



**CONSTITUTION
OF
AUSTRALASIAN INSTITUTE OF
CHARTERED LOSS ADJUSTERS**

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ANNEXURE 1 - RIGHTS FOR CLASSES OF MEMBERSHIP OF THE AUSTRALASIAN INSTITUTE OF CHARTERED LOSS ADJUSTERS**ERROR! BOOKM**

**CONSTITUTION OF AUSTRALASIAN INSTITUTE OF
CHARTERED LOSS ADJUSTERS
ABN 18 074 804 167**

1. INTERPRETATION

In the interpretation of the Constitution the following words and expressions shall have the meaning specified unless the context otherwise requires:

“Administrative Officer” means Administrative Officer of the Institute and includes an Acting Administrative Officer;

“Board of Directors” and **“Board”** means the body consisting of the Directors for the time being of the Institute;

“Charter” means the Charter of Objects and Professional Conduct of the Australasian Institute of Chartered Loss Adjusters;

“Committee Chairman” means the person appointed as the chairman of the Disciplinary Committee pursuant to **Article 13.4**;

“Councillor” means a member of a Division Council;

“Director” means a Member appointed to the Board of Directors;

“Deputy President” means the Deputy President for the time being of the Institute;

“Disciplinary Committee” means the body established pursuant to **Article 13.2**;

“Disciplinary Regulations” has the meaning specified in Clause 13.2

“Division” means a division of the Institute established as provided in this Constitution;

“Division Council” means the body consisting of Councillors of that Division;

“Division Chairman” means the Chairman for the time being of a Division and shall include an Acting Chairman;

“Division Secretary” means the Secretary for the time being of a Division and includes an Acting Secretary;

“Financial Member” means a member who has paid all amounts due by way of entrance fees and subscription to the Institute by not later than 31 December in any year or such other time as the Board of Directors either generally or in particular cases shall determine;

“Institute” means the Australasian Institute of Chartered Loss Adjusters;

"International Division" means a Division established as provided in Article 33.1(b).

"In writing" and **"written"** includes all modes of reproduction or representing words in a visible form;

"Law" means the Corporations Law;

"Loss Adjusting" is the practice of investigating, examining, assessing and managing loss;

"Meetings" means General Meetings, Annual General Meetings and Extraordinary General Meetings of the Institute but excluding General Meetings, Annual General Meetings and Extraordinary General Meetings of the Divisions;

"Member" means a member for the time being of the Institute;

"Month" means a calendar month;

"Office" means the registered office for the time being of the Institute;

"President" means the President for the time being of the Institute and shall include an Acting President;

"Secretary" means the Secretary to the Board of the Institute and includes an Acting Secretary;

"Year" means a calendar year.

Words importing the singular number only, include the plural and vice versa;

Words importing the masculine gender only, include the feminine gender;

Words importing persons shall include companies and corporations, statutory or otherwise.

2. NAME OF COMPANY

The name of the Company is Australasian Institute of Chartered Loss Adjusters ABN 18 074 804 167 (called the "Institute").

3. LIMITED LIABILITY OF MEMBERS

The liability of the Members is limited.

4. OBJECTS

The objects of the Institute are to advance the profession of Loss Adjusting for the benefit of its practitioners and the public in general through continual education of the Institute's Members and the encouragement of skilled, ethical and sound practice in the profession.

5. PROMOTION OF OBJECTS

For the purpose of carrying out the above objects, the Institute may do any acts permitted by law as may be from time to time deemed necessary or desirable to carry out the objectives.

6. INCOME AND PROPERTY OF THE INSTITUTE

The income and property of the Institute howsoever derived shall be applied solely towards the promotion of the objects of the Institute as set forth in this Constitution and no portion thereof shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise howsoever by way of profit to persons who are or have at any time been Members of the Institute or to any person claiming through any of them PROVIDED THAT nothing herein contained shall prevent the payment in good faith of remuneration to any officers or servants of the Institute or to any Member of the Institute in return for any services actually rendered to the Institute for goods supplied in the ordinary and usual way of business nor prevent the payment of interest at a rate not exceeding the rate for the time being fixed by the Constitution on money borrowed from any Member of the Institute or reasonable and proper rent for premises demised or let by any Member of the Institute but so that no member of the Board of Directors or Division Council of the Institute shall be appointed to any salaried office of the Institute or any office of the Institute paid by fees and that no remuneration or other benefit in money or money's worth shall be paid or given by the Institute to any member of such Board of Directors or Division Council except repayment (as approved by the Board of Directors) of out-of-pocket expenses and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to the Institute.

7. GUARANTEE

Every Member of the Institute undertakes to contribute to the assets of the Institute, in the event of its being wound up while the person is a Member or within one year after the person ceases to be a Member, for payment of the debts and liabilities of the Institute contracted before the person ceases to be a Member and of the costs charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding fifty Australian dollars (\$50.00).

8. WINDING UP OR DISSOLUTION

If upon the winding up or dissolution of the Institute there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Institute, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Institute and whose Memorandum of Association or Constitution shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Institute under or by virtue of this **Article 8**, such institution or institutions to be determined by the Members of the Institute at or before the time of

dissolution, and in default thereof by application in the Supreme Court for determination.

9. ACCOUNTS OF THE INSTITUTE

True accounts shall be kept of the sums of money received and expended by the Institute and the matter in respect of which such receipts and expenditure take place, and of the property, credits, and liabilities of the Institute; and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the Constitution of the Institute for the time being in force, shall be open to the inspection of the Members. Once at least in every year, the accounts of the Institute shall be examined and the correctness of the balance sheet ascertained by one or more properly qualified Auditor or Auditors who shall report to the Members in accordance with the provisions of the Law.

