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**CONSTITUTION
OF
THE AUSTRALIAN FEDERATION OF
TRAVEL AGENTS LIMITED
ACN 001 444 275**

17 September 2005

(incorporating amendment approved by 26 April 2006 General Meeting)

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Corporations Act 2001 (Cth)
A Company Limited by Guarantee
and not having a Share Capital
CONSTITUTION
of
THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED
ACN 001 444 275

1. Preliminary

1.1 Name of the Federation

The name of the Company is "THE AUSTRALIAN FEDERATION OF TRAVEL AGENTS LIMITED".

1.2 Federation limited by guarantee

The Federation is limited by guarantee and the liability of members is limited as provided in this document.

2. Interpretation

2.1 In these Rules unless the context otherwise requires:

- (a) "Additional Location" means the premises notified by a Member to the Federation from time to time pursuant to Rule 21;
- (b) "Allied Member" means a Member whose eligibility for Membership is as set out in Rule 27;
- (c) "Alternate" means an alternate Director appointed under rule 69
- (d) "Appointor" in relation to an Alternate, means the Director who appointed the Alternate.
- (e) "Arbitration Panel" means the arbitration panel convened pursuant to Rule 46;
- (f) "Associate Member" means a Member whose eligibility for Membership is as set out in Rule 29;
- (g) "Auditor" means the Auditor of the Federation appointed pursuant to Rule 93;
- (h) "Board" means the Directors acting collectively in accordance with the quorum and voting provisions for meetings of Directors in these Rules;
- (i) "Chairman" means the person elected as such pursuant to Rule 63;

- (j) "Chief Executive" means the person for the time being holding the office of senior full time salaried officer of the Federation;
- (k) "Code of Ethics" means the code of ethics of the Federation in the form adopted by the Board from time to time;
- (l) "Concessional Member" means a Full Member of the Federation which has, pursuant to a determination of the Board under Rule 54(d)(viii) paid to the Federation a Fee less than the full Fee determined by the Board pursuant to Rule 54;
- (m) "Connected Member" means, in relation to a Full Member (the "first member"), another Full Member which carries on business under the same trading name or as part of the same franchise group, buying group, network or other similar association as the first member (and a resolution of the Board as to whether a person is a Connected Member in respect of another person shall be final and binding for the purposes of these Rules);
- (n) "Controlling Shareholder" means a person who has, in respect of a corporation, power:
 - (i) to exercise, or to control the exercise of, the right to vote attached to, or
 - (ii) to dispose of, or to exercise control over the disposal of,
 not less than fifty percent (50%) of the issued voting shares in the capital of the corporation or otherwise controls the corporation within the meaning of section 50AA of the Corporations Act;
- (o) "Corporations Act" means the *Corporations Act 2001 (Cth)*;
- (p) "Deputy Chairman" means a person elected as such pursuant to Rule 63;
- (q) "Directors" means the directors for the time being of the Federation and each of them and "Director" means any one of them;
- (r) "Federation" means The Australian Federation of Travel Agents Limited;
- (s) "Fee" means the annual Membership fee described in Rule 54;
- (t) "Full Member" means a Member whose eligibility for Membership is as set out in Rule 13;
- (u) "Honorary Life Member" means a Member whose eligibility for Membership is as set out in Rule 31;
- (v) "Licence" means a licence issued under any state or federal legislation enacted for the purpose of licensing or controlling travel agents;
- (w) "Member" means a member of the Federation admitted to membership in accordance with these Rules;

- (x) **"Multi-Agency"** means a person determined as such by the Board for the purposes of this constitution, being a person who carries on business in Australia as the franchisor, principal or head office of, or in the opinion of the Board performs a similar role in respect of, a franchise group, buying group, network or similar association of travel agents;;
- (y) **"Nominated Member"** means in respect of a Concessional Member:
 - (i) a Multi-Agency which is a Full Member which, in respect of that Concessional Member falls within Rule 54(d)(viii)(B); or
 - (ii) a Full Member nominated by the Multi-Agency mentioned in subparagraph (i) and which is a Connected Member of that Multi-Agency;;
- (z) **"Non-Resident Member"** means a Member whose eligibility for Membership is as set out in Rule 28;
- (aa) **"office"** means the registered office of the Federation;
- (bb) **"Office-bearers"** means, collectively, the Chairman, and the two Deputy Chairmen elected pursuant to Rule 63;
- (cc) **"Principal Location"** means the premises notified to the Federation from time to time under Rule 20 as the principal location of the business of a Member and, in the absence of any such notification, the Principal Location shall be the premises at the address referred to in the Member's application for Membership;
- (dd) **"Rule"** means a Rule or sub-Rule of this constitution;
- (ee) **" Seal"** means the common seal of the Federation;
- (ff) **"Special Board Resolution"** means a resolution passed by not less than seventy five percent (75%) of the Directors;
- (gg) words and expressions defined in the Corporations Act have the same meaning when used in this constitution;
- (hh) subject to any express provision contained in these Rules, all words and expressions shall be interpreted in accordance with the Interpretation Act 1987;
- (ii) expressions referring to writing shall be construed as including references to printing, lithography, telex, facsimile and other means of representing or reproducing words in a visible form;
- (jj) words importing the singular number shall include the plural number and vice versa;
- (kk) words importing any gender shall include the other genders;
- (ll) words importing persons include corporations; and

(mm) a reference to an act, statute or statutory provision shall be deemed to include any act, statute or statutory provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same.

2.2 Where these Rules require or permit any action to be taken on a day which is a Saturday, Sunday or public holiday that action may be taken on the next following day which is not a Saturday, Sunday or public holiday.

3. Application of income and property

The income and property of the Federation whencesoever derived shall be applied solely towards the promotion of the objects of the Federation as set forth in Rule 3 and no part thereof shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise howsoever by way of profit to the Members PROVIDED THAT nothing herein contained shall prevent the payment in good faith of remuneration to any officers or servants of the Federation or to any Member of the Federation in return for any services actually rendered to the Federation or payment for goods supplied in the ordinary and usual course of business nor prevent the payment of interest at a rate not exceeding the rate for the time being charged by bankers in Sydney for over-drawn accounts on money lent or reasonable proper rent for premises demised or let by any Member to the Federation, but so that no Member of the Board or governing body of the Federation shall be appointed to any salaried office of the Federation or any office of the Federation paid by fees and that no remuneration or other benefit in money or money's worth shall be given by the Federation to any Member of such Board or governing body except repayments 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 Federation PROVIDED FURTHER that the provision last aforesaid shall not apply to any payment to any railway, gas, electric lighting, water, cable or telephone company of which a Member of the Board or governing body may be a Member or any other company in which such Member shall not hold more than a one-hundredth part of the capital and such Member shall not be bound to account for any share of profit he may receive in respect of such payment.

