreed to conduct the internal administration of the Association.
- (c) This Constitution replaces all previous constitutions of the Association.

1.2 Replaceable rules

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

1.3 Objects of the Association

- (a) To promote and maintain the highest level of honesty, integrity, social responsibility and business ethics for all Members.
- (b) To provide educational opportunity for Members to improve the knowledge, expertise and professionalism of themselves and their employees.
- (c) To represent the jewellery industry in discussions, negotiations and communications with all levels of government.
- (d) To promote directly to consumers, the benefits of dealing with Members.
- (e) To promote unity within the jewellery industry and the consideration, debate and discussion of all matters relating to the jewellery industry, and generally to watch over and protect the interests of both the persons engaged in the jewellery industry and consumers who purchase jewellery, timepieces and other products from jewellery stores.

1.4 Application of Income and Property

Subject to rule 1.5 the Association must apply its income and property solely towards promoting the objects of the Association as stated in rule 1.3. No part of the Association's income or property may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise to Members.

1.5 Certain payments allowed

- (a) Rule 1.4 does not prevent, with the prior approval of the Board, the payment of:

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- (1) reasonable remuneration to any officer or employee of the Association;
 - (2) reasonable remuneration to any person, including an officer or employee of the Association, in return for services rendered to the Association in a technical or professional capacity on reasonable commercial terms; and
 - (3) the payment of expenses to Directors in accordance with rule 8.10.
- (b) In addition, rule 1.4 does not prevent the Association paying to a Member:
- (1) reasonable remuneration for goods or services supplied by a Member to the Association in the ordinary course of business;
 - (2) reasonable rent for premises let by a Member to the Association; and
 - (3) reimbursement of reasonable expenses (including travel and accommodation) incurred by any Member who is carrying out duties in compliance with the objects of the Association at the direction of the Board.

1.6 Limited liability of Members on winding up

If the Association is wound up each Member of the Association undertakes to contribute to the assets of the Association up to an amount not exceeding \$5 for payment of the debts and liabilities of the Association including the costs of the winding up.

1.7 Distribution of profits on winding up

- (a) If the Association is wound up or dissolved, the assets and property available for distribution after satisfaction of all debts and liabilities are to be given or transferred to some other association or associations:
 - (1) having objects similar to the objects of the Association; and
 - (2) whose constitution prohibits the distribution of its income and property to an extent at least as great as that imposed by this Constitution.
- (b) The Directors may determine the identity of the association or associations for the purpose of rule 1.7(a) at the time of dissolution.
- (c) If the Directors fail to determine the identity of the association or associations under rule 1.7(b), the Supreme Court of New South Wales may make that determination.

2 Members

2.1 Personal Rights of Membership

The rights and privileges of each Member are personal to that Member and are not transferable.

2.2 Classes of Membership

The Members are divided into the following classes:

- (a) General Members
- (b) Associate Members
- (c) Life Members

2.3 Rights of Membership

- (a) **(General Members):** General Members have the right to attend, speak and vote at general meetings of the Association and shall be eligible for election to the Board or any other office of the Association.
- (b) **(Associate Members):** Associate Members have the right to attend and speak at general meetings of the Association but may not vote at any general meeting of the Association. Associate Members shall not be eligible for election to the Board, State Branch Committees or Industry Sector Committees of the Association. Associate Members are however eligible to be appointed to any other committees established by the Board pursuant to rule 13.1 of this Constitution.
- (c) **(Life Members):** Life Members have the right to attend and speak at general meetings of the Association but may not vote at any general meeting of the Association and shall not be eligible for election to the Board or to any other office of the Association. Life Members are however eligible to be appointed to committees established by the Board pursuant to rule 13.1 of this Constitution. Life Members are appointed by approval of the Board and are exempt from the payment of Membership Fees for the duration of their membership.

2.4 Members Register

- (a) The Association must keep a Member's Register which complies with section 168 and 169 and which shows in respect of each Member; that Member's full name, address, class of membership, date of admission to membership, details of Membership Fees paid and such other matters as the Board from time to time prescribes.
- (b) Every member must supply to the Association all information required to complete that Member's entry in the Member's Register.

2.5 Admission

- (a) A person or company may only apply for admission to membership of the Association as a General Member or Associate Member. Life Members are appointed by approval of the Board.
- (b) Where the applicant is a corporate entity that entity shall nominate a partner, director or employee of that entity to represent it on all matters pertained to its membership of the Association.
- (c) All applications for membership must be in the form prescribed by the Board.
- (d) The Board may, in its absolute discretion, admit or refuse to admit any applicant to membership of the Association.

