

2023

A PUBLIC COMPANY LIMITED BY GUARANTEE

CONSTITUTION

OF STRATA COMMUNITY ASSOCIATION (NSW) LIMITED



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A. GENERAL

1. Name of the Company

- 1.1 The name of the Company is Strata Community Association (NSW) Limited.

2. Objects

- 2.1 The Objects of the Company are:
- a) the promotion of a high standard of expertise and integrity in the management of Group Title Properties and provision of services to Group Title Properties;
 - b) the promotion of education, discourse and instruction about any matter relating to the management of Group Title Properties;
 - c) the promotion of ethical standards of conduct in dealings by Members with their clients or the general public;
 - d) the provision of assistance and information about management of Group Title Properties to its Members and to members of the general public;
 - e) the enhancement of recognition by the public of the Company and of its Members in their management of and provision of services to Group Title Properties, including representation of the views of the Company and its Members to government and other bodies;
 - f) the performance of any regulatory, educational or supervisory function of the Company according to the requirements of government;
 - g) the promotion of professional relationships with persons practicing Group Title management or providing other services to Group Title Properties in other states and territories of Australia and other countries;
 - h) the development of products and services to assist Members and the general public in any matter relating to Group Title Properties; and
 - i) the performance of all such other things as are necessary, incidental or conducive to the attainment of these Objects.

3. Type of Company and Guarantee

- 3.1 The Company is a not-for-profit public company limited by guarantee.
- 3.2 The assets and income of the Company must be applied solely in furtherance of the Objects and no portion of the income or assets of the Company may be paid or transferred, directly or indirectly, to any Member.
- 3.3 Clause 3.2 does not prevent the Company from doing the following things, provided they are done in good faith:

- a) payment to a Member:
 - i) in return for any services rendered or goods supplied in the ordinary and usual course of business to the Company;
 - ii) of interest at a rate not exceeding current bank overdraft rates of interest for moneys lent to the Company; or
 - iii) of reasonable and proper rent for premises leased by any Member to the Company.
 - b) paying any other sums payable under this Constitution; or
 - c) making payment for any other bona fide reason for the attainment of the Objects.
- 3.4 The replaceable rules set out in the Corporations Act do not apply to the Company.
- 3.5 This constitution comprises a contract between:
- a) the Company and each Member;
 - b) the Company and each Director;
 - c) the Company and the Secretary; and
 - d) a Member and each other Member.
- 3.6 Each Member must contribute an amount not more than \$50.00 to the property of the Company if the Company is wound up while the Member is a Member, or within 12 months after they stop being a Member (**Guarantee**), and this Guarantee is required to pay for the:
- a) debts and liabilities of the Company that exceed the Company's assets incurred before the Member stopped being a Member; and
 - b) costs of winding up.

4. Powers of the Company

- 4.1 The Company has the following powers which may be used only to carry out its Objects:
- a) the powers of an individual; and
 - b) all the powers of a company limited by guarantee under the Corporations Act.

5. Definitions

- 5.1 In this constitution, capitalised terms have the following meanings:

Board means some or all of the Directors acting as the board of Directors of the Company;

By-law means the rules and regulations made by the Board in accordance with clause 36;

President means the Director holding the office of President;

Code of Conduct means any principles and standards regarding ethical conduct and professional standards as referred to in clause 13, which are in force from time to time;

Company means Strata Community Association (NSW) Limited (ACN 001 767 997);

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

Director means an individual appointed or elected as Director of the Company;

General Meeting means a duly constituted meeting of the Members and includes an Annual General Meeting;

Group Title Property means a property subject to the Community Land Development Act 2021 (NSW) or the Community Land Management Act 2021 (NSW) (as those Acts may be amended from time to time), and also includes properties owned by home unit companies or by persons as tenants-in-common;

Group Title Scheme means the body corporate, owners' corporation, Building Management Committees (as defined in the Strata Schemes Management Act 2015 (NSW)) or association constituted for a Group Title Property;

Maximum Continuous Period means the term limit for Directors set out in clause 26.5;

Member means a member of the Company;

Office Bearer means a Director holding the position of President, Senior Vice President or Vice President as the case may be in accordance with clause 32.1;

Ordinary Resolution means a resolution passed by a simple majority of the votes cast;

Nominations Committee means the committee of the Board as specified in clause 27;

PSM Director means an individual elected or appointed as a Director referred to in clause 23.1a)i);

Representative means an individual appointed as representative by a Member that is an entity in accordance with clause 10;

Secretary means the individual appointed as the Company's Secretary under clause 46;

Strata Services Director means an individual elected or appointed as a Director referred to in clause 23.1a)ii);

Voting Members includes Professional Strata Manager Members, Honorary Members and Strata Services Members.