4. Certain payments allowed

If any Member of the Federation pays or receives any dividend bonus or other profit in contravention to the Rule 4 the liability of every member of the Board or governing body who has concurred in or authorised such profit shall be unlimited and the liability of every Member of the Federation who has received any such dividend bonus or other profit as aforesaid shall likewise be unlimited.

5. Limited Liability of Members

5.1 Every Member of the Federation undertakes to contribute to the assets of the Federation in the event of the same being wound up during the time he is a Member or within one year afterwards for payment of debts and liabilities of the Federation contracted before the time at which he ceased to be a Member and of the costs, charges and expenses of winding up the same and for the adjustment of the contributories amongst themselves such amount as may be required not exceeding thirty dollars (\$30.00).

5.2 If upon the winding up or dissolution of the Federation there remains after the satisfaction of all its debts and liabilities and property whatsoever the same shall not be paid to or distributed among the Members but shall be given or transferred to some other institution or institutions have objects similar to the objects of the Federation and which shall prohibit the distribution of its or their income and property among its or their Members to any extent at least as great as is imposed on this Federation under or by virtue of the third paragraph hereof such institution or institutions to be determined by the Members at or before the time of dissolution or in default thereof by the Chief Judge of the Equity Division of the Supreme Court of New South Wales or such other Judge of that Court as may have or acquire jurisdiction in the matter and if and so far as effect cannot be given to the aforesaid provision then to some charitable object.

5.3 The liability of the Members is limited.

6. Replaceable Rules

Except to the extent otherwise required by law, the replaceable rules referred to in section 141 of the Corporations Act do not apply to the Federation and are replaced by the rules set out in this document.

7. Accounts

True accounts shall be kept of the sums of money received and expended by the Federation and the matters in respect of which such receipts and expenditure takes place and of the property credits and liabilities of the Federation and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Federation for the time being shall be open to the inspection of the Members. Once at least in every year the accounts of the Federation shall be examined and the income and expenditure accounts and balance sheet shall be the subject of a report by one or more properly qualified auditor or auditors

MEMBERSHIP

8. Number of Members

The number of Members for the time being of the Federation is unlimited.

9. Categories of Membership

Members must be members in one of the following categories:

- (a) Full Members;
- (b) Allied Members;
- (c) Non-Resident Members;
- (d) Associate Members; and
- (e) Honorary Life Members.

10. Membership Applications

Applicants for membership of the Federation must make written application to the Federation in such form as the Board may from time to time determine. The Board must determine membership applications in accordance with these Rules.

11. Payment of fees on Application

An application must be accompanied by payment of the annual membership fee determined in accordance with Rule 54 and a processing fee in an amount determined by the Board. Such processing fee shall not be refundable. If an application for membership is rejected, then the Federation must refund the membership fee paid with the application:

- (a) where the applicant has no right of appeal under these Rules, forthwith;
- (b) where the applicant has a right of appeal under these Rules -
 - (i) if an appeal is not lodged within the period for lodging an appeal, upon the expiry of the period;
 - (ii) if an appeal is lodged within the period for lodging an appeal, and if the Arbitration Panel confirms the rejection of the application, upon the handing down of the Arbitration Panel's decision.

12. Ineligibility for membership

The Board may determine that a person is ineligible for membership of the Federation on the ground that the person:

- (a) being a natural person:
 - (i) at any time whilst being involved in the travel industry in any way or as a direct or indirect consequence of such involvement, has gone into bankruptcy, suspended payment of debts or compromised with his creditors;
 - (ii) at any time during the period of ten years immediately preceding the determination of his membership application has been an undischarged bankrupt, has suspended payment of debts or has compromised with his creditors;
 - (iii) at any time during the period of ten years immediately preceding the determination of his membership application or at any time thereafter, has been convicted of, or served any part of a term of imprisonment for, an offence, whether within Australia or elsewhere, involving fraud or dishonesty;
 - (iv) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;

14.

- (v) is a Controlling Shareholder or a director of a corporation which is ineligible for membership by virtue of Rule 12(b); or
 - (vi) has been a Controlling Shareholder or a director of a corporation which:
 - (A) at any time whilst being involved in the travel industry in any way or as a direct or indirect consequence of such involvement has gone into liquidation except for the purpose of reconstruction or amalgamation or has had a receiver appointed in respect of any of its assets or has suspended payment of its debts or has compromised with its creditors; or
 - (B) at any time during the period of ten years immediately preceding the date of his Membership application has gone into liquidation except for the purpose of reconstruction or amalgamation or has had a receiver appointed in respect of any of its assets or has suspended payment of its debts or has compromised with its creditors;
- or
- (b) being a corporation:
 - (i) is in liquidation except for the purpose of reconstruction or amalgamation or has had a receiver appointed in respect of any of its assets, or has suspended payment of its debts or has compromised with its creditors;
 - (ii) has, during the period of ten years immediately preceding the determination of its membership application or at any time thereafter, been convicted of an offence whether within Australia or elsewhere, involving fraud or dishonesty; or
 - (iii) has a Controlling Shareholder or director who is ineligible for membership by virtue of Rule 12(a);
- or
- (c) is in partnership with a person who is ineligible for membership by virtue of Rule 12(a) or 12(b).

ADMISSION TO FULL MEMBERSHIP

13. Eligibility for Full Membership

Subject to Rule 12, a person is eligible for Full Membership if the person:

- (a) lawfully carries on business as a travel agent in the Commonwealth of Australia or in any of its Territories; or
- (b) is determined by a resolution of the Board to be a Multi Agency.

14. Board to Admit

The Board may, upon being satisfied by an applicant for Full Membership of the eligibility of the applicant for Full Membership, in its discretion admit the applicant to Full Membership if, in its opinion, the applicant is fit and proper to be a Full Member of the Federation.

15. Factors to be taken into account by Board

Without limiting the generality of the factors that the Board may take into account for the purposes of the exercise of its discretion under Rule 14, the Board must, when considering an application for Full Membership by a person who is a travel agent, take into account whether the applicant:

- (a) carries on its business as a travel agent from licensed premises which comply with Rule 22; and
- (b) holds a professional indemnity insurance policy complying with Rule 26(a).

16. Material supporting Full Membership application

An applicant for Full Membership pursuant to of Rule 13(a) must support its application with evidence that the applicant holds a Licence.

17. Certificate of Full Membership

On admission of a person to Membership the Federation must issue to the Member a certificate of membership, in a form prescribed by the Board in accordance with these Rules. The certificate of membership remains the property of the Federation and such certificate of membership must be returned to the Federation on demand.

18. Notification of Rejection of Membership Application

If, on consideration of an application for Membership, the Board decides to reject the application, then it must forthwith notify the applicant by post to the Principal Location shown on the application, and provide to the applicant a written statement of the Board's reasons for rejecting the application.