2.6 Eligibility

In assessing applications for membership of the Association the Board may have due regard to the following general guidelines:

- (a) A person or company should only be eligible for admission as an Associate Member if that person or company derives at least some income or turnover from the jewellery industry;
- (b) A person or company should only be eligible for admission as a General Member if that person or company derives at least the majority of its income or turnover from the jewellery industry and that person or company is domiciled in Australia;
- (c) A person or company that applies for membership of the Association through the Buying Group Entity Member Scheme should only be eligible for admission as an Associate Member.

2.7 Renewal of membership

- (a) Each year, on a date to be prescribed by the Board, every Member must apply to the Board to have their membership renewed.
- (b) All applications for renewal must be in the form prescribed by the Board.

2.8 Membership Fees

A Member (other than Life Members) must pay annual Membership Fees in accordance with any Membership Fees Notices issued by the Board. A Membership Fees Notice must specify:

- (a) the amount of Membership Fees to be paid by the Member;
- (b) the period for which the Membership Fees are to be paid; and

- (c) the date the Membership Fees are due.

2.9 Resignation

A Member can resign from the Association by giving one month's written notice to the Board.

2.10 Cancellation of Membership

- (a) The Board may, by resolution, cancel the membership of a Member of the Association:
 - (1) who does not comply with this Constitution or any By-Laws, Code of Practice, Code of Ethics, rules or regulations of the Association;
 - (2) whose Membership Fees or other financial liabilities to the Association are in arrears for at least one month; or
 - (3) whose conduct in the opinion of the Board is prejudicial to the interests of the Association.
- (b) At least 21 days before the Board holds a meeting to cancel a Member's membership of the Association, the Board must send a notice to the Member which states:
 - (1) the reasons or grounds for proposing cancellation of membership;
 - (2) the proposed resolution for the cancellation of the Member's membership of the Association; and
 - (3) that the Member has an opportunity at the meeting to address the reasons or grounds either in person or in writing.

2.11 Effect of cessation

A Member who ceases to be a Member continues to be liable for:

- (a) any Membership Fees or other financial liability due and unpaid at the date of cessation;
- (b) all other moneys due by them to the Association; and
- (c) the guarantee set out in rule 1.6.

2.12 Classes of Members

The Board may:

- (a) establish different classes of Members; and

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- (b) prescribe the qualifications, rights and privileges of persons to become a Member of a class.

2.13 Procedure for Varying or Cancelling Rights of Members

The Board may resolve to vary or cancel the rights of any class of membership as it sees fit.

3 General Meetings

3.1 Annual General Meeting

The Association must hold an annual general meeting as required by section 250N of the Act.

3.2 Calling meetings of members

- (a) The Board or no less than five Directors may at any time; and
- (b) The Board must when requested by Members under section 249D or when ordered by the Court under section 246G, convene a meeting of Members.

3.3 Notice of Meeting

Subject to rule 3.4, at least 21 days written notice of a meeting of Members must be given individually to:

- (a) each Member; and
- (b) each Director; and
- (c) to the Auditor

The notice of meeting must comply with section 249L and may be given in any manner permitted by section 249J (3) of the Act.

3.4 Short Notice

Subject to sections 249H (3) and (4) of the Act the Association may call on shorter notice:

- (a) an AGM, if all the Members entitled to attend and vote at the AGM agree beforehand; or
- (b) any other general meeting, if Members with at least 95% of the votes that may be cast at the meeting agree beforehand.

3.5 Nomination Notice

- (a) At least 90 days before the date of a proposed AGM the Secretary must send a written notice to each State Branch, Industry Sector and Buying

Group Entity requesting their nominations to the Board as provided by rule 8.3(a) and 8.3(b);

- (b) Each State Branch, Industry Sector and Buying Group Entity must provide the Association with written confirmation of their nominations to the Board within 20 days of the date of the notice referred to in rule 3.5(a);
- (c) If the Board is required to make a decision in accordance with rule 8.3(b)(2) the Secretary must send written notice of that decision to each State Branch and / or Industry Sector within 20 days of receipt of the last valid notice under rule 3.5(b); and
- (d) If a State Branch or Industry Sector is required to nominate a new representative to the Board in accordance with rule 8.3(b)(3) it must provide the Association with written confirmation of its nomination to the Board within 20 days of the date of the notice referred to in rule 3.5(c).