6. Interpretation

- 6.1 Headings are for convenience only and do not affect the interpretation of this constitution.
- 6.2 The following rules of interpretation apply unless any contrary intention appears in this constitution or the context requires otherwise:
 - a) a word or expression that is defined or used in the Corporations Act and covering the same subject has the same meaning as in this constitution;
 - b) reference to an act includes every amendment, re-enactment, or replacement of that act and any subordinate legislation made under that act such as regulations;
 - c) a reference to a clause or sub-clause is to a clause or sub-clause of this constitution;
 - d) where a word or phrase is defined, its other grammatical forms or parts of speech have corresponding meaning;
 - e) reference to a person is a reference to an individual, company, any other body corporate, partnership, joint venture, association or other body whether or not incorporated;
 - f) the words 'writing' and 'written' include any mode of representing or reproducing, including electronically, words, figures, drawings or symbols in a visible or communicable form;
 - g) the words 'including', 'for example', or similar expressions do not limit the inclusions or examples; and
 - h) singular includes plural and vice versa.

B. MEMBERSHIP

7. Membership

- 7.1 The Voting Member classes include:
 - a) Professional Strata Manager Members;
 - b) Honorary Members; and
 - c) Strata Services Members.
- 7.2 The Non-Voting Member classes include:
 - a) Strata Practice Members.
- 7.3 A person is entitled to become a Member if the person:

- a) has applied and been approved for membership in accordance with clause 9 or has been admitted as an Honorary Member in accordance with clause 7.5; and
 - b) satisfies the criteria set out in this constitution and any additional requirements prescribed by the Board and set out in the By-laws for the respective classes of membership.
- 7.4 A person is eligible to be a **Professional Strata Manager Member** if the person:
- a) is an individual over 18 years of age;
 - b) has been accepted as a Chapter Member of the Professional Strata Managers Chapter, in accordance with the relevant Chapter By-Laws;
 - c) has been granted at least one (1) of the following Member Certifications by the Board:
 - i) Licensee in Charge Professional Strata Manager
 - ii) Professional Strata Manager (Licensed)
 - iii) Associate Professional Strata Manager (Assistant Agent)
 - iv) Principal of a Professional Strata Practice (PSMP); and
 - d) satisfies any additional requirements for this class of membership prescribed by the Board and set out in the By-laws.
- 7.5 **Honorary Members** are individuals who:
- a) have been recommended for Fellowship by the Board, in recognition of their contribution to the affairs of the Company or to the practice or advancement of the management of Group Title Properties, and the recommendation of the Board is approved by Ordinary Resolution at a General Meeting; or
 - b) have been appointed as a Life Member by the Board, provided that they have been a Member for a continuous period of twenty (20) years, or such other period as the Board may determine in any particular case, and a Life Member shall not be liable to pay any annual membership fee.
- 7.6 A person is eligible to be a **Strata Services Member** if the person:
- a) is a body corporate that supplies services other than those supplied by a licensed strata managing agent to Group Title Properties; and
 - b) satisfies any additional requirements for this class of membership prescribed by the Board and set out in the By-laws.
- 7.7 A person is eligible to be a **Strata Practice Member** if:
- a) the person is a body corporate that is a licensed strata managing agency;

- b) its employee in charge of its principal place of business and each of its places of business is a Professional Strata Manager Member;
 - c) it accepts membership of a scheme created according to the provisions of the Professional Standards Act 1994 (NSW) for which scheme the Company is the 'occupational association', as discussed in that statute; and
 - d) it satisfies any additional requirements for this class of membership prescribed by the Board and set out in the By-laws.
- 7.8 The Board may provide for categories of Members within each class on such terms and conditions as the Board determines.