19. Right of Appeal

An applicant for Full Membership whose application is rejected has the same rights of appeal as are set out in Rules 45 to 52 inclusive and those Rules shall for the purposes of this Rule 19 be deemed to have been amended in such manner as may be necessary so as to make them applicable to the rejection of such an application.

OBLIGATIONS OF FULL MEMBERSHIP

20. Principal Location

A Member must register with the Federation the address of the principal premises ("Principal Location") from which it carries on business as a travel agent and must notify the Federation of any change in such address within fourteen days after such change.

21. Additional Location

A Full Member must register with the Federation the address of any premises other than the Principal Location ("Additional Location") from which it, or, in the case of a Full Member which is a corporation, from which it or a related body corporate of that corporation, carries on business as a travel agent and must notify the Federation of any change in any such address within fourteen days after such change.

22. Standards of Premises

A Member which carries on business as a travel agent must only do so:

- (a) (i) from premises which are solely used for the carrying on of such business and are readily identifiable as such; or
- (ii) from an area within premises which is in accordance with applicable licensing laws;
- (b) from premises or from an area within premises as the case may be which are clean, secure and adequately furnished; and
- (c) from premises which are open to clients during normal business hours.

23. Financial Soundness and Accounts

A Member:

- (a) must at all times:
 - (i) maintain its affairs in a financially sound position; and
 - (ii) keep proper financial records which correctly record and explain its transactions and financial position and which are in accordance with accounting standards generally accepted in Australia and the requirements of any legislation relating to such Member; and
- (b) must immediately notify the Federation if it becomes unable to pay its debts as they fall due.

24. Financial Soundness and Accounting of Full Member (Corporate)

Without limiting the generality of Rule 23, a Member being a corporation:

- (a) must comply in all respects with the Corporations Act or such equivalent legislation as is applicable;
- (b) must have its accounts audited at the end of each financial year by a person registered as a company auditor who has had no involvement, and is not a Member of a firm which has had any involvement, in the preparation of such accounts; and
- (c) must immediately inform the Federation:

- (i) if its Directors fail to provide an annual report on the corporation's financial affairs as required by the Corporations Act or any equivalent statute; or
- (ii) if the corporation's auditor reports that the corporation's accounts do not meet appropriate accounting standards or are otherwise not properly drawn up or otherwise qualifies such accounts in any way.

PROVIDED THAT a Member who holds a Licence shall be deemed to have complied with Rule 24(b).

25. Proof of Maintaining Financially Sound Position and Accounts

The Board may at any time require a Member to produce to it within such reasonable time as the Board may require, being not less than twenty-one days, evidence satisfactory to the Board of the Member's compliance with Rule 23 and/or (if applicable) Rule 24.

26. Maintenance of Professional Indemnity Insurance

- (a) Subject to Rule 26(b), a Full Member which carries on business as a travel agent must at all times maintain a professional indemnity insurance policy under which the limit of liability shall be not less than five hundred thousand dollars (\$500,000) or such greater amount as the Board may from time to time determine and which policy shall be for such cover and otherwise in such form as the Board may from time to time approve. The Board may at any time require such a Member to produce such policy to the Board together with a certificate by the insurer as to the currency of the policy.
- (b) On written application from a Full Member or an applicant for Full Membership, which carries on business as as travel agent, the Board may exempt that person from complying with Rule 26(a) for such period and on such terms and conditions, if any, as the Board sees fit. Any such exemption can be revoked by the Board at any time without prior notice to the Member by posting to the Member's Principal Location written notification of the revocation.

OTHER MEMBERSHIP CATEGORIES

27. Eligibility for Allied Membership

Subject to Rule 12, a person who is not wholly engaged in the business of a travel agent but is regularly engaged in the travel industry or an industry related thereto in the Commonwealth of Australia or in any of its Territories is eligible for Allied Membership.

28. Eligibility for Non-Resident Membership

Subject to Rule 12, a person carrying on business outside the Commonwealth of Australia and its Territories may be admitted to Non-Resident Membership provided it would be eligible for Full Membership or Allied Membership except for the fact that it carries on business outside the said Commonwealth and its Territories

29. Eligibility for Associate Membership

Subject to Rule 12, a person (but not a corporation) is eligible for Associate Membership if that person:

- (a) is engaged or employed in the travel industry; and
- (b) resides in the Commonwealth of Australia or in any of its Territories.

30. Board Determination of Allied, Non-Resident or Associate Membership Applications

Subject to Rule 12, an application for Allied, Non-Resident or Associate Membership of the Federation shall be determined by the Board in its absolute discretion. There shall be no right of appeal from a decision of the Board in respect of such an application.

31. Honorary Life Members

Subject to Rule 12, the Board may admit to Honorary Life Membership by Special Board Resolution any natural person with such rights, privileges and obligations as the Board by such Special Board Resolution may specify.

GENERAL MEMBERSHIP RIGHTS AND OBLIGATIONS

32. Code of Ethics

A Member must comply with the Code of Ethics.

33. Right to Appoint Representative

- (a) A Full Member which is a corporation or a firm may appoint any natural person as its representative to exercise on its behalf all or certain of its rights and powers as a Member and may terminate such appointment at any time.
- (b) The Federation is only bound by such an appointment or by a termination of such an appointment upon receipt by the Federation of written notice:

34. Membership Rights not Assignable

The rights and privileges of every Member are personal to it and are not assignable.

35. Change of Ownership

If a change occurs in the shareholders or directors of a Member being a corporation, the corporation must forthwith notify the Federation of such change and must satisfy the Board that the change does not affect the corporation's eligibility for membership.

CESSATION OF MEMBERSHIP

36. Resignation

Every Member of the Federation shall have the right at any time to resign its membership by lodging a written resignation with the Federation.

37. When Membership Ceases

The membership of a Member ceases if the Member:

- (a) is determined by the Board pursuant to Rule 12 to be ineligible for membership of the Federation;
- (b) fails to satisfy a demand for payment of any moneys due to the Federation within thirty (30) days after service of such demand where the Board has determined that the failure to satisfy the demand will result in cessation of membership and the Member has been informed of that determination at the time of such demand;
- (c) resigns in writing;
- (d) is expelled pursuant to these Rules; or
- (e) having held a Licence, ceases to hold that Licence PROVIDED that for so long as that Member has a right of appeal against loss of such Licence or has exercised such a right and the appeal has not been determined the membership of that Member shall not cease until it ceases to have any such right or such appeal is determined.

38. No Refund of Fees on Cessation of Membership

On the cessation of membership for any reason whatsoever, the Board may, in its discretion, refund either the whole or part of the membership fee to the former Member.