3.6 Postponement or cancellation

Subject to sections 249D (5) and 250N, the Board may by written notice given individually to each person entitled to be given notice of the meeting:

- (a) postpone a meeting of Members;
- (b) cancel a meeting of Members;
- (c) change the place for a meeting of Members.

3.7 Fresh Notice

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

3.8 Technology

The Association may hold a meeting of Members at 2 or more venues using technology that gives the Members as a whole reasonable opportunity to participate.

3.9 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 meeting of Members.

4 Proceedings at general meetings

4.1 Member present at meeting

If a Member has appointed a proxy to act at a meeting of Members, that Member is taken to be present at a meeting at which the proxy is present.

4.2 Quorum

The quorum for a meeting of Members is twenty of which at least fifteen must be General Members.

4.3 Quorum not present

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

- (a) if called as a result of a request of Members under section 249D, the meeting is dissolved; and
- (b) in any other case:
 - (1) 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
 - (2) if a quorum is not present at the adjourned meeting, the meeting is dissolved.

4.4 Chairing general meetings

If the Board has appointed a Director to chair Board meetings, that Director may also chair meetings of Members. If that Director is not present at the time for which a meeting of Members is called or is not willing to chair the meeting:

- (a) the Board must appoint a Director to chair the general meeting; and
- (b) if that Director is unwilling to act as chair of the general meeting the General Members present must elect a General Member or Director present to chair the meeting.

4.5 Attendance at general meeting

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

4.6 Adjournment

The chair of a meeting of Members at which a quorum is not present:

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

4.7 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.

5 Proxies, attorneys and representatives

5.1 Appointment of proxies

A General Member may appoint a proxy to attend and act for the General Member at a meeting of Members. An appointment of proxy must be made by written notice to the Association

- (a) that complies with section 250A(1) of the Act; or
- (b) in any other form and mode that is, and is signed or acknowledged by the General Member in a manner, satisfactory to the Board.

5.2 General Members' attorney

A General Member may appoint an attorney to act, or to appoint a proxy to act, at a meeting of Members. If the appointer is an individual, the power of attorney must be signed in the presence of at least one witness.

5.3 Deposit of proxy forms and powers of attorney

An appointment of a proxy or an attorney is not effective for a particular meeting of Members unless:

- (a) in the case of a proxy, the proxy form and, if it is executed by an attorney, the relevant power of attorney or a certified copy of it; and
- (b) in the case of an attorney, the power of attorney or a certified copy of it,

is received by the Association at its registered office or a fax number at that office (or another address specified for the purpose in the relevant notice of the meeting) at least 48 hours before the time for which the meeting was called or, if the meeting has been adjourned, before the resumption of the meeting.

5.4 Standing appointments

A General Member may appoint a proxy, attorney or representative to act at a particular meeting of Members or make a standing appointment and may revoke any appointment. A proxy, attorney or representative may, but need not, be a General Member.

5.5 Suspension of proxy or attorney's powers if member present

- (a) A proxy or attorney has no power to act for a General Member at a meeting at which the General Member is present.
- (b) A proxy has no power to act for a General Member at a meeting at which the General Member is present by attorney.

5.6 Priority of conflicting appointments of attorney or representatives

If more than one attorney or representatives appointed by a General Member is present at a meeting of Members and the Association has not received notice of revocation of any of the appointments:

- (a) an attorney or representative appointed to act at that particular meeting may act to the exclusion of an attorney or representative appointed under a standing appointment; and
- (b) subject to rule 5.6(a), an attorney or representative appointed under a more recent appointment may act to the exclusion of an attorney or representative appointed earlier in time.

5.7 More than one current proxy appointments

An appointment of proxy by a General Member is revoked (or, in the case of standing appointment, suspended for that particular meeting) if the Association receives a further appointment of proxy from that General Member which would result in there being more than one proxy of that General Member entitled to act at a meeting. The appointment of the proxy made first in time is the first to be treated as revoked or suspended by this rule.

5.8 Continuing authority

An act done at a meeting of Members by a proxy, attorney or representative is valid even if, before the act is done, the appointing General Member:

- (a) dies or becomes mentally incapacitated;
- (b) becomes bankrupt or an insolvent under administration or is wound up;
- (c) revokes the appointment of the attorney of the authority under which the appointment was made by the third party,

unless the Association has received written notice of the matter before the start or resumption of the meeting at which the vote is cast.