10. MEMBERSHIP

The number of Members shall be such number greater than or equal to five unless the Board of Directors otherwise determines.

11. CLASSES OF MEMBERSHIP

11.1 Upon a recommendation from a Division or the Executive, the Board of Directors may in its absolute discretion, admit or elevate any person to any class of Membership.

11.2 The classes of Membership in the Institute are as follows:

- | | |
|-----------------|--------------|
| (a) Provisional | (e) Fellow |
| (b) Ordinary | (f) Honorary |
| (c) Affiliate | (g) Life |
| (d) Associate | (h) Retired |

11.3 The criteria for admission or elevation of Members to a class of membership shall be determined from time to time by the Board. For any motion to amend the criteria for admission or elevation of membership to be validly passed by the Board, it must be approved by 75% of the Board Members at that meeting.

11.4 The membership elevation criteria applicable to each former member of The Australian Institute of Loss Adjusters, The Chartered Institute of Loss Adjusters (Australasian Division) or Institute of Loss Adjusters New Zealand as at 1 January 1997 will continue to apply to that member.

11.5 Due to the issues of conflict involved, persons who have a high degree of proximity (in any capacity including through the ownership or employment) with businesses that perform repairs, renovations, fix or repair losses, cease to be eligible for membership of the Institute and their membership is liable to be revoked by the Board.

- 11.6 The rights of the different classes of the Members are set out in Annexure 1 to this Constitution.
- 11.7 No person will be admitted to the:
- (a) Ordinary class of Membership after 24 October 2007

12. ADMISSION TO MEMBERSHIP

- 12.1 Applications for membership shall be in the form prescribed by the Board and be forwarded to the Secretary of the Division for which the person is eligible to apply, normally being the Division within which the applicant resides having regard to **Article 33.1**.
- 12.2 Where the Division Council is satisfied that the applicant is eligible (having met the established criteria) to be admitted to membership and is of good character, the Division Council shall recommend that the Administrative Officer (acting on behalf of the Board) admit the applicant to membership.
- 12.3 The Division Council shall not be required to give reasons for the rejection of an application. A person whose application for Membership of the Institute has been rejected by a Division Council shall be entitled to appeal to the Board of Directors which shall determine in its absolute discretion the admission or rejection of the applicant.
- 12.4 Membership shall be subject to the terms and conditions prescribed from time to time by the Board of Directors in accordance with this Constitution and any rules, regulations, Charter of Objects and Professional Conduct or by-laws made pursuant thereto.
- 12.5 Each applicant shall agree to pay such application fee, annual subscription and levies as shall be determined from time to time by the Board of Directors.
- 12.6 The Members of the Institute at the date of adoption of this Constitution shall be recorded as such in the Register of Members in the relevant classification.

13. CESSATION OF MEMBERSHIP

- 13.1 A person shall cease to be a Member of the Institute in any of the following circumstances:
- (a) If the annual subscription of a Member remains unpaid for a period of three calendar months after it becomes due, and notice of the default shall have been sent to the person by the Administrative Officer, and the Division Council shall have resolved that the person be debarred from all privileges of membership. Thereupon his/her name may be removed by the Division Council from the Register of Members PROVIDED THAT the Division Council may reinstate the Member and restore his/her name to the register on payment of all arrears if the Division Council thinks fit to do so.

- (b) A Member may at any time by giving notice in writing to the Division Secretary resign his/her membership of the Institute but shall continue to be liable for any annual subscription and all arrears due and unpaid at the date of his/her resignation and for all other moneys due by the person to the Institute and in addition for any sum not exceeding FIFTY Australian DOLLARS (\$50.00) for which the person is liable as a Member of the Institute under **Article 7** of the Constitution of the Institute.
- (c) If a Member retires, resigns or otherwise ceases membership.
- (d) Upon the Member's death.
- (e) If the contract of membership is rescinded on the ground of misrepresentation or mistake in the application for membership.
- (f) If the person ceases to be eligible to be admitted as a Member of the Institute.
- (g) The Division Council may, in writing, recommend to the Board that leave of absence be granted to Members for a period not exceeding three years, during which time no annual subscription will be required to be paid. Such persons shall not be eligible to vote at meetings, remain on the membership register or receive correspondence from the Institute. Such Members may upon their return, apply for reinstatement of membership and the Division Council may recommend to the Board such membership in the same classification held by the Members at the time of their application for leave of absence.
- (h) If the sanction imposed against that person pursuant to the Disciplinary Regulations is that the person's membership ceases.

13.2 The Board of Directors will adopt disciplinary regulations (the “**Disciplinary Regulations**”), that it may from time to time amend, and the Disciplinary Regulations shall:

- (a) outline the procedures for the handling of complaints against Members who have:
 - (i) refused or intend to refuse or neglect to comply with the provisions of the Constitution of the Institute or of its rules, regulations, by-laws, orders or Charter; or
 - (ii) acted in any way that is unbecoming a Member; or
 - (iii) acted in a way amounting to professional misconduct; or
 - (iv) acted in a way prejudicial to the interests of the Institute; and

- (b) make provision for the sanctions which may be imposed against Members and the circumstances in which such sanctions may be imposed; and
- (c) address such matters as (but not limited to) the making of complaints against Members, the procedure and structure for the investigation and hearing of such complaints, the sanctioning of Members and for appeals against such complaints, hearings and sanctions; and;
- (d) be binding on all Members,

and each Member shall be entitled to receive a copy of the Disciplinary Regulations on request.