39. Return of Certificate and Federation Material

On cessation of membership for any reason the former Member must forthwith return to the Federation any certificate of membership and any bromide, stereo or artwork of the Federation which may have been issued to him, and all property of the Federation in his possession, and must forthwith cease to display in any form whatsoever the symbol of the Federation or any reference to membership thereof or any indication that he has any connection whatsoever with the Federation.

CENSURE, SUSPENSION AND EXPULSION

40. Board's Power to Censure, Suspend or Expel

The Board may by Special Board Resolution censure, suspend or expel from the Federation a Member:

- (a) who fails to observe and comply with the Rules;
- (b) who fails to comply with a requirement imposed pursuant to Rule 25 or 26;
- (c) is convicted within or outside Australia of any offence (other than an offence of the type mentioned in Rule 12(a)(iii)) whether indictable or not which carries a minimum penalty of six months imprisonment or a fine of not less than \$1,000;
- (d) makes a wilful misrepresentation to the Federation in its application for Membership or in any other statement to the Federation or the Board; or
- (e) who is, in the opinion of the Board, not a fit and proper person to be a Member of the Federation.

41. Notice of Meeting

Any question of the censure, suspension or expulsion of a Member must be dealt with by a meeting of the Board of which not less than fourteen (14) days' notice is given specifying the date, time, and place of meeting. The notice must state the nature of the business but need not identify by name the Member whose conduct is under consideration.

42. Notice to Member

The Member whose conduct is under consideration must receive the same notice of the meeting as the Board members not less than fourteen (14) days prior to the date of the meeting, and must receive in writing with such notice full particulars of the facts, matters and circumstances which might justify action being taken by the Board in respect of that Member under Rule 40.

43. Right of Appearance

Such Member is entitled to be heard by himself or his agent (who may be a solicitor or barrister) at such a meeting. The procedure of the meeting is at the discretion of the Board. The Board is not bound by the rules of evidence and may inform itself in any manner it thinks fit.

44. Notice of Result

Notice of a resolution of the Board whereby a Member is censured, suspended or expelled must be served on the Member.

45. Right of Appeal

A Member who is the subject of such resolution has a period of fourteen (14) days after the date of service of notice of the Board's resolution within which to lodge with the Chief Executive a written notice of appeal setting out in succinct manner the grounds of appeal. If such notice of appeal is not received by the Chief Executive within the time so limited, the resolution shall forthwith become effective and binding and all Members must be informed accordingly by way of direct mail, circular news sheet, or such other means as the Board or Chief Executive sees fit.

46. Arbitration Panel

If a notice of appeal is received within the period specified in Rule 46 the Chief Executive must convene an arbitration panel consisting of three natural persons being:

- (a) a Full Member of the Federation appointed by the appellant who must submit the name of such appointee and a signed statement of the willingness of such appointee to act as a member of the Arbitration Panel together with and at the same time as lodging the notice of appeal;
- (b) a Full Member willing so to act who was not present at the meeting of the Board against the decision of which the appeal is lodged, appointed by the Chairman; and
- (c) a person having no financial or executive connection with the travel industry who shall act as Chairman of the Arbitration Panel and who shall be appointed by the two Full Members mentioned in paragraphs (a) and (b) of this Rule.

47. Failure to Appoint Chairman

If the Members referred to in paragraphs (a) and (b) of Rule 46 fail within fourteen (14) days from whichever is the later of their respective dates of appointment to appoint a third Member, then such third Member shall be appointed by the Board as soon as is practicable.

48. Notice of Hearing of Appeal

The Chief Executive shall give the appellant not less than fourteen (14) days' notice of the time and place of the meeting of the Arbitration Panel. Such hearing shall commence within twenty-eight (28) days from the date of appointment of the Chairman of the Arbitration Panel.

49. Legal Representation

The Federation may present its case in support of a resolution of censure, suspension or expulsion by any person nominated by the Board. The appellant is entitled to appear either in person, or if a corporation by its duly appointed representative, or by another Full Member, or by a barrister or a solicitor. The appellant must notify the Federation no later than ten (10) days before the hearing date whether or not a legal representative will appear on its behalf at the hearing. The Federation shall not be entitled to employ a barrister or a solicitor to appear on its behalf at such a hearing unless the appellant has engaged a legal representative so to appear.

50. Rehearing on Appeal

Any appeal as provided in these Rules shall be by way of a complete rehearing and the Arbitration Panel may uphold, reverse or vary a finding or determination of the Board. The procedure of the hearing is at the discretion of the Arbitration Panel. The Arbitration Panel is not bound by the rules of evidence and may inform itself in any manner it thinks fit.

51. Arbitration Panel Voting

Decisions of the Arbitration Panel are by majority vote and the Chairman of the Arbitration Panel has a deliberative vote only.

52. Arbitration Decision

Within twenty eight (28) days of the completion of the hearing of the appeal the Arbitration Panel must hand down its finding by way of written memorandum addressed to the Board, a copy of which must forthwith be served on the appellant by the Federation.

53. Stay of Suspension or Expulsion

If within fourteen (14) days of the Arbitration Panel handing down a decision of suspension or expulsion of a Member, the Federation is served by the Member with Court process for injunctive or other relief in relation to the suspension or expulsion, the decision is stayed.

FEES AND LEVIES

54. Annual Membership Fees

- (a) Each Member must pay an annual membership fee to the Federation.
- (b) In respect of each financial year of the Federation, if the Preceding Year CPI is greater than the Earlier Year CPI, the Fee will be increased in accordance with the following formula:

$$A = [B \div C] \times D$$

where:

A is the Fee for the relevant financial year;

B is the Previous Year CPI;

C is the Earlier Year CPI; and

D is the Fee payable prior to the relevant financial year.

- (c) For the purposes of paragraph (b):

"CPI" means the Consumer Price Index (Weighted Average of Eight Capital Cities) (All Groups) as compiled from time to time by the Australian Bureau of Statistics or any other government authority. If at any time publication of that index is suspended or discontinued, then "CPI" shall mean such other index then published by the Australian Bureau of Statistics or such other government authority which most closely resembles the index whose publication has been suspended or discontinued.

"Earlier Year" means the calendar year prior to the Previous Year;

"Earlier Year CPI" means the CPI for the final quarter of the Earlier Year;

"Previous Year" means the year ending on 31 December preceding the commencement of the relevant financial year;

"Previous Year CPI" means the CPI for the final quarter of the previous year.