8. Rights and obligations of Members

- 8.1 Members are entitled to receive notices and attend General Meetings.
- 8.2 Voting Members have voting rights at a General Meeting.
- 8.3 Non-Voting Members do not have voting rights at a General Meeting.
- 8.4 Professional Strata Manager Members and Strata Services Members are entitled to nominate candidates for election and to elect Elected Directors in accordance with clause 27.
- 8.5 A Member is entitled to exercise their rights if their membership rights are not suspended for any reason.
- 8.6 The Board may extend services and benefits of membership that may differ between classes and categories of membership and within classes and categories of membership, but no such services or benefits will affect the rights of Members.
- 8.7 A Member who has not paid any fees or levies payable under clause 10 by the due date will not be entitled to exercise their rights while the fee or levy remains unpaid.
- 8.8 The rights of a Member are not transferrable.
- 8.9 The rights of Members of a particular class are not to be taken as being varied by the admission of more Members to that class or the addition or deletion of other classes of membership or categories of membership within a class.
- 8.10 The rights of Members in any class may be varied or cancelled by the Voting Members approving amendments to the constitution by special resolution. For clarity, this shall be taken to be the procedure for varying and cancelling rights of Members in any class.
- 8.11 Members shall conduct themselves in accordance with:
 - a) this constitution;
 - b) the By-laws; and
 - c) the Code of Ethics.

9. Application for Membership

- 9.1 An application for membership must be in a form prescribed by the Board.
- 9.2 The Board has discretion to approve or reject an application of membership.
- 9.3 The Board may refuse any application for membership without being compelled to give reasons for such refusal.
- 9.4 The Board may delegate the consideration and determination of any membership application.
- 9.5 Once made, written notice of the decision of the Board (or its delegate) will be sent to the applicant for membership.
- 9.6 The acceptance of an applicant to be a Member is subject to payment of any applicable fees and is void if payment is not made in accordance with this constitution or the By-laws.
- 9.7 If the applicant is not admitted to membership, then any moneys paid by them for membership must be returned to them in full.
- 9.8 Subject to clause 9.6, an applicant becomes a Member and is entitled to exercise the rights and privileges of that membership when their name is entered in the register of Members.
- 9.9 A Member must promptly notify the Secretary of any change to their details as recorded in the register of Members.

10. Representatives of Members

- 10.1 Each Member, other than a Member who is an individual, shall nominate to the Secretary at the time of application for membership the name of one individual who will represent that Member at General Meetings and may vote on behalf of that Member (**Representative**).
- 10.2 A Member may by notice to the Secretary change its Representative.
- 10.3 The Secretary will keep a register of Representatives.

11. Membership fees

- 11.1 The Board may set any membership fees and may determine different fees:
 - a) for different classes or categories of membership;
 - b) within classes or categories of membership; or
 - c) for different Members.
- 11.2 The Board may in its discretion waive or vary the amount of any membership fee or the amount of any membership fee payable by any Member.
- 11.3 The Company may levy on Members an extraordinary levy pursuant to an Ordinary Resolution of the Members in General Meeting.

- 11.4 Any amounts charged to Members are payable in such manner and at such times as are determined by the Board.
- 11.5 If any membership fee or levy remains unpaid for a period of one month after it becomes due, written notice will be given to the Member of that fact.
- 11.6 If any fee or levy remains unpaid more than one month after the date of the notice under clause 11.5, the Member's membership is terminated unless the Board resolves otherwise either before or after that date.

12. Ceasing to be a Member

- 12.1 A Member ceases to be a Member:
 - a) if they resign;
 - b) in the case of an individual, if they die, or become bankrupt or insolvent or make an arrangement or composition with creditors of the person's joint or separate estate generally; or
 - c) in the case of a body corporate, if they are wound up or dissolved, including by way of deregistration, or become, or take steps to become, wound up or dissolved;
 - d) if their membership is terminated under clause 11.5;
 - e) if they are expelled from membership under clause 13;
 - f) if they are convicted of an indictable offence - on the date that the Board resolves to cease the membership;
 - g) if they cease to satisfy the criteria to be a Member in their respective class unless transferred to another class by the Board;
 - h) if the Member fails to provide any information required by the Board as part of the membership renewal process, unless the Board resolves otherwise; or
 - i) in any other circumstances prescribed in the terms of membership applicable to the Member or on the failure to satisfy any undertaking given by the Member upon them being admitted as a Member - on the date that the Board resolves to cease the membership.
- 12.2 Upon ceasing to be a Member, the Member's name will be removed from the register of Members.
- 12.3 Any Member ceasing to be a Member:
 - a) remains liable for any money owing by that Member to the Company and, if the Company is wound up within one year of the date the Member ceases to be a Member, the Guarantee under clause 3.6;
 - b) is not entitled to any refund, in full or part, of any membership fees paid; and