13.3 To the maximum extent permitted by law:

- (a) the Institute (including its Directors, officers, employees, Members and contractors) will not be liable to a Member for any special, indirect, incidental, or consequential damages, punitive damages, or any damages whatsoever arising directly or indirectly out of any disciplinary action pursuant to the Disciplinary Regulations (including, without limitation, the making of a complaint against a Member, the investigation and hearing of such complaints, a decision or failure to sanction a Member and any subsequent appeals) taken against that Member (the “**Accused Member**”), or for which that Member is the complainant (the “**Complainant**”) or a witness in respect of the complaint (the “**Witness**”) whether or not such damages are reasonably foreseeable, and even if the Institute has been advised of the possibility of such damages and regardless of the form of action, whether in contract, tort (including negligence), strict liability under statute or otherwise; and
- (b) such Accused Member and Complainant and Witness must defend, hold harmless and indemnify, including legal fees, the Institute (including its Directors, officers, employees, Members and contractors) from and against any claim against the Institute (including against its Directors, officers, employees, Members and contractors) arising directly or indirectly out of any such disciplinary action.

13.4 A person who ceases to be a Member of the Institute shall forfeit the unexpired portion of the membership subscription.

14. REGISTER OF MEMBERS

14.1 The Administrative Officer shall maintain a register of Members in which shall be recorded the name of every Member and such other particulars as the Board may direct from time to time. The Administrative Officer will cause a copy of the Register as it relates to Divisions to be provided from time to time to Division Secretaries, together with any changes in particulars. Division Secretaries shall advise details of any changes in Member particulars to the Administrative Officer.

- 14.2 (a) A certificate shall be issued to each Member (except a Provisional Member and Ordinary Member) declaring his/her class of membership of the Institute.
- (b) The certificate shall be signed by the President and the relevant Division Chairman.
- (c) A Fellow may use after his/her name the initials F.C.L.A. and an Associate may use after his/her name the initials A.C.L.A. An Affiliate may use after his/her name the initials AICLA (Aff). No Member of the Institute other than a Fellow, Associate or an Affiliate may use any initials after his/her name which indicate or give the impression of membership of the Institute.
- (d) Members may display the name of the Institute and its logo on the Member's letterhead and business cards provided that the person displays that they are a "Member of the Institute".

15. CHARTER OF OBJECTS AND PROFESSIONAL CONDUCT

The Board of Directors will adopt a Charter of Objects and Professional Conduct which it may from time to time amend and which shall be binding on all Members. Each Member shall be entitled to receive a copy of the Charter of Objects and Professional Conduct upon joining the Institute or upon making a written request to the Administrative Officer.

16. SUBSCRIPTIONS, FEES AND LEVIES

- 16.1 The annual subscription, application fee (if any) and levies payable by Members of the Institute and the date and manner of payment shall be as determined from time to time by the Board of Directors.
- 16.2 Except as otherwise herein provided, all subscriptions fees and levies are due and payable to the Institute. Applicants for membership shall pay the subscription together with the application fee (if any) at the time of lodgment of the application. Subscriptions for subsequent years shall be paid in advance on the first day of each subscription year.
- 16.3 Any application fee paid may be refundable to that person if the applicant is unsuccessful in his/her application.

17. ORGANISATION, MANAGEMENT AND CONTROL OF THE INSTITUTE

The management and control of the Institute shall be vested in a Board of Directors elected as provided in **Article 18** and the said Board may as provided hereafter delegate all or any of its powers of management and control to a Division Council of any Division.

18. BOARD OF DIRECTORS

- 18.1 (a) The Board of Directors shall consist of one Director from each Division elected in the manner provided for under this **Article 18**.
- (b) Each Division Council shall elect from its Council one Director to the Board.
- (c) In order for a person to be eligible for election as a Director the person must be a voting Member of the Institute (Save for Honorary Members who can not vote but can hold positions on a Division Council or Board).
- (d) In the event of the inability of any Director to attend any meeting of the Board an alternate director appointed by the relevant Division Council elected from amongst the elected members of the Division Council may attend in his/her place and exercise all of the powers and rights of the Director for whom the person is substituting during such period as the person substitutes for the said Director.
- (e) Notwithstanding **Article 18.1(a)**, a Member elected in accordance with **Article 21** to the position of Education Director who is not otherwise a Director of a Division will be eligible to exercise full rights as a Director. Such person shall not be eligible for election to a position on the Executive.
- (f) If the President is elected from amongst the Directors and is also a Director of a Division then the Division of which the President is a Director may elect a new Director to the Board.
- 18.2 The continuing members of the Board of Directors may act notwithstanding any vacancy in its body PROVIDED THAT not less than eight members thereof continue in office.
- 18.3 The office of a Director shall be vacated:
- (a) If the person ceases to be a Financial Member of the Institute.
- (b) If the person resigns his/her seat on the Board.
- (c) If the person becomes bankrupt or insolvent or makes an assignment for the benefit of his/her creditors or takes or attempts to take the benefit of any statutory provision for the liquidation of his/her affairs and fails to satisfy the Board of Directors when required that his/her inability to pay his/her debts arose from misfortune and that no discreditable conduct can be imputed to him/her in connection therewith.
- (d) If the person ceases to be eligible to be admitted as a Member.
- 18.4 (a) Directors shall be elected annually from amongst the elected members of the Division Council at the first Council meeting following the relevant Division Annual General Meeting and shall hold office from that date.

- (b) If a Director resigns, the relevant Division Council shall take action to elect a replacement Director.