6 Entitlement to vote

6.1 Number of votes

- (a) Subject to Section 250A(4) of the Act:
- (1) Each General Member has one vote on a show of hands or a poll; and
 - (2) A General Member who is present and entitled to vote and is also a proxy, attorney or representative of another General Member, may not vote in exercising that proxy on a show of hands but may vote in exercising that proxy on a poll.
- (b) A challenge to a right to vote at a meeting of Members:
- (1) may only be made at the meeting; and
 - (2) must be determined by the chair whose decision is final and conclusive.

6.2 Casting vote of Chair

The chair of a meeting of Members does not have a casting vote. If an equal number of votes are cast for and against a resolution the matter is decided in the negative.

6.3 Voting restrictions

If:

- (a) The Act requires that some Members are not to vote on a resolution, or that votes cast by some Members be disregarded, in order for the resolution to have an intended effect; and
- (b) The notice of the meeting at which the resolution is proposed states that fact,

Those Members have no right to vote on that resolution and the Association must not count any votes purported to be cast by those Members. If a proxy purports to vote in a way or in circumstances that contravenes section 250A(4) of the Act, on a show of hands the vote is invalid and the Association must not count it and on a poll rule 7.3 applies.

7 How voting is carried out

7.1 Method of voting

A resolution put to the vote at a meeting of Members must be decided on a show of hands unless a poll is demanded under rule 7.2 either before or on declaration of the result of the vote on a show of hands. Unless a poll is demanded, the chair's declaration of a decision on a show of hands is final. A

resolution must be passed by a majority of the Members voting at the meeting, unless it is a matter which under the Act requires approval by Special resolution and this fact has been disclosed to Members in the notice of meeting.

7.2 Demands for a poll

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

- (a) at least 5% of Members entitled to vote on the resolution; or
- (b) the chair.

The demand for a poll does not affect the continuation of the meeting for the transaction of other business and may be withdrawn.

7.3 When and how polls must be taken

If a poll is demanded:

- (a) and if the resolution is for adjournment of the meeting, the poll must be taken immediately and in the manner that the Chair of the meeting directs;
- (b) in all other cases, the poll must be taken at the time and place and in the manner that the Chair of the meeting directs; and
- (c) votes which section 250A(4) requires to be cast in a given way must be treated as cast in that way.

8 Directors

8.1 Number of Directors

The Association must have at least 5 Directors and not more than 14 Directors, each of whom must be appointed in accordance with this rule 8. The CEO is an ex-officio member of the Board.

8.2 Initial Board of Directors

- (a) The Initial Board comprises:
 - (1) Peter Beever
 - (2) Francesca Antonaglia
 - (3) Selwyn Brandt
 - (4) Lester Brand
 - (5) Ian Brookes

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- (6) Tony Celik
 - (7) Michael Dieckmann
 - (8) Ian Hadassin (CEO)
 - (9) Michael Mishevski
 - (10) Graham Peterson
 - (11) Colin Pocklington
 - (12) Josh Zarb
 - (13) Anthony Nash
- (b) The Initial Board will hold office until the new board is appointed at the first AGM after the date of adoption of this Constitution.
 - (c) Each Director on the Initial Board is deemed to have resigned with effect from the appointment of the new Board at the first AGM held after the adoption of this Constitution.

8.3 Appointment of the Board

Subject to rules 8.4 and 8.5, at the first AGM held after this Constitution is adopted and every subsequent AGM where vacancies are required to be filled on the Board, the Board must be elected in accordance with the following rules:

- (a) subject to rule 8.11, each Buying Group Entity may nominate one representative each to be considered for election to the Board by the General Members;
- (b) each State Branch and Industry Sector may nominate one representative each to be considered for election to the Board by the General Members provided that:
 - (1) only two such nominees may be members of a Buying Group Entity; and
 - (2) where three or more of the State Branches and Industry Sectors propose nominees who are also members of a Buying Group Entity, the Board must decide by lot which two nominees will be put forward for appointment to the Board under rule 8.3(a); and
 - (3) after the Board's decision in rule 8.3(b)(2), each State Branch and Industry Sector whose nomination was rejected by the Board in accordance with rule 8.3(b)(2), must nominate a new representative who is not a member of a Buying Group

Entity to be considered for election to the Board by the General Members.

- (c) the Board may nominate one representative who the Board reasonably believes will represent the interests of the Members and best pursue the objects of the Association.
- (d) all nominations must be made in writing and received by the Secretary in accordance with the timeframes set out in rule 3.5;
- (e) each General Member present at the AGM is entitled to vote for any number of candidates to the Board not exceeding the number of vacancies then available on the Board; and
- (f) any position on the Board not filled in accordance with this rule 8.3 may be filled by the Board in accordance with rule 8.4.