- c) is not eligible to be readmitted as a Member until all unpaid moneys outstanding at the time they ceased to be a Member are paid including any interest or other charges levied on any outstanding moneys.

13. Code of Ethics

- 13.1 The Board has the power to adopt and implement a Code of Ethics setting out the standards of ethical conduct and professional practice for Members, to be promulgated by the Board and published to Members.
- 13.2 The Code of Ethics may have sections that apply differently to different classes of membership.
- 13.3 The Code of Ethics may be amended by the Board from time to time and be promulgated by the Board and published to Members.
- 13.4 Every Member shall be bound to accept and, in the execution of its activities abide by the standards of practice and conduct expressed in the Code of Ethics as amended from time to time.

14. Disciplining of Members

- 14.1 Without limiting the generality of the Board's power to make By-laws, the Board may make By-laws setting out the Company's disciplinary procedures, including in relation to:
 - a) the investigation, handling and resolution of complaints against Members and the regulation of the professional conduct of Members concerning:
 - i) breaches of the Code of Conduct, the By-laws or this Constitution; and
 - ii) such other matters as determined by the Board from time to time;
 - b) establishing a panel or panels (hereinafter collectively referred to as the **Panel**) that are responsible for administering the Company's disciplinary procedures and to make decisions regarding the matters referred to clause 14.1(a).
- 14.2 Each Member who is the subject of a matter brought before any such Panel agrees to abide by the decisions of the Panel, and acknowledges that it will not be entitled to bring any action or suit against the Company, the Board or the members of the Panel as a consequence of or arising out of any decision or action of the Panel.
- 14.3 Decisions available to the Panel include, but are not limited to:
 - a) warning and rectification;
 - b) mandated education;
 - c) mandated supervision;
 - d) suspension of Membership for a period;

- e) recommending expulsion of Membership and banning from future Membership, for a period to be ascertained, with such decision to be made by the Board pursuant to clause 15.
- 14.4 Each Member acknowledges that the Panel is at liberty to publicly publish details of any matters heard by the Panel, including the:
- a) name of the Member who is the subject of the matter being heard;
 - b) decision of the panel; and
 - c) reasons for any decisions made by the Panel.
- 14.5 Each Member acknowledges that no matter or thing done or omitted by the Panel (including the exercise of its powers as referred to in clauses 14.3 and 14.4 subjects the Panel, Board or Company to any liability. Each Member hereby releases the Company, Board and members of the Panel from any such liability.

15. Expulsion of Members

- 15.1 Subject to the outcomes of a formal disciplinary process referred to in clause 14 as set out in the By-laws, the Board may resolve to expel a Member (herein referred to as **Expulsion Resolution**).
- 15.2 Before passing an Expulsion Resolution, the Member must be given at least ten (10) business days' notice in writing:
- a) stating the grounds upon which the proposed expulsion is based; and
 - b) informing the Member that they may submit either oral or written representations to the Board in relation to the proposed expulsion.
- 15.3 Where an Expulsion Resolution is passed, the Company must give the Member notice in writing of the expulsion within ten (10) business days of the resolution.
- 15.4 An Expulsion Resolution takes effect on the date of the resolution.
- 15.5 The Board may reinstate an expelled Member on any terms and at any time as the Board resolves.
- 15.6 Without limiting the Board's power in clause 15.5, the Board may make By-laws regarding the reinstatement of an expelled Member.