- (d) Notwithstanding paragraph (b) of this Rule 54, the Board may at any time and from time to time determine in its absolute discretion:
- (i) that the amount of the Fee should not be increased;
 - (ii) that the amount of the Fee should be decreased
 - (iii) that the amount of the Fee should be increased but otherwise than in accordance with paragraph (b);
 - (iv) that the amount of the Fee may vary as between Members or classes of Members;
 - (v) the criteria on which any such variation should be based;
 - (vi) the time or times at which the Fee should be paid; and
 - (vii) the manner in which the Fee should be paid; and
 - (viii) without limiting any of paragraphs (i) – (vii), that the Fee paid by certain Connected Members may be less than the full Fee determined under this Rule by reason of the fact that:
 - (A) those Members are Connected Members; and
 - (B) a Multi-Agency which is also a Connected Member in respect of those Members has paid such full Fee.

55. Levies

The Board may, by Special Board Resolution make a levy or levies on Members not exceeding two hundred and fifty dollars (\$250.00) in any one year. Such levy is due and payable fifty six (56) clear days after the passing of the resolution. The Chief Executive must serve written notice of the resolution to all Members within twenty eight (28) days of the making of such resolution.

BOARD OF DIRECTORS**56. Powers**

The affairs, business, control and management of the Federation shall be vested in the Board which in addition to the powers authorities and discretions expressly conferred upon it by these Rules or otherwise may exercise all powers, authorities, and discretions of the Federation which are not by any statute or by these Rules required to be exercised by the Federation in general meeting.

57. Board Resolutions

No resolution of a general meeting shall invalidate any prior act of the Board which would have been valid had such resolution not been passed.

58. Number of Directors

The number of Directors shall be not more than 12 persons.

59. Eligibility to be a Director

- (1) A person shall be eligible to be a Director only if he or she:
 - (a) is, and was at the time of nomination for election as a Director, a Full Member or director or full time employee of a Full Member which is a company;
 - (b) is, and has been for the immediately preceding period of six months, engaged or employed in the travel industry on a full time basis; and
 - (c) has not later than 26 April in the relevant year delivered to the office a notice in writing duly signed and signifying his or her candidature for election to the Board and consent to act as a Director, if so elected.
- (2) A reference in Rule 59(1) to a Full Member means a Full Member which is not a Concessional Member.
- (3) In an election held pursuant to Rule 61:
 - (a) if the results of the election are such that Rule 59 (2) would apply so as to make a person ineligible to be a Director, that person shall not be declared elected but the candidate in the election with the next highest number of votes shall be declared elected;
 - (b) if two or more persons receive sufficient votes to entitle them to be elected as a Director but only one of those persons is eligible to be so elected by reason of Rule 59(2), then the person with the highest number of votes shall be declared elected.

60. Term of Office

- (1) Subject to Rule 60(3) and (4) each of the Directors shall take office for a term commencing at the conclusion of the Annual General Meeting in the year of his or

her election and expiring at the conclusion of the Annual General Meeting in the second year following.

- (2) A retiring Director shall act as a member of the Board throughout the Annual General Meeting at which he or she retires and shall be eligible for election or appointment for one or more further terms by any method provided for in these Rules.
- (3) In 2005 all Directors shall retire at the conclusion of a general meeting of the Federation to be held immediately following the Annual General Meeting.
- (4) In 2006 the 6 Directors selected by lot drawn following the ballot held in 2005 shall retire as Directors at the conclusion of the Annual General Meeting.
- (5) In 2007 and every second year following the 6 Directors elected in the ballot held pursuant to Rule 61 two years beforehand shall each retire as a Director at the conclusion of the Annual General Meeting.
- (6) In 2008 and every second year following the 6 Directors elected in the ballot held pursuant to Rule 61 two years beforehand shall each retire as a Director at the conclusion of the Annual General Meeting.

61. Election of Directors

- (a) Each year except in 2005 the Chief Executive shall conduct a postal ballot in accordance with Rule 62 for the election of 6 Directors
- (b) In 2005, the Chief Executive shall conduct a ballot for the election of 12 Directors. That ballot shall be conducted at a general meeting of the Federation to be held immediately following the Annual General Meeting and otherwise in such manner as may be determined by the Board.

62. Postal Ballot Procedures

The following provisions shall apply to each postal ballot conducted pursuant to these Rules:

- (1) (a) The Chief Executive shall not later than 12 April each year by notice sent to all Members entitled to vote in that ballot call for nominations for such election to be made in accordance with Rule 59(1)(c). A postal ballot need not be held if the number of nominations for election is not greater than the number of vacancies to be filled.
- (b) The Chief Executive shall not later than 3 May each year post to each Member entitled to vote:
 - (i) a voting paper which conforms with paragraph (c) of this Rule 62(1);
 - (ii) an inner envelope;

- (iii) such biographical material in regard to each candidate as has been provided by that candidate (subject to any restrictions concerning such material as the Board may impose from time to time); and
 - (iv) an outer envelope marked "ballot paper" addressed to the Federation at the address of the Auditor.
 - (c) Each voting paper shall:
 - (i) be initialled for the purposes of identification by a person authorised by the Chief Executive;
 - (ii) state the voting entitlement of the Member to which the voting paper is to be sent, without otherwise identifying that Member;
 - (iii) contain a statement of the number of vacancies on the Board to be filled by the ballot;
 - (iv) set out the names of all duly nominated candidates in the order selected by lot by the Chief Executive or a person authorised by the Chief Executive in the presence of the Auditor.
 - (d) Each voting paper shall be accompanied by a plain inner envelope.
- (2) The voter shall:
 - (a) mark the voting paper or voting papers by placing a cross next to the names of that number of candidates as is equal to or less than the number of vacancies to be filled;
 - (b) place the voting paper in the inner envelope and seal the inner envelope;
 - (c) place the inner envelope without any other matter in the outer envelope and seal the outer envelope; and
 - (d) post or deliver the outer envelope or cause it to be delivered to the Federation at the address of the Auditor.
- (3) Subject to Rule 62 (5), only voting papers received by the Federation at the address of the Auditor no later than 5.00 p.m. on 24 May in the relevant year can be admitted to the ballot.
- (4) Subject to Rule 62 (5), any voting paper which is not completed or received in accordance with the provisions of paragraphs (2) and (3) hereof shall be rejected as informal, provided that a voting paper shall not be rejected solely because it and other voting papers were placed in the same inner envelope.
- (5) In any case of minor irregularity in compliance with Rule 62 (3) or in any other case of doubt as to the formality of any voting paper the matter shall be determined by the person counting the ballot pursuant to Rule 62 (6) in his absolute discretion and the determination of that person in that regard shall be final and conclusive.

- (6) The ballot shall be counted by the Auditor or a registered auditor appointed by the Auditor. The person counting the ballot shall ensure that the manner in which a Member has voted in that ballot is kept secret. The person counting the ballot shall prepare a paper setting out:
- (a) the total number of votes cast in the ballot;
 - (b) the total number of formal votes cast in the ballot;
 - (c) the total number of informal votes cast in the ballot; and
 - (d) the number of formal votes received by each candidate.