8.4 Casual vacancies

- (a) The Board has the power at any time and from time to time to appoint a qualified person as a Board member either to fill a casual vacancy among the Board or as an addition to the existing members. However, the total number of Board members may not at any time exceed the number fixed in accordance with this Constitution.
- (b) Any person appointed under this rule 8.4 holds office until the next general meeting when an election will be held to fill the vacancy. However, such person is not to be taken into account in determining the number of Board members who are to retire by rotation at the meeting. Any person appointed under this rule is eligible for election at that general meeting.

8.5 Terms of Directorships

- (a) The following rules apply in relation to Directors appointed at the first AGM after this Constitution is adopted:
 - (1) One half of the Buying Group Entity representatives nominated to the Board in accordance with rule 8.3(a) (rounded up to the nearest whole number) will be appointed and hold office for one year only. The remaining Buying Group Entity representatives nominated to the Board in accordance with rule 8.3(a) will hold office for two years. The Initial Board must decide by lot which half of the Buying Group Entity representatives nominated to the Board in accordance with rule 8.3(a) must hold office for one year only.
 - (2) One half of the State Branch representatives nominated to the Board in accordance with rule 8.3(b) (rounded up to the nearest whole number) will hold office for one year only. The remaining State Branch representatives nominated to the

Board in accordance with rule 8.3(b) will hold office for two years. The Initial Board must decide by lot which half of the State Branch representatives nominated to the Board in accordance with rule 8.3(b) must hold office for one year only.

- (3) One half of the Industry Sector representatives nominated to the Board in accordance with rule 8.3(b) (rounded up to the nearest whole number) will hold office for one year only. The remaining Industry Sector representatives nominated to the Board in accordance with rule 8.3(b) will hold office for two years. The Initial Board must decide by lot which half of the Industry Sector representatives nominated to the Board in accordance with rule 8.3(b) must hold office for 1 year only.
- (4) The Board representative nominated to the Board in accordance with rule 8.3(c) will hold office for two years.
- (b) At the second AGM held after this Constitution is adopted and every subsequent AGM where vacancies are required to be filled on the Board, elected Directors shall hold office for a period of two years but shall be eligible for re-election.

8.6 Board Membership qualification

All Directors must be General Members. Neither the auditor of the Association nor any partner or employee of the auditor is eligible to be appointed as a Director.

8.7 Cessation of Director's appointment

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

- (a) becomes disqualified from managing corporations under Part 2D.6 of the Act and is not given permission or leave to manage the Association under section 206F or 206G of the Act;
- (b) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;
- (c) fails to attend two successive Board meetings without leave of absence from the Board;
- (d) resigns by notice in writing to the Association;
- (e) is removed from office under rule 8.8; or
- (f) ceases to qualify as a Director under rule 8.6.

8.8 Removal from office

Whether or not a Director's appointment was expressed to be for a specified period, the Association by Ordinary resolution may remove a Director from office. The power to remove a Director under this rule is subject to section 203D of the Act.

8.9 Too few Directors

If the number of Directors is reduced below the minimum required by rule 8.1, the continuing Directors may act as the Board only:

- (a) to appoint Directors up to that minimum number;
- (b) to convene a meeting of General Members; and
- (c) in emergencies.

8.10 Directors entitled to expenses

The Association may, with the approval of the Board, reimburse Directors for out-of-pocket expenses incurred by the Directors in the fulfilment of their duties.

8.11 Buying Group Entity

A Buying Group Entity which ceases to be a General Member of the Association immediately loses its right to nominate representatives to the Board in accordance with rule 8.3(a) above.

9 Directors' duties and interests

9.1 Compliance with Law

Each Director must comply with the requirements, obligations and duties imposed on directors under the Act and at common law.

9.2 Scope of Directors' duties

A Director is not disqualified by reason only of being a Director from:

- (a) holding any office or place of profit or employment other than that of the Auditor, or being a member or creditor, of any corporation (including the Association) or partnership other than the Auditor; or
- (b) entering into any agreement with the Association, unless it means that the Director has an actual conflict of interest with the objects of the Association.