C. GENERAL MEETINGS

16. Calling a General Meeting

- 16.1 The Board may call a General Meeting.
- 16.2 If Members with at least five per cent of the votes that may be cast at a General Meeting make a written request to the Company for a General Meeting to be held, the Board must:

- a) within 21 days of the Members' request, give all Members notice of a General Meeting; and
 - b) hold the General Meeting within two months of the Members' request.
- 16.3 An Annual General Meeting must be held within five months after the end of the Company's financial year.
- 16.4 Even if these items are not set out in the notice of meeting, the business of an Annual General Meeting may include:
 - a) a review of the Company's activities;
 - b) a review of the Company's finances;
 - c) a presentation of the auditor's report, if any; and
 - d) an announcement of the appointment or election of Directors.
- 16.5 A General Meeting may be held at one or more venues, or wholly or partly online or virtually, using any technology that gives the Members a reasonable opportunity to participate, including the opportunity to hear and be heard.
- 16.6 Any person using the technology referred to in clause 16.5 is taken to be present in person at the General Meeting.
- 16.7 A virtual General Meeting and a General Meeting that is partly held using technology and partly in person, is deemed to have been held at the Company's registered office.
- 16.8 A General Meeting must be held:
 - a) at a reasonable time;
 - b) if the meeting is being held at a physical location or locations and any of the Members are entitled to physically attend the meeting - at a reasonable location or locations; and
 - c) if virtual meeting technology is used in holding the meeting- the technology must provide the persons entitled to attend the meeting, as a whole, a reasonable opportunity to participate in the meeting without being physically present in the same place.
- 16.9 A General Meeting is taken to be held at a reasonable time if any of the following applies:
 - a) if there is only one location at which the Members who are entitled to physically attend the meeting may do so - the meeting is held at a time that is reasonable at the location;
 - b) if there are two or more locations at which the Members who are entitled to physically attend the meeting may do so - the meeting is held at a time that is reasonable at the main location for the meeting as set out in the notice of the meeting; and
 - c) if the meeting is held using virtual meeting technology - the meeting is held at a time that is reasonable at the Company's registered office.

17. Notice of a General Meeting

- 17.1 Notice of a General Meeting must be given to:
- a) each Member;
 - b) each Director; and
 - c) the auditor, if any.
- 17.2 Notice of a General Meeting must include:
- a) the time, date and place of the General Meeting or the technology, or both, that will be used to facilitate the General Meeting;
 - b) if virtual meeting technology is to be used in holding the meeting - sufficient information to allow the members to participate in the meeting by means of the technology;
 - c) the general nature of the General Meeting's business;
 - d) if applicable, that a special resolution is to be proposed and the words of the proposed special resolution; and
 - e) a statement that Members have the right to appoint a proxy.
- 17.3 Notice of a General Meeting must be provided in writing at least 21 days before the meeting.
- 17.4 Notice of a General Meeting may be provided less than 21 days before the meeting if:
- a) for an Annual General Meeting, all the Members entitled to attend and vote at the Annual General Meeting agree beforehand; or
 - b) for any other General Meeting, Members with at least 95% of the votes that may be cast at the meeting agree beforehand.
- 17.5 Notice of a General Meeting cannot be provided less than 21 days before the meeting if a resolution will be moved to:
- a) remove a Director;
 - b) appoint a Director in order to replace a Director who was removed; or
 - c) remove an auditor.
- 17.6 The accidental failure to give notice of any General Meeting to, or the non-receipt of notice of a General Meeting by, any Member entitled to receive notice will not invalidate the proceedings at or any resolution passed at the General Meeting.
- 17.7 A Member's attendance at a General Meeting waives any objection that that Member may have to a failure to give notice, or the giving of a defective notice, of the General Meeting.

18. Quorum at a General Meeting

- 18.1 A quorum for a General Meeting is ten (10) per cent of the number of Voting Members entitled to vote present in person or by proxy.

- 18.2 No business may be conducted at a General Meeting if a quorum is not present.
- 18.3 If a quorum is not present within 30 minutes after the time appointed for a General Meeting:
 - a) the quorum shall be 50 voting members present in person or by proxy;
 - b) if convened by or on requisition of Members - the General Meeting is dissolved; and
 - c) in any other case, the General Meeting stands adjourned to such other day, time and place as the Board appoints by notice to the Members and others entitled to notice of the General Meeting.