19. AUTHORITY AND POWERS OF BOARD OF DIRECTORS

19.1 Subject as otherwise herein provided the management and control of the Institute and of its funds shall be vested in the Board of Directors which in addition to the powers and authorities by these presents expressly conferred on it may exercise all such powers and do all such acts and things as may be exercised and done by the Institute. Without prejudice to these general powers and the other powers conferred by these rules it is hereby expressly declared that the Board of Directors shall have the following powers:

- (a) It may vary and repeal by-laws regulating Divisions and the powers exercisable by them whilst not inconsistent with the rules on all subjects whether the same be expressed amongst its powers or not and it may from time to time prescribe all forms which it may consider necessary or expedient for the purposes of the Institute.
- (b) Subject as hereinbefore provided it may prescribe the qualifications for the admission and or elevation of Members.
- (c) It may appoint from time to time the Bankers and Legal Advisers of the Institute.
- (d) It may appoint from time to time other persons to undertake such functions as the Board may determine.
- (e) It may purchase, rent, furnish and equip suitable premises for the use of the Institute.
- (f) It may take into account anything affecting the Institute or the conduct of Members and shall have power to bring before general meetings of Divisions any matters which it considers material to the Institute or to the interests of the profession and may make any recommendations in relation thereto.
- (g) It may make and give receipts releases and other discharges for moneys payable to the Institute and for the claims and demands of the Institute.
- (h) It may from time to time determine the annual subscription payable by Members and in determining such annual subscription it may *fix* subscriptions which may vary as between Divisions.
- (i) It may from time to time impose levies on Members and in determining such levies it may impose levies which may vary as between Divisions provided however that the amount payable by way of levy by any Member shall not exceed his/her annual subscription.

19.2 During such time as the Board of Directors shall not be in session the Executive Committee or otherwise the President may exercise the powers of the Board

contained in this Constitution PROVIDED THAT any act done by the President under this **Article 19** shall be subject to ratification by the Executive Committee at the first available opportunity.

19.3 The Board shall, from time to time, appoint a person to act as the Administrative Officer of the Institute.

20. MEETINGS OF BOARD OF DIRECTORS

20.1 The Board of Directors may meet and adjourn and otherwise regulate its meetings as it shall think fit PROVIDED THAT it shall meet at least once in every year. Directors present and eligible to vote and representing one more than half the number of Divisions and one more than half the number of Directors shall form a quorum.

20.2 A meeting of the Board shall be convened at any time by the President or upon the request of three Directors of the Board representing at least two Divisions.

20.3 At a meeting of the Board of Directors each Director shall have one vote, except the President who shall have a casting vote in the event of a tied vote.

20.4 At all meetings of the Board of Directors the President shall preside or in his absence the Deputy President shall preside.

20.5 A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities powers and discretions vested in it by any means whatsoever.

20.6 The Board of Directors may appoint Committees or Sub-Committees.

20.7 The meetings and proceedings of every such Committee consisting of two or more Members shall be covered by the provision herein contained for regulating the meetings and proceedings of the Board of Directors so far as the same are applicable thereto.

20.8 No resolution of any Committee shall bind the Institute until adopted by the Board of Directors unless at the time of its appointment power to do so was expressly given to such Committee.

20.9 All acts done at any meeting of the Board or a Committee thereof or by any person acting as a member thereof or as President or Secretary shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Board Committee or person acting as aforesaid or that they or any of them were disqualified, be as valid as if such Board Committee or person had been duly appointed and was qualified to act.

20.10 The Board of Directors shall cause Minutes to be regularly entered in books provided for the purpose of the proceedings of their meetings or of meetings of their Committees and all meetings of the Institute and of the names of those present thereat. The Minutes of any meeting signed by the Chairman of the

meeting or of a next succeeding meeting shall be conclusive evidence of the transactions recorded in such Minutes.

- 20.11 A resolution in writing a copy of which has been forwarded to every member of the Board of Directors and which has been signed by all members thereof entitled shall be as valid and effectual as if it had been passed at the meeting of the Board duly called and constituted.

21. OFFICE BEARERS

- 21.1 Office bearers of the Institute shall be elected by the Board as hereinafter provided and shall be comprised of:

The President;

The Deputy President;

The Treasurer;

The Secretary;

The Education Director; and

The Executive Committee Member.

- 21.2 (a) The office bearers shall be elected by the Board of Directors immediately prior to the next Annual General Meeting and shall take office at the cessation of that Annual General Meeting.
- (b) The office bearers shall be elected until the subsequent Annual General Meeting and shall be eligible for re-election upon completion of their term of office provided however no person may be President for more than two consecutive terms.
- (c) Whenever more than one nomination is presented the vote shall be by secret ballot. If more than two candidates are named for an office a simple majority of Directors voting shall be necessary to elect. If no candidate receives a majority a second vote shall be taken upon the two leading candidates.
- 21.3 The positions of Secretary and Treasurer may be joint, that is held by the same person and the holder/s need not be Members of the Institute.
- 21.4 The Institute may at any time by special resolution carried at an Extraordinary General Meeting remove any Office Bearer.
- 21.5 Notwithstanding **Article 18**, office bearers shall remain in office until the next Annual General Meeting or Extraordinary General Meeting if specifically called to remove that office bearer.
- 21.6 If any office bearer position becomes vacant during the year, the Board of Directors may elect a replacement to fill this casual vacancy and this

replacement office bearer will hold office until new office bearers are elected under **Article 21.2**.

22. EXECUTIVE COMMITTEE

22.1 There shall be an Executive Committee consisting of three persons being the President, Deputy President and Executive Committee Member, provided that at no time shall all persons on the Executive Committee reside in the same country. Such persons shall be elected annually by the Board.