No later than 30 May in the relevant year, the person counting the ballot shall place the paper mentioned above in a sealed envelope and cause that paper to be delivered to the Chief Executive.

- (7) The relevant number of candidates who receive the highest number of formal votes shall be declared elected. In this paragraph "relevant number" means a number equal to the number of vacancies to be filled in the election. The Chief Executive shall declare the result of the ballot after 30 May. In the event of a tie for the vacancy or vacancies to be filled the Chief Executive shall determine by lot in the presence of the Auditor which of the tied candidates shall fill the relevant vacancy or vacancies.
- (8) The ballot papers shall be retained at the address of the Auditor for a period of sixty days after the Annual General Meeting each year and, unless the Board otherwise resolves, shall thereafter be destroyed by the Auditor.
- (9) The ballot shall not be invalidated because any Member entitled to vote does not receive the material referred to in paragraph (1) of this Rule.

63. Election of Office-bearers

- (1) Immediately after the Annual General Meeting each year, the Directors shall convene and elect from their number by absolute majority (subject to Rule 63(5)) firstly a Chairman, secondly a Deputy Chairman and thirdly another Deputy Chairman, each to hold such office until the conclusion of the next following Annual General Meeting..
- (2) No person may be elected pursuant to Rule 63 (1) to more than one office at any one time.
- (3) A retiring Office-bearer may be re-elected to the position held by that Office-bearer immediately prior to the election held pursuant to Rule 63 (1).
- (4) The election of the Office-bearers shall be conducted by secret ballot by two scrutineers appointed by the incoming Board but who shall not be members of the Board or employees of the Federation.
- (5) If no candidate obtains an absolute majority of the votes cast in the first ballot, the election shall proceed by a series of ballots with the candidate obtaining the least

number of votes being excluded from the next ballot until one candidate has obtained an absolute majority. If more than one candidate receives the lowest number of votes then a ballot shall be held between such candidates and the candidate obtaining the least number of votes shall be excluded from the next ballot. If in a ballot between only two candidates each candidate receives an equal number of votes a further ballot shall be held between those two candidates. If in such further ballot each candidate again receives an equal number of votes the ballot shall be determined by lot by the two scrutineers who are conducting the election pursuant to this Rule.

- (6) The result of the election of Office-bearers shall be made known to the Members by the Chief Executive, in such manner as the Board may from time to time resolve, as soon as practicable after such election.
- (7) If at any time a casual vacancy occurs in the office of an Office-Bearer, the members of the Board shall elect one of their number to fill such vacancy until the declaration at the next following Annual General Meeting of the results of the elections for the incoming Board at that time. The election to fill such a casual vacancy shall be held in accordance with the provisions of this Rule in so far as they are applicable.

64. Vacancy in Office of Director

The office of a Director shall become vacant if he:

- (a) ceases to be a Director by reason of the Corporations Act;
- (b) becomes ineligible for any category of membership under Rule 12 or becomes ineligible to be a Director under Rule 59;
- (c) resigns his office by notice in writing to the Federation;
- (d) is removed from office under the next succeeding Rule;
- (e)
 - (i) ceases to be a Full Member except if, on the same day as he ceases to be a Full Member, he becomes a director or full time employee of a Full Member;
 - (ii) having been at the time of his or her appointment, election or nomination as a Director a full time employee or director of a Full Member which is a company, ceases to be a full time employee or director of that company; or
 - (iii) was a full time employee or director of a company which was a Full Member at the time of his or her election or appointment as a Director and that company ceases to be a Full Member; or
- (f) absents himself from three (3) consecutive meetings of the Board without leave of absence granted by the Board.

65. Removal of Directors

- (1) The Federation may by special resolution remove any Director from office.
- (2) The Board may but is not obliged to appoint a person to fill the position left vacant by reason of such removal provided that such person is eligible to be a Director pursuant to Rule 59.
- (3) Any person appointed as a Director under this Rule, shall, subject to these Rules, retain office until the conclusion of the term of office of the Director whose position has become vacant.

66. Vacancies on Board

The continuing Directors may not act if the number of Directors falls below 9 except for the purpose of filling vacancies on the Board or calling a general meeting.

67. Filling of Vacancies

If at any time a casual vacancy occurs on the Board, the provisions of Rule 65(2) and (3) shall apply as if the reference in those provisions to the person removed is a reference to the person whose office as Director has fallen vacant.

68. No remuneration payable to Directors

The Federation must not pay fees or other remuneration to a Director.

69. Alternate Director

69.1 Appointment of Alternates

Subject to rule 59, a Director (other than an Alternate) may appoint a person to act as Alternate for a specified period or each time the Appointor is unable to attend a Board meeting or act as a Director.

69.2 Notice of Board meetings

If the Appointor requests the Federation to give the Alternate notice of Board meetings, the Federation must do so. Unless the Appointor has requested it, the Federation need not give notice of Board meetings to an Alternate.

69.3 Obligations and entitlements of Alternates

An Alternate:

- (a) may attend and vote in place of the Appointor at a Board meeting at which the Appointor is not present;
- (b) if also a Director, has a separate right to vote as Alternate;

- (c) if Alternate for more than 1 Appointor, has a separate right to vote in place of each Appointor;
- (d) when acting as Alternate, is an officer of the Federation and subject to all the duties, and entitled to exercise all the powers and rights, of the Appointor as a Director; and
- (e) with the approval of the Board, is entitled to reimbursement of expenses on the same basis as other Directors but is not entitled to any other remuneration from the Federation.

69.4 Termination of appointment

The Appointor may at any time revoke the appointment of a person as an Alternate whether or not that appointment is for a specified period. Any appointment of an Alternate immediately ceases if:

- (a) the Appointor ceases to be a Director; or
- (b) an event occurs which would cause the Alternate to cease to be a Director under rule 64 if the Alternate were a Director.

69.5 Appointments and revocations in writing

The Appointor must appoint, and revoke the appointment of, any Alternate in writing. The appointment or revocation is not effective until a copy is provided to the Federation.

PROCEEDINGS OF THE BOARD OF DIRECTORS

70. Mode of Meeting and Quorum

- (1) The Board may meet in person or by telephone or other instantaneous means of conferring for the dispatch of business (or by any combination of those means) which allows each person present to hear and be heard by each other person present, and adjourn and otherwise regulate its meetings as it determines.
- (2) The Board may determine the quorum of Directors to be present (including, without limitation, present by telephone or other instantaneous means of conferring for the dispatch of business) at a meeting of the Board necessary for the transaction of business at the meeting which, until otherwise determined, is nine.

71. Voting - Chairman No Casting Vote

Unless otherwise expressly provided in these Rules, questions arising at a meeting of the Board shall be decided by a majority of votes, each Member of the Board present in person being entitled to one vote, and the Chairman shall have only a deliberative vote and not a casting vote.