9.3 Declaration of interests

A Director who:

-
- (a) is in any way, interested in a contract or proposed contract with the Association; or
 - (b) holds any office or possesses any property or enters any agreement as a result of which duties or interests might be created which are directly or indirectly in conflict with that Director's duties or interests as a Director,

must declare the fact and the nature of the interest, or nature, character and extent of the conflict at the first Board meeting held after the relevant facts come to the Director's knowledge or after appointment as a Director (whichever is later).

9.4 Agreements with third parties

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

- (a) fails to make a disclosure of an interest as required in rule 9.3; or
- (b) is present at, or counted in the quorum for, a meeting that considers, votes on, or participates in the execution of, that agreement in breach of section 191 or 195 of the Act.

9.5 Obligation of secrecy

Every Director and Secretary must keep the transactions and affairs of the Association and the state of its accounts confidential unless required to disclose them:

- (a) in the course of duties as an officer of the Association;
- (b) by the Board or the Association in general meeting; or
- (c) by law.

The Board may require a Director, Secretary, auditor, trustee, committee member or other person engaged by it to sign a confidentiality undertaking consistent with this rule. A Director or Secretary must do so if required by the Board.

10 Officers' indemnity and insurance

10.1 Indemnity

Subject to section 199A of the Act, the Association must, to the extent the person is not otherwise indemnified, indemnify every officer of the Association and may indemnify its Auditor against a liability:

- (a) incurred as officer or Auditor to a person other than the Association or a related body corporate (including a liability incurred as a result of appointment or nomination by the Association as a trustee or as an

officer of another corporation) unless the liability arises out of conduct involving a lack of good faith; and

- (b) for costs and expenses incurred in defending civil or criminal proceedings in which judgment is given in favour of that person, or the person is acquitted, or in connection with an application in relation to those proceedings in which the court grants relief to that person under the Act.

10.2 Insurance

Subject to section 199B of the Act, the Association may enter into, and pay premiums on, a contract of insurance in respect of any person.

10.3 Former officers

The indemnity in favour of officers under rule 10.1 is a continuing indemnity. It applies in respect of all acts done by a person while an officer of the Association even though the person is not an officer at the time the claim is made.

11 Powers of the Board

11.1 Powers generally

Except as otherwise required by the Act, any other applicable law or this Constitution, and subject to the powers of the Association in general meeting, the Board:

- (a) has the power to manage the business of the Association;
- (b) may exercise every right, power or capacity of the Association; and
- (c) shall meet at least four times per year.

11.2 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 14; or
- (b) in accordance with a delegation of the power under rule 13.

12 Executing negotiable instruments

The Board must decide the manner (including the use of facsimile signatures if thought appropriate) in which negotiable instruments can be executed, accepted or endorsed for and on behalf of the Association. The Association may execute, accept or endorse negotiable instruments only in the manner decided by the Board.

13 Delegation of Board powers

13.1 Power to delegate

The Board may, subject to the constraints imposed by law, delegate any of its powers to committees consisting of one or more Board members or any other person or persons as the Board thinks fit. Any committee formed or person or persons appointed to the committee must, in the exercise of the powers delegated, conform to any regulations that may from time to time be imposed by the Board.

13.2 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.

13.3 Terms of delegation

A delegation of powers under rule 13.1 may be made:

- (a) for a specified period or without specifying a period; and
- (b) on the terms (including power to further delegate) and subject to any restrictions the Board decides.

Power exercised in accordance with a delegation of the Board is treated as exercised by the Board. A document of delegation may contain provisions for the protection and convenience of those who deal with the delegate that the Board thinks appropriate.

13.4 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 Constitution which regulate the meetings and proceedings of the Board.

14 Board meetings

14.1 Convening Board meetings

No less than five Directors may at any time, and the CEO must on request from no less than five Directors, convene a Board meeting.

14.2 Notice of Board meeting

The convener of each Board meeting;

- (a) must give reasonable notice of each Board 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.

14.3 Use of technology

A Board meeting may be held using any means of audio or audio-visual communication by which each Director participating can hear and be heard by each other Director or in any other way permitted by section 248D of the Act. A Board meeting, held solely or partly by technology, is treated as held at the place at which the greatest number of the Directors present at the meeting is located or, if an equal number of Directors is located in each of two or more places, at the place where the Chair of the meeting is located.

14.4 Chairing Board Meetings

- (a) The Directors shall appoint a chairperson (**Chair**) and a deputy chairperson (**Deputy Chair**) from within their number. The Chair and Deputy Chair shall hold office for two years and are eligible for re-appointment.
- (b) The Chair of the Board shall preside as chair of every Board meeting or if the Chair is not present within 15 minutes after the time for which the Board meeting is called or is unwilling to act, the Deputy Chair of the Board shall be the Chair. If the Deputy Chair is not present or is unwilling to act, the Directors present must elect a Director present to chair the meeting.