22.2 The Executive Committee shall exercise such powers and perform such duties as are delegated to it by the Board of Directors and shall carry out the policies and directions of the said Board.

22.3 The Executive Committee shall meet upon the call of the President or any five of the Members of the Board.

23. PRESIDENT

The President and the Chairman of every Division shall:

- (a) preside at all meetings of the Institute or of their Division as the case may be at which the person is present;
- (b) have all authority vested in the Chairman at any meeting;
- (c) with respect to the Division Chairman only, have the right to vote upon all matters;
- (d) with respect to the President only, shall only have a casting vote in the event of a tied vote; and
- (e) be an ex officio member of any meetings of any Committees established.

24. DEPUTY PRESIDENT

The Deputy President of the Institute in the absence of the President thereof shall possess all the rights and privileges of the President. The Deputy President when not presiding at any meeting of the Institute or of his/her Division shall have only the ordinary rights of Members.

25. TREASURER

25.1 The Treasurer and the Treasurer of every Division shall:

- (a) in conjunction with the Administrative Officer keep such books of account that shall be prescribed; and
- (b) submit their accounts annually or as otherwise determined by the Board of Directors.

25.2 The Treasurer and the Treasurer of every Division do not inherently have voting rights at Meetings or any meetings of the Division Council, but may have voting rights according to their level of membership of the Institute.

26. SECRETARY

26.1 The Secretary and the Secretary of every Division, being suitably qualified persons elected or appointed to those positions, shall comply with the secretarial duties and obligations imposed by the Law and perform such duties as are determined by the Board from time to time.

26.2 The Secretary and the Secretary of every Division do not inherently have voting rights at Meetings or any meetings of the Division Council, but may have voting rights according to their level of membership of the Institute.

27. GENERAL MEETINGS OF MEMBERS

27.1 Meetings of the Members of the Institute shall be held when required by law at such time and place as may be prescribed by the Board of Directors. Meetings of the Members of the Institute may also be held at the discretion of the Board of Directors at such time and place as may be prescribed by the Board.

27.2 The General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meetings".

27.3 The Board of Directors may convene an Extraordinary General Meeting upon at least 21 days notice specifying the place the day the time and the general nature of the business to be considered by such Extraordinary General Meeting and shall be given in manner (if any) as is prescribed by the Board to such persons as are under the regulations of the Institute entitled to receive such notices from the Institute but with the consent of all the Members entitled to receive notice of a particular meeting that meeting may be convened by such shorter notice and in such manner as those Members think fit. The Board of Directors shall within 21 days of the receipt of a requisition in writing stating the object and purpose of such meeting signed by Members holding at least 5% of the voting rights convene an Extraordinary General Meeting to be held as soon as practicable but in every case such meeting shall be held within three months of the receipt of the requisition by the Board.

27.4 The accidental omission to give notice of a Meeting to or the non-receipt of notice of a Meeting by any Member shall not invalidate the proceedings at any such Meeting.

27.5 The business of the Annual General Meeting shall be to receive and consider the audited financial accounts or audit review of the financial accounts as determined by the Board of Directors of the Institute; reports of the Board of Directors and Auditor which may be submitted; to introduce the newly elected office bearers of the Institute; and to transact any other business of which notice of petition shall have been given to the Secretary at least 2 months prior to such meeting. The Secretary shall only accept the petition if it contains at least 100 signatures of Members entitled to vote or signatures of 5% of the Members

entitled to vote. All other 'business transacted at an Extraordinary General Meeting shall be deemed special.

- 27.6 Notice of an Annual General Meeting or general meeting must be served not less than 21 days prior to the date of the meeting of the Institute.

28. QUORUM

- 28.1 No business shall be transacted at any Meeting unless a quorum of voting Members is present. Save as herein otherwise provided one-tenth of the total number of Members (as at date of the meeting) or 10 voting Members (whichever is the lesser) present personally or by proxy or other duly appointed representatives shall be a quorum.
- 28.2 If within 30 minutes from the time appointed for the Meeting a quorum is not present the Meeting if convened upon the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place and if at the adjourned Meeting a quorum is not present within 30 minutes from the time appointed for the Meeting it shall stand adjourned indefinitely.

29. CHAIRMAN OF MEETINGS

- 29.1 If at any Meeting, neither the President/Chairman nor the Deputy President as the case may be, is present within 30 minutes after the time appointed for the Meeting or if present is unwilling or unable to act as Chairman, the Members present shall choose one of the Members as Chairman for that Meeting.
- 29.2 The Chairman may with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting) adjourn the Meeting from time to time and from place to place but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting at which the adjournment took place. When the Meeting is adjourned for 10 days or more at any one time notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned Meeting.

30. VOTES OF MEMBERS

At every Meeting of the Institute every Member being a Life Member who is in the occupation of Loss Adjusting, Affiliate, Associate or Fellow shall be entitled to one vote but a Member whose subscription is in arrears three months or more from the date of posting his/her membership account by the Treasurer shall not be entitled to be present at any Meeting of the Institute nor to vote at such Meeting. A Life Member who is not in the occupation of Loss Adjusting, Provisional, Ordinary, Honorary or Retired member shall not be entitled to vote at any Meeting of the Institute.