19. Chairperson of a General Meeting

- 19.1 The President will preside as chairperson at a General Meeting.
- 19.2 If there is no President, or if the President is absent from a General Meeting, or is unable or not willing to act as chairperson of the General Meeting or of part of the General Meeting, then the following persons shall preside as chairperson of the General Meeting (in order of precedence):
 - a) the Senior Vice President;
 - b) the Vice President who is a Professional Strata Manager Member; or
 - c) a Director or other person as elected by the Members present.
- 19.3 The chairperson of a General Meeting is responsible for the conduct of the meeting. Any question arising at a General Meeting relating to the order of business, procedure or conduct of the meeting must be referred to the chairperson whose decision is final.
- 19.4 The chairperson of a General Meeting may at any time they consider it necessary or desirable for the proper and orderly conduct of the meeting:
 - a) impose a limit on the time that a person may speak on a motion or other item of business, question, motion or resolution being considered by the meeting;
 - b) terminate debate or discussion; and
 - c) adopt any procedures for casting or recording votes at the meeting whether on a show of hands or a poll.
- 19.5 The chairperson of a General Meeting may at any time during the course of a General Meeting, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- 19.6 When a General Meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.

20. Decisions at a General Meeting

- 20.1 Unless otherwise required by this constitution or the Corporations Act, questions arising at a General Meeting are to be decided by Ordinary Resolution which is a resolution passed by a simple majority of the votes cast.
- 20.2 Each Voting Member entitled to vote has one vote. The vote may be exercised in person, by the Representative, by proxy, or, when applicable, by direct vote.

21. Methods of voting at a General Meeting

- 21.1 A resolution put to the vote of a General Meeting will be decided on a show of hands unless a poll is required under this constitution or the Corporations Act, or is demanded by:
- a) the chairperson of the General Meeting;
 - b) at least five Voting Members entitled to vote on the resolution; or
 - c) Voting Members with at least five per cent of the votes that may be cast on the resolution on a poll.
- 21.2 Proxies will not be counted on a vote by a show of hands.
- 21.3 A proxy holder does not need to be a Member.
- 21.4 A proxy appointment may specify the way the proxy must vote on a particular resolution.
- 21.5 The proxy holder must vote on a proposed resolution in accordance with a direction set out in the proxy appointment, if any.
- 21.6 Proxy forms must be received by the Company at least 48 hours before a General Meeting at the address (which may be an electronic address) stated in the notice.
- 21.7 A proxy does not have the authority to speak and vote for a Member at a General Meeting while the Member is at the meeting.
- 21.8 A poll requested on a resolution at a General Meeting must be taken in the manner and at the time and place the chairperson of the meeting directs.
- 21.9 The result of a poll requested and taken on a resolution of a General Meeting is a resolution of that meeting.
- 21.10 A Voting Member entitled to vote at a General Meeting may vote by direct vote using electronic means where such an option is offered by the Board.
- 21.11 The Board may prescribe By-laws in relation to direct voting, including specifying the form, method and timing of giving a direct vote in order for the vote to be valid.

21.12 An objection to the qualification of a Member to vote at a General Meeting:

- a) must be raised before or at the meeting at which the vote objected to is given or tendered; and
- b) must be referred to the chairperson of the meeting whose decision on the qualification to vote is final.

21.13 If virtual meeting technology is used to hold a General Meeting and a document is required or permitted to be tabled at the meeting, the document is taken to have been tabled at the meeting if the document is:

- a) given to the persons entitled to attend the meeting (whether physically or by using virtual meeting technology) before the meeting; or
- b) made accessible to the persons attending the meeting (whether physically or by using virtual meeting technology) during the meeting

22. Cancellation or postponement of a General Meeting

22.1 The Board in its discretion may cancel, postpone or change the venue of an upcoming General Meeting, by giving notice of the changes.

D. BOARD OF DIRECTORS

23. Board composition

23.1 The Board will have a maximum of 12 Directors comprising:

- a) nine **Elected Directors** comprising:
 - i) six **PSM Directors** who are Professional Strata Manager Members and elected by the Professional Strata Manager Members;
 - ii) three **Strata Services Directors** who are elected by the Strata Services Members;

and

- b) up to three **Appointed Directors** appointed by the Board in accordance with clause 24.