72. Acting Chairman

The Chairman or, he being absent or unwilling to act then a Deputy Chairman, shall take the Chair at all meetings of the Board; if at any meeting no one of such officers is present or willing to act within ten (10) minutes after the time appointed for holding the same the Members present shall choose one of their number to be Chairman of the meeting.

73. Minutes

The Board shall cause Minutes to be made in books provided for that purpose of:

- (a) the names of Members present at all meetings of the Board;
- (b) all proceedings at all meetings of the Federation and of the Board; and
- (c) every Board resolution passed pursuant to Rule 74.

Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and when signed shall be conclusive evidence of the facts therein set out unless some manifest error be established within three (3) months of the date of signing.

74. Resolution in Writing

- (1) If all the Directors have acknowledged in writing that they have seen a proposed Board resolution and seventy five percentum (75%) of the Directors sign a document containing a statement that they are in favour of that resolution, a resolution in those terms shall be deemed to have been passed at a meeting of the Directors held on the day on which and at the time at which the document was last signed by a Director.
- (2) For the purposes of paragraph (1) of this Rule, two or more separate documents containing statements in identical terms each of which is signed by one or more Directors shall together be deemed to constitute one document containing a statement in those terms signed by those Directors on the respective days on which they sign the separate documents.
- (3) A reference in paragraph (1) of this Rule to the Directors does not include a reference to a Director who, at a meeting of Directors held on the deemed date of such a resolution, would not be entitled to vote on the resolution.

75. Rescission of Resolution

No resolution passed at any meeting of the Board shall be rescinded at any subsequent meeting of the Board unless notice of intention to propose such rescission shall have been given to all members of the Board at least five (5) days before the date of such subsequent meeting.

76. Committees

The Board may from time to time delegate any of its powers authorities and discretions (other than that of delegation) to committees consisting of Members, whether or not such Members be also members of the Board, as it may determine and may from time to time revoke any such delegation.

77. Conduct of Committees

Any committee formed pursuant to Rule 76 hereof shall conduct its affairs according to the procedures of the Board in so far as they are applicable.

GENERAL MEETINGS

78. General Meetings

General meetings of the Federation shall be held once at least in every calendar year at such time, and at such place, as the Board may determine. Such meeting shall be called the Annual General Meeting.

79. General Meetings other than Annual General Meetings

The Board may whenever it thinks fit, convene a general meeting and it shall do so on the requisition of not less than twelve (12) Full Members. Upon receipt of such requisition the Board shall forthwith proceed to convene a general meeting which meeting shall be held within twenty-eight (28) days from the receipt of the requisition. In default by the Board the twelve (12) requisitionists may themselves convene the meeting to be held within a further period of one month after expiration of the previously mentioned period of twenty-eight (28) days. Any meeting convened under this Rule by requisitionists shall be convened in the same manner as nearly as practicable as meetings convened by the Board.

80. Notice of Meetings

Not less than fourteen (14) days' notice of every annual general meeting and not less than twenty-one (21) days' notice of any other general meeting specifying the day, hour and place of the meeting, and in cases of special business, the general nature of the business to be transacted shall be given in the manner hereinafter mentioned and the accidental omission to give and the non- receipt of such notice by any Member shall not invalidate the proceedings at any general meeting.

81. Quorum at General Meetings

- (1) No business shall be transacted at any general meeting unless a quorum of twelve (12) Members is present at the time when the meeting proceeds to business.
- (2) A person may attend a general meeting:
 - (a) as a proxy of one or more Members; or
 - (b) as a duly appointed representative of one or more corporations each of which is a Member; or
 - (c) as a Member; or

(d) in more than one of the above capacities.

- (3) Subject to Rule 81(4) and (5), for the purpose of determining whether a quorum is present, where a proxy or a duly appointed representative of a Member attends a general meeting pursuant to Rule 81 (2), that Member shall be deemed to be present at that general meeting.
- (4) A quorum will not be present at a General Meeting unless nine (9) persons are present, each of whom must be attending in one of the capacities specified in Rule 81 (2).
- (5) A reference in this Rule to a Member is to a Member which is entitled to vote.

82. Chairman at General Meeting

- (1) The Chairman shall be entitled to take the chair at every General Meeting at which he is present but if absent or unwilling or unable to act, a Deputy Chairman shall be entitled to take the chair.
- (2) If at any General Meeting neither the Chairman or a Deputy Chairman shall be present or willing to act, the Members present shall choose another Member of the Board to act as Chairman and if no Member of the Board is present shall choose one of their number to be Chairman of that General Meeting.
- (3) The Chairman of a General Meeting shall have only a deliberative vote and not a casting vote.

83. Adjournments

The Chairman of a General Meeting may with the consent of the meeting adjourn such General Meeting from time to time and from place to place.

84. Proxy

- (1) A Member who is entitled to attend and vote at a General Meeting shall be entitled to appoint an other person (whether a Member or not) as his proxy to attend and vote instead of the Member at the General Meeting.
- (2) An instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (3) An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
- (4) An instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

- (5) An instrument appointing a proxy shall be in the following form or in a form that is as similar to the following form as the circumstances allow:

" **The Australian Federation of Travel Agents Limited**

I/We, _____, of _____ being a Full Member of the abovenamed company, hereby appoint _____ of _____ or, in his absence, _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the *annual general meeting of the company to be held on the _____ day of _____ 19 _____ and at any adjournment of that meeting.

** This form is to be used $\frac{\text{*in favour of}}{\text{*against}}$ the resolution.

Signed this _____ day of _____ 19 _____.

* Strike out whichever is not desired.

** To be inserted if desired. "

- (6) The instrument appointing a proxy shall be delivered to such place or places as are specified in the notice calling the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the proxy is proposed to be exercised.

85. Voting/Polls

At any meeting of the Federation a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded before or on the declaration of the result of the show of hands:

- (a) by the Chairman;
- (b) by at least twelve Full Members present in person or by proxy; or
- (c) by Full Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Full Members having the right to vote at the meeting;

but no poll can be demanded on the questions of the election of the Chairman of the meeting or of the adjournment of the meeting.