31. PROXIES AND POSTAL VOTES

- 31.1 On a poll of votes, votes may be given either personally or by proxy or by attorney or by other duly appointed representative or by postal vote as provided by this Constitution. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her lawfully authorised attorney.
- 31.2 The instrument appointing a proxy or representative and his/her power of attorney or other authority (if any) under which it is signed or a certified copy of this power or authority shall be sent to and received at the registered office of the Institute not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default such instrument shall not be treated as valid. Such notice may be sent by post, telex, facsimile, or personal delivery.
- 31.3 Any Member may appoint any other Member of the Institute as attorney to act for such Member at any meeting of the Institute but any such appointment shall be made by power of attorney duly executed by the Member and attested by at least one witness and shall be deposited at the registered office of the Institute accompanied by such evidence of the due execution thereof as the Board of Directors may require at least 48 hours before the attorney so appointed is entitled to act.
- 31.4 The attorney so appointed as aforesaid may while the power of attorney shall remain unrevoked attend at and take part in the proceedings and vote at all Meetings of the Institute in the same manner as the Member could do if personally present.
- 31.5 No act done or vote given by proxy or attorney shall be rendered invalid by the revocation of appointment of the proxy or attorney by death or otherwise unless and until notice duly authenticated of such revocation shall have been left at the registered office of the Institute.
- 31.6 Every instrument of proxy shall be in the following form or in any other form which the Board may approve:

**AUSTRALASIAN INSTITUTE OF
CHARTERED LOSS ADJUSTERS
ABN 18 074 804 167**

PROXY FORM

I/We
of

being voting Member/ Members of Australasian Institute of Chartered Loss Adjusters ABN
18 074 804 167, hereby appoint

of

(or failing him/her)

of

(or failing him/her), the Chairman of the meeting as my/our proxy vote for me/us on my/our behalf at the general meeting of the company to be held on the day of

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at am/pm and at any adjournment thereof.

- 31.7 Whenever the Board thinks fit, it may submit a resolution to the vote of eligible Members by means of a postal ballot in such a form as the Board thinks fit. For postal votes to be valid it must be received at the registered office of the Institute not less than 48 hours before the scheduled time for the holding of the Meeting.

32. VOTING AT MEETINGS

- 32.1 At any Meeting a motion put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least two Members present personally or by proxy or attorney or other duly appointed representative entitled to vote and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Institute shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that motion.
- 32.2 If a poll is duly demanded it shall be taken in such manner as the Chairman directs and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.
- 32.3 In the case of an equality of votes whether on a show of hands or on a poll the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- 32.4 The provisions of this **Article 32** apply similarly to General Meetings of the Members within any Division of the Institute save and except those portions which refer to Annual General Meetings and all meetings of Members within any Division shall be governed by these Articles.

33. ESTABLISHMENT OF DIVISIONS

- 33.1 The Board may at any time establish:
- (a) in any State of, or Territory controlled by, the Commonwealth of Australia, and in New Zealand and in any other Country or Territory one or more Divisions;

- (b) an International Division to cater for individuals who ordinarily reside outside of the areas covered by Divisions established under Article 33.1(a).

The Council of any such Division or of any Division established by this Constitution shall exercise the powers authorities and discretions conferred upon it and be subject to the conditions imposed on it by the Constitution of the Institute. All Members of the Institute residing in the area covered by any Division shall be Members of such Division unless having regard to the place of residence the Board of Directors is of the opinion that any Member could be more conveniently or properly included in some other Division in which case the Board may include such Member in such other Division. In addition to their rights and privileges and obligations as Members of the Institute, all Members shall have or be subject to the rights and privileges and obligations which shall for the time being attach to them as Members of a Division.

- 33.2 If a Member of the Institute shall change his/her usual place of abode so as to be outside the Division in which the person is registered the person shall notify in writing the Administrative Officer.

34. DIVISION COUNCILS

- 34.1 With respect to the Council of an International Division, **Article 34** must be read subject to the following:

- (a) The position of Secretary of the International Division Council will not be open to election;
- (b) The Administrative Officer will be appointed as the Secretary of any International Division Council;
- (c) The Annual General Meeting of any International Division Council will be held each year as determined by the International Division Council;
- (d) Any notification, written request, ballot paper or other document which this **Article 34** would otherwise require to be given, delivered, served or posted need only be served by electronic mail to the last known electronic mail address of the person who is to receive the document;
- (e) Any Member of any International Division who is entitled to attend a meeting of an International Division may attend such meeting either:
 - (i) as set out in **Article 34**;
 - (ii) by telephone; or
 - (iii) by an electronic arrangement approved by the Secretary,

Any Member who attends by telephone or by electronic arrangement will have the same voting rights as if that Member attended in person or by

proxy even if the vote would otherwise require a secret ballot because of this **Article 34**.

34.2 The Council of each Division shall consist of at least the following office bearers of the Division, namely:

The Chairman;
The Treasurer;
The Secretary;

and not more than 6 Division Councillors elected annually by the voting membership of the Division.

34.3 Division Councillors and office bearers of the Division shall be elected by the voting membership of each Division at the Division Annual General Meeting which shall be held each year as determined by the Board, all members of the Division Council (including the office bearers) shall retire and a new Council and new office bearers shall be elected. A retiring member of the Division Council shall be eligible for re-election.

34.4 (a) Nomination forms nominating members of the Division for the offices of Chairman, Secretary, Treasurer or Division Councillor, signed by the candidate and their proposer and seconder all of whom shall be financial voting members, shall be lodged with the Division Secretary not less than 21 days prior to the day of each Annual General Meeting of the Division. All members of the Division shall be notified in writing the closing date of nominations not less than 7 weeks prior to the Annual General Meeting. The names of such nominees shall be forwarded to all members of the Division at the same time as the notice convening the Annual General Meeting of the Division which shall be served not later than 14 days prior to the Annual General Meeting.

(b) Nomination for a position on a Division Council shall also be taken at the Annual General Meeting provided any such nomination is supported by at least two (2) voting Members and the number of nominations received in writing under the previous **Article 34.3(a)** are insufficient to fill positions available under **Article 34.1**.