14.5 Quorum

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

14.6 Majority decisions

A resolution of the Board must be passed by a majority of the votes cast by Directors entitled to vote on the resolution. The Chair of the Board does not have a casting vote. If an equal number of votes are cast for and against a resolution the matter is decided in the negative.

14.7 Procedural rules

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

14.8 Written resolution

If all the Directors entitled to receive notice of the Board meeting and to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document, a Board resolution in those terms is passed at the time when the last Director signs.

14.9 Additional provisions concerning written resolutions

For the purpose of rule 14.8:

- (a) two or more separate documents in identical terms, each of which is signed by one or more Directors, are treated as one document; and
- (b) a facsimile or electronic message containing the text of the document expressed to have been signed by a Director that is sent to the Association is a document signed by that Director at the time of its receipt by the Association.

14.10 Valid proceedings

Each resolution passed 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 or voting on the resolution.

15 Secretary

15.1 Appointment and removal of secretary

The Board must appoint the CEO to be Secretary of the Association either for a specified term or without specifying a term.

15.2 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.

15.3 Cessation of Secretary's appointment

The person automatically ceases to be a Secretary if the person:

- (a) is not permitted by the Act (or an order made under the Act) to be a secretary of a company;
- (b) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;
- (c) resigns as Secretary by notice in writing to the Association;
- (d) resigns as CEO by notice in writing to the Association; or
- (e) is removed from office under rule 15.4.

15.4 Removal from office

Subject to any contract between the Association and the Secretary, the Board may remove a Secretary from that office whether or not appointment was expressed to be for a specified term.

16 Minutes

16.1 Minutes must be kept

The Board must cause minutes of:

- (a) proceeding and resolutions of meetings of the Association's Members;
- (b) the name 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 13);
- (d) resolutions passed by Directors without a meeting; and
- (e) disclosures and notices of Directors' interests,

to be kept in accordance with the sections 191, 192 and 251A of the Act.

16.2 Minutes as evidence

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

16.3 Inspection of minute books

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

17 Financial reports and audit

17.1 Association must keep financial records

The Board must cause the Association 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.

17.2 Financial reporting

Each year the Association must prepare a financial report and a Directors' report that comply with Part 2M.3 of the Act and must report to Members in

accordance with section 314 of the Act no later than the deadline set by section 315 of the Act.

17.3 Audit

The Board must cause the Association's financial report for each financial year to be audited and obtain an auditor's report. The eligibility, appointment, removal, remuneration, rights and duties of the Auditor are regulated by the Act. The Auditor's report must be reported to Members no later than the deadline set by section 315 of the Act.

17.4 Inspection of financial records and books

Subject to rule 16.3 of this Constitution and section 247A of the Act, a Member who is not a Director does not have any right to inspect any document of the Association except as authorised by the Board or by Ordinary resolution.

18 State Branches

18.1 Areas

For the purpose of administration of the Association, the Association shall have State Branches in the following areas:

- (a) New South Wales / Australian Capital Territory
- (b) Victoria / Tasmania
- (c) Queensland
- (d) South Australia / Northern Territory
- (e) Western Australia

18.2 State Branch Members

A Member whose place of business is in the area of a particular State Branch shall be deemed to be a member of that one State Branch. Where a Member has a place of business in more than one State or Territory the Member shall be deemed to be a member of the State Branch in which the Member's head office is situated unless the Board otherwise decides. The Board in making such a decision shall act reasonably and if requested, shall give written reasons for its decision.

18.3 Operation of State Branches

State Branches shall be administered by State Branch Committees in accordance with By-Laws or in the absence of By-Laws, at the direction of the Board.

19 Industry Sectors

19.1 Sectors

For the purpose of administration of the Association, the Association shall organise Industry Sectors as follows:

- (a) Retail Sector
- (b) Manufacturing Sector
- (c) Opal Sector
- (d) Timepiece Sector

19.2 Industry Sector Members

A Member whose type of business is in a particular Industry Sector shall be deemed to be a member of that Industry Sector. Where a Member has a business that covers more than one Industry Sector the Member shall be deemed to be a member of each relevant Industry Sector.

19.3 Operation of Industry Sectors

Industry Sectors shall be administered by Industry Sector Committees in accordance with By-Laws or in the absence of By-Laws, at the direction of the Board.