86. Right to Vote

- (1) Subject to any other provision contained in these Rules, only Full Members shall be entitled to vote at a General Meeting of the Federation and in a postal ballot held pursuant to these Rules.
- (2) Subject to any other provision contained in these Rules, at a General Meeting and in such a postal ballot:

- (a) a Full Member shall be entitled to:
 - (i) one (1) vote; and, in addition
 - (ii) one (1) vote for each of the first five (5) of its Additional Locations; and
 - (iii) one (1) vote for every multiple of three (3) of its Additional Locations in excess of the five (5) Additional Locations referred to in paragraph (ii) of this Rule 86(2)(a);
- (b) where Full Members are related corporations paragraph (a) of this Rule 86 (2) shall apply as if only one of those corporations (who shall be the Full Member standing first in the Register of Members) were a Full Member and the Principal Location and Additional Locations of all such corporations related to that Full Member were Additional Locations of that Full Member;
- (c) where a Member other than a Full Member is entitled to vote, that Member shall have one vote;
- (d) for the purpose of calculating the voting entitlement of a Nominated Member under Rule 86 (2)(a), each of its Concessional Members shall be treated as being an Additional Location of that Nominated Member; and
- (e) a Concessional Member shall not be entitled to vote.

CHAPTERS AND DIVISIONS

87. Recognition

The Board may by Special Board Resolution recognise as a chapter any proposed or existing local association or grouping of Members the recognition of which as a chapter is in the opinion of the Board desirable.

The Board may also by Special Board Resolution recognise as a division of the Federation any association or grouping of Members the recognition of which as a division is in the opinion of the Board desirable.

88. Withdrawal - Chapter or Division Recognition

The Board may by Special Board Resolution at any time and for any reason withdraw recognition of any chapter or division on twenty-one (21) days written notice to the president or chairman of the chapter or division.

89. Operations Under By-Laws

Chapters and divisions shall operate in accordance with bylaws as approved from time to time by the Board. The Board shall have power to amend the bylaws of a chapter or division.

ACCOUNTS

90. Accounts

The Board shall cause accounts to be kept of the assets and liabilities, receipts and expenditure of the Federation, and the books of account shall be kept at such place as the Board shall think fit.

91. Balance Sheet, Profit and Loss Account

The Board shall from time to time cause to be prepared and laid before the Annual General Meeting a balance sheet and profit and loss account and report of the Board.

92. Audit

Once at least in every year the accounts of the Federation shall be examined by the Auditor who shall report to the Members in respect of those accounts in accordance with the Corporations Act.

93. Appointment and Removal of Auditors

Auditors of the Federation shall be appointed and may be removed, and their remuneration, rights and duties shall be regulated in accordance with, the provisions of the Corporations Act.

94. Bank

All moneys including entrance fees, subscriptions, levies and other revenue received by or on behalf of the Federation shall be paid to the Bankers of the Federation. Such Bankers shall be appointed by the Board.

CHIEF EXECUTIVE

95. Chief Executive - Appointment and Removal

(1) The Chief Executive shall be appointed by the Board at such remuneration and upon such conditions as it may determine and the Board may remove the Chief Executive so appointed.

(2) Unless the Board otherwise determines, the Chief Executive shall also be the Secretary of the Federation.

96. Authority of Chief Executive - Legal Proceedings

Subject to any contrary direction by the Board, the Chief Executive is by this Rule authorised on behalf of the Federation to bring or defend or cause to be brought or defended in the name of the Federation any action prosecution or complaint in any Court of Law and/or Arbitration and/or Conciliation touching or concerning any property or any right or claim to property of the Federation and in particular to sue for or institute

proceedings in respect of arrears of contributions, subscriptions, fees, levies or other money payable by Members.

97. Powers of the Board of Directors

Without restricting the generality of Rule 56 the Board may:

- (a) delegate such powers to the Chief Executive as it sees fit including, without limitation, the power to approve membership applications and its power under Rule 38 to refund all or part of a membership fee to a former Member.
- (b) appoint any person or persons who may make, draw, accept, sign, endorse and negotiate on behalf of the Federation cheques, promissory notes, bills, notes and other negotiable instruments;
- (c) appoint and remove employees and fix their salaries and delegate such powers to the Chief Executive;
- (d) institute, conduct, defend, compound, compromise or abandon legal proceedings or arbitrations by or against the Federation or its officers or otherwise concerning the affairs of the Federation;
- (e) make, amend, vary and rescind bylaws provided that all bylaws shall be consistent with these Rules and deemed necessary expedient or convenient for the proper conduct or management of the Federation;
- (f) take such advice as seems appropriate from legal, financial, accounting, or other professional advisers;
- (g) determine that a Full Member of the Federation is a Multi Agency for the purposes of Rule 2.1(x) and revoke any such determination.

98. Common Seal

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

99. Use of Logo

- (a) Subject to paragraph (b) of this Rule, a Member may use the logo of the Federation in any advertisement so as to indicate that the Member is a Member of the Federation but shall not convey the impression that the Federation has authorised or is in any way responsible for the advertisement or the services advertised.
- (b) A Member other than a Full Member or a Non-Resident Member may not use the logo of the Federation in regard to the provision of services by that Member which are competitive with services provided by the Federation.

NOTICES

100. Notice

Any notice, instrument or other document sent by the Federation to a Member or by a Member to the Federation for the purpose of or pursuant to any of these Rules shall be in writing and may be served either personally or by sending it by post in a prepaid envelope or by telex or facsimile addressed to the recipient, if a Member, at the address of its Principal Location and, if to the Federation, at the address of the office. A notice, instrument or other document may also be sent by the Federation to a Member or by a Member to the Federation for the purpose of or pursuant to any of these Rules by electronic message to the electronic address (if any) nominated by that person from time to time.

101. Signature to any Notice

The signature to any notice given by the Federation may be written or printed.

102. Service of Notice by Post

Any notice if sent by post to an address within Australia shall be deemed to have been served on the third day following that on which the envelope or wrapper containing the same is posted, and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted.

103. Calculation of Time

Where a specified period of notice is required to be given under these Rules:

- (a) the day of service or deemed service of the notice shall be excluded from, and
 - (b) the day upon which such notice expires shall be included in
- such period unless otherwise provided by these Rules or by Statute.

INDEMNITY

104. Indemnity - Proceedings

Subject to the provisions of the Corporations Act every Director and every other officer for the time being of the Federation and any person (whether an officer or not) employed by the Federation shall be indemnified out of the funds of the Federation against all liability incurred by him as such Director, officer, or other person in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 535 of the Corporati

105. Indemnity - Losses and Expenses

Every Director and every officer or employee of the Federation shall be indemnified out of the funds of the Federation against all losses and expenses which he may incur or

become liable to pay by reason of any act or thing properly done by him in the discharge of his duties as such Director, officer or employee as the case may be.

106. Committee Member or Trustee Not Liable

No member of a committee, or trustee of or for the Federation, shall be liable for any other member of a committee, trustee or officer of the Federation or for joining in any receipt or other act for the sake of conformity, or for any loss or expense happening to the Federation unless the same happens through his own wilful act or default.

107. Winding up

Any motion for the winding up of the Federation shall be dealt with in accordance with the provisions of the Corporations Act and at a General Meeting called for consideration of the motion all Members shall be entitled to vote.