(c) Persons eligible for nomination for a Division Council of the Institute must be a life Member in the occupation of Loss Adjusting, Affiliate, Associate, Fellow or Honorary Member with the exception of Secretary and Treasurer.

(d) The positions of Secretary and Treasurer may be joint, which is held by the same person who need not be a Member of the institute.

34.5 The election of the Chairman, Secretary, Treasurer and Division Councillors shall be by secret ballot. Only those Members eligible to vote:

(a) who are personally or by proxy at the meeting; or

- (b) who apply in writing to the Division Secretary for ballot papers not less than seven days before such meeting;

shall be entitled to vote.

- 34.6 On receipt of such request in writing the Division Secretary shall post or deliver into the hands of the Member concerned a ballot paper. Such ballot paper must be delivered to the Division Secretary not less than 24 business hours prior to the time of the meeting.
- 34.7 Any casual vacancy on a Division Council may be filled by appointment by the Division Council. Any officer so appointed shall hold office only until the next following Annual General Meeting of the Division but shall then be eligible for re-election or re-appointment as the case may be.
- 34.8 The Division may at any time by special resolution carried at an Extraordinary General Meeting remove any Member of the Division Council.
- 34.9 A Division Council may allow to its Members an honorarium for secretarial duties, and subject to approval by the Board of Directors may allow other remuneration or an honorarium for any other services.
- 34.10 The continuing members of a Division Council may act notwithstanding any vacancy in its body PROVIDED THAT not less than one-third of the members thereof continue in office.
- 34.11 The office of a member of a Division Council shall be vacated:
 - (a) If the person ceases to be a member of the Division.
 - (b) If the person resigns his/her seat on the Division Council.
 - (c) If the person be absent from three consecutive meetings without the consent of such Division Council.
 - (d) If the person be requested in writing by 75 per cent of the other members for the time being of the Council of his/her Division to resign his/her office or if his/her office be declared vacant by a special resolution of any Extraordinary General Meeting of his/her Division.
 - (e) If the person's subscription is overdue for three months.
 - (f) If the person becomes prohibited from being a Director of a company by reason of any order made under the Law.
 - (g) If the person ceases to be a member of a Division Council by operation of the Law.
- 34.12 Upon a request in writing by 5 % of voting members of a Division the Division Council shall convene an Extraordinary General Meeting.

35. POWERS AND DUTIES OF COUNCILS

35.1 A Division Council is hereby authorised to exercise, within the limits of its Division, the powers duties and discretions set out hereunder in addition to any other powers duties and discretions granted it by this Constitution. All such powers and discretions shall be subject to the general control of the Board of Directors.

35.2 Subject as hereinbefore provided a Division Council is hereby authorised to exercise the following powers duties and discretions:

- (a) It shall receive applications for admission as Members in such form and manner and subject to such conditions as are prescribed by the Board of Directors.
- (b) It may rent and furnish or with the approval of the Board of Directors purchase suitable premises for the use of its Division.
- (c) It may take cognisance of anything affecting the Institute or the conduct of Members and shall forthwith make report thereof to the Board of Directors.
- (d) It shall, in cases where a separate bank account is operated, furnish each year to the Board of Directors a copy of the accounts signed by a qualified auditor appointed by the Board and a report of the proceedings of its Division during the previous year and such other information as the Board may deem of interest.
- (e) It may control the custody and use of the books of any library established in the Division.
- (f) It shall have the control of the moneys of the Division as determined by the Board.

36. PROCEEDINGS OF DIVISION COUNCILS

36.1 With respect to the proceedings of an International Division, **Article 36** must be read subject to the following:

- (a) Any Member who is entitled to attend a meeting of an International Division Council may attend either:
 - (i) as set out in **Article 36**;
 - (ii) by telephone; or
 - (iii) by electronic arrangement approved by the Secretary.
- (b) Any notifications, written requests, ballot papers or other documents which this **Article 36** would otherwise require to be given, delivered, served or posted need only be served by electronic mail to the last known electronic mail address of the person who is to receive the document;

- (c) The quorum of an International Division Council necessary for the transaction of its business shall be a majority of Members thereof whether present:
 - (i) in person;
 - (ii) by proxy;
 - (iii) by telephone; or
 - (iv) by electronic arrangement approved by the Secretary.

Any Member who attends a meeting of an International Division Council by telephone or by electronic arrangement approved by the Secretary will have the same voting rights as if that Member attended in person or by proxy.

- 36.2 The Division Councils may meet adjourn and otherwise regulate their meetings as they shall think fit. The quorum of a Division Council necessary for the transaction of its business shall be a majority of Members thereof present in person.
- 36.3 Other meetings of a Division Council shall be convened at any time upon the request of the Division Chairman or in his/her absence of three (3) of the Councillors thereof. Notices calling such meetings shall be given at least seven days prior to such meeting.
- 36.4 Questions arising at any meeting of a Division Council shall be decided by a majority of the votes recorded and each Member personally present, and eligible to vote shall have one vote. In the case of an equality of votes the meeting Chairman will have a second or casting vote.
- 36.5 At all meetings of a Division Council the Division Chairman shall preside or in his/her absence a Chairman shall be elected from amongst the members of such Division Council.
- 36.6 A meeting of a Division Council for the time being at which a quorum is present shall be competent to exercise all or any of the authorities powers and discretions vested in the Division Council by any means whatsoever.
- 36.7 A Division Councillor may vote by proxy at any meeting of the Division Council provided such proxy is a Councillor and has been approved of as such by a resolution of the Division Council and has been appointed by writing under the hand of the appointer. The appointment may be general or for any particular meeting or meetings.
- 36.8 The Division Councils may establish Branches and appoint Committees and sub-committees with such powers as the Division Council may prescribe from time to time in accordance with this Constitution.