20 Notices

20.1 Notices by Association

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

- (a) in writing signed on behalf of the Association (by original or printed signature);
- (b) addressed to the person to whom it is to be given; and
- (c) either:
 - (1) delivered personally;
 - (2) sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address; or
 - (3) sent by fax to the fax number (if any) nominated by that person; or
 - (4) sent by electronic message to the electronic address (if any) nominated by that person.

20.2 When notice is given

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

- (a) if it is delivered personally or sent by fax or electronic message:
 - (1) by 5:00pm (local time in the place of receipt) on a business day – on that day; or
 - (2) after 5:00pm (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; and
- (b) if it is sent by mail:
 - (1) with Australia – three business days after posting; or
 - (2) to a place outside Australia – five business days after posting.

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

20.3 Business days

For the purposes of rule 20.2, a business day is a day that is not a Saturday, Sunday or public holiday in the place from where the notice is sent.

20.4 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 place may be counted in reckoning the period.

20.5 Notices to ‘lost’ members

If:

- (a) on two or more consecutive occasions a notice is 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
- (b) the Board believes on other reasonable grounds that a member is not at the address shown in the Members’ Register,

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

This rule ceases to apply if the Member gives the Association notice of a new address.

21 Amending the Constitution

Subject to section 136 of the Act this Constitution, and each of its provisions, can only be amended, modified, repealed or replaced by a special resolution of the General Members.

22 Definitions and Interpretation

22.1 Definitions

In this Constitution, unless the context indicates a contrary intention:

Act means the Corporations Act 2001 (Cth).

AGM means the annual general meeting of the Association.

Association means the Jewellers Association of Australia Limited (ACN 000 024 162).

Auditor means the auditor for the time being of the Association.

Board means the board of Directors of the Association.

Buying Group Entity means any one of the following three General Members:

- (a) Jewellery and Gift Buying Service Pty Ltd (ACN 050 055 591);
- (b) Jewellery Industry Management & Agency Company Limited (ACN 005 524 863); and
- (c) Leading Edge Group Limited (ACN 093 019 213).

Buying Group Entity Member Scheme means any scheme in operation between the Association and a Buying Group Entity which offers discounted Membership Fees to members of Buying Group Entities.

By-Laws means by-laws prescribed by the Board and for the time being in force, which govern the powers and responsibilities of State Branches and/or Industry Sectors.

CEO means the chief executive officer for the time being of the Association.

Code of Ethics means the code of ethics prescribed by the Board and for the time being in force.

Code of Practice means the JAA Jewellery Industry Code of Practice or any other code of practice prescribed by the Board and for the time being in force which replaces the JAA Jewellery Industry Code of Practice.

Constitution means this constitution and any supplementary, substituted or amended Constitution for the time being in force.

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

Industry Sector means any one of the four sectors set out in rule 19.1.

Industry Sector Committee means the committee established under By-Laws to further the objects of the Association in its relevant Industry Sector.

Initial Board means the board of directors on the date this Constitution is adopted, named in rule 8.2.

Member means a person or a corporate entity whose name is entered in the Member's Register as a member of the Association.

Membership Fees means the fees payable by the Members to the Association.

Membership Fees Notice means a notice issued by the Board requiring Members to pay Membership Fees.

Members' Register means the register of Members to be kept and maintained in accordance to rule 2.4.

Ordinary resolution means a resolution of Members other than a Special resolution.

Secretary means, during the term of appointment, a person appointed as a secretary of the Association in accordance with this Constitution.

Special resolution has the meaning given by section 9 of the Act.

State Branch means any one of the five branches set out in rule 18.1.

State Branch Committee means the committee established under By-Laws to further the objects of the Association in its relevant State Branch.

22.2 Interpretation

In this Constitution, unless the context indicates a contrary intention:

(documents) a reference to this Constitution or another document includes any document which varies, supplements, replaces, assigns or novates this Constitution or that other document.

(headings) clause/rule headings and the table of contents are inserted for convenience only and must not be used when interpreting this Constitution.

(including) including and **includes** are not words of limitation.

(corresponding meanings) a word that is derived from a defined word has a corresponding meaning.

(singular) the singular includes the plural and vice-versa.

(gender) words importing one gender include all other genders.

(legislation) a reference to any legislation or provision of legislation includes all amendments, consolidations or replacements and all regulations or instruments issued under it.

(month) a reference to a month is a reference to a calendar month.

(year) a reference to a year is a reference to twelve consecutive calendar months.