36.9 All acts done at any meeting of a Division Council or of a Committee appointed by it or by any person acting as a member of any such Council or Committee or of any Division Chairman or Secretary thereof shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Council Committee or person acting as aforesaid or that they or any of them were disqualified, be as valid as if such Council Committee or person had been duly appointed and was qualified to act.

36.10 A Division Council shall cause Minutes to be regularly entered in books provided for the purpose of the proceedings of its meetings or of meetings of its Committees and of general meetings of its Divisions respectively and of the names of those present at Council meetings. The Minutes of any meeting signed by the Chairman of the meeting or of the next succeeding meeting shall be conclusive evidence of the transactions recorded in such Minutes. A copy of such Minutes shall be forwarded to the Secretary of the Board.

37. APPEAL

Any Member dealt with under the provisions of the Constitution shall have a right of appeal to the Board of Directors.

38. GENERAL REGISTERED OFFICE

A Division office may be in the same place as the registered office of the Institute.

39. COMMON SEAL

The Board of Directors shall provide for the safe custody of the Seal which shall only be used by the authority of the Board of Directors or of a Committee of the Board of Directors authorised by the Directors in that behalf and every instrument to which the Seal shall be affixed shall be signed by a Director or some other person appointed by the Board of Directors and shall be countersigned by the Secretary or by some other person appointed by the Board of Directors.

40. FUNDS

40.1 All moneys when received on account of the Institute by the Institute or by the Council of any Division of the Institute shall be paid into the account of the Institute at its Bankers opened by or with the authority of the Board of Directors.

40.2 Cheques or other negotiable instruments requiring the endorsement of the Institute or of a Division may be endorsed by such person or persons as the Board of Directors or the Division Council (with the approval of the Board of Directors) as the case may be shall from time to time appoint.

40.3 Distribution of funds to Divisions and the administration of such funds shall at all times be subject to the control and direction of the Board of Directors.

41. EXPENSES

- 41.1 The Board of Directors or a Division Council may reimburse any Member from the funds of the Institute for expenses incurred in the carrying out of Institute business.
- 41.2 For the purposes of **Article 6** of the Constitution the rate of interest payable in respect of money lent by Members to the Institute shall not exceed the lowest rate paid for the time being by the Commonwealth Bank of Australia in respect of term deposits.

42. ACCOUNTS AND AUDITS

- 42.1 The Board of Directors and each Divisions Council shall cause true accounts to be kept of the moneys received and expended by them respectively and the matters in respect of which such receipts and expenditure take place and of the assets and liabilities thereof.
- 42.2 The accounts of the Institute and of the Divisions shall be closed annually as at the last day of June each year.
- 42.3 Financial accounts shall be prepared by Division Treasurers and submitted to the Administrative Officer with the relevant books and vouchers for his/her examination and report.
- 42.4 The financial accounts and the Auditor's report shall be published not less than twenty one days before the Annual General Meeting of the Institute.
- 42.5 An Auditor for the Institute shall be appointed by the Board.
- 42.6 In the event of a vacancy by resignation or otherwise the Board of Directors shall appoint another Auditor to fill the office until the next appointment of an Auditor by the Annual General Meeting.

43. NOTICES

- 43.1 Subject to Articles 34.1 and 36.1, any notice may be served by the Institute on any Member either personally or by sending it through the post, telex, facsimile or electronic mail to such Member at his/her registered address.
- 43.2 Any notice sent by post shall be deemed to have been served at the expiration of 48 hours after the letter containing the same is posted. Any notice served on a Member personally is deemed to have been served when delivered. Any notice served on a Member by telex is deemed to have been served on receipt by the Institute of the answer back code of the recipient at the end of the transmission. Any notice served on a Member by facsimile transmission is deemed to have been served on receipt by the Institute of a confirmation that the transmission has been sent. Any notice served on a Member by electronic mail is deemed to have been served when sent unless the server receives a message that the system has been unable to send that message.

44. INDEMNITY

44.1 Director against liability

The Institute may indemnify a Director or Officer of the Institute or any related body corporate against:

- (a) any liability incurred by the Director or Officer, in his/her capacity as a Director or Officer, to a person other than the Institute or a related body corporate, except where the liability relates to a lack of good faith; or
- (b) any liability for legal costs or expenses incurred by the Director or Officer in defending proceedings (whether civil or criminal) in which judgement is given in favour of the Director or Officer, the Director or Officer is acquitted or the Court grants relief to the Director or Officer under the Law.

44.2 Payment of Insurance

The Institute may insure, or pay any premiums on a policy of insurance for, a Director or Officer of the Institute or of a related body corporate against:

- (a) any liability incurred by the Director or Officer, in his/her capacity as a Director or Officer, to the Institute except where the liability relates to a wilful breach of duty to the Institute or a contravention of Sections 232(5) or (6) of the Law.
- (b) any liability for legal costs or expenses incurred by the Director or Officer in defending proceedings (whether civil or criminal) against the Director or Officer in his/her capacity as a Director or Officer.

44.3 Resolution to Grant Indemnity

A Director may vote in favour of a resolution that the Institute grant an indemnity, take insurance or pay the premiums on an insurance policy even though the Director has a direct and material interest in the outcome of the resolution.

45. ALTERATION TO THE CONSTITUTION

The Members of the Institute may, from time to time, modify or alter in any way the Constitution of the Institute by special resolution, provided that such modification or alteration must be made in accordance with the Law.