23.2 Where the office of a Director becomes vacant, the continuing Directors may continue to act except where the number of Directors is reduced to less than three Directors, in which case the continuing Directors may act only:

- a) to appoint Directors for the purpose of increasing the number of Directors to three or higher according to clause 29;
- b) to convene a General Meeting; or
- c) in an emergency.

24. Appointed Directors

- 24.1 The Board may appoint up to three Appointed Directors.
- 24.2 When filling the Appointed Director positions, the Board will endeavour to achieve parity based on the appropriate mix of skills, gender, experience and perspectives on the Board where reasonably practicable.
- 24.3 All candidates to be Appointed Directors shall be reviewed by the Nominations Committee.

25. Eligibility of Directors

- 25.1 A person is eligible for election or appointment as a Director if:
 - a) they are over the age of 18 years;
 - b) they give their signed consent to act as a Director to the Company;
 - c) they are not ineligible to be a Director under law;
 - d) they are not an employee of the Company; and
 - e) in the case of Elected Directors:
 - i) for PSM Directors, they must be a Professional Strata Manager Member;
 - ii) for Strata Services Directors, they must be an employee, owner, principal or director of a Strata Services Member.

26. Term of office for Directors

- 26.1 The term of office of an Elected Director commences at the conclusion of the Annual General Meeting at which their election is declared or announced and ends at the conclusion of the third following Annual General Meeting.
- 26.2 If eligible, a retiring Elected Director may be nominated for re-election.
- 26.3 The term of office of an Appointed Director will be for a period of up to three years as determined by the Board.
- 26.4 If eligible, an Appointed Director whose term expires may be re-appointed at the discretion of the Board.
- 26.5 Subject to clause 26.6, the maximum continuous period that a Director may serve as a Director (**Maximum Continuous Period**) is as follows:
 - a) an Elected Director may serve up to two consecutive terms; and
 - b) no Director may serve more than six consecutive years.
- 26.6 Where the Board considers that there are special circumstances or extending the Maximum Continuous Period, the Board may resolve that an Elected Director who is about to complete their second consecutive term may be permitted, if they so wish and if they are

nominated, to stand for election for a third consecutive period of twelve months. Any such Elected Director may remain an Elected Director for that third consecutive period of twelve months following which the requirements of clause 26.7 relating to not being eligible to be re-elected or re-appointed then apply.

- 26.7 A person who has held office as a Director for the Maximum Continuous Period is eligible for re-election or reappointment after a period of 18 months has elapsed from the date that the person last held office as a Director.
- 26.8 The Maximum Continuous Period for which a person may hold office as a Director does not include any period of a person's appointment to fill a casual vacancy under clause 29.1.

27. Nominations Committee

- 27.1 The Board will establish terms of reference for a committee of the Board to be called the Nominations Committee.
- 27.2 The Nominations Committee is to:
- a) identify, consider and approve candidates for election as Elected Directors; and
 - b) perform any other functions and responsibilities as prescribed in this Constitution or as determined by the Board from time to time and set out in the terms of reference.

28. Election of Elected Directors

- 28.1 The Board may make By-laws consistent with this constitution regarding the procedures for the conduct of elections and the process for the nomination of Elected Directors.
- 28.2 Prior to an Annual General Meeting, the Board will give notice of the number of Elected Director vacancies to be filled and invite the nomination of candidates from eligible Members.
- 28.3 Candidates for election as an Elected Director must:
- a) satisfy the requirements under clause 25.1; and
 - b) be approved by the Nominations Committee.
- 28.4 Nominations must:
- a) be in writing in the form determined by the Board;
 - b) include any required information (such as the candidate's skills and experience) as determined by the Board;
 - c) contain the signed consent of the candidate;
 - d) be endorsed and signed by two other Professional Strata Manager Members (in the case of nominations of candidates for election as a PSM Directors) or two Strata Services Members (in the case of nominations of candidates for election as a Strata Services Director); and

- e) be lodged with the Secretary in the time and format prescribed by the Board.
- 28.5 If the number of approved candidates for the election of Elected Directors exceed the number of vacancies to be filled for positions referred to in clause 23.1a)i) and 23.1a)ii), then a ballot will be conducted in accordance with the By-laws, subject to the sub-clauses below.
- a) There will be separate ballots held for the election of PSM Director positions and for the Strata Services Director positions.
 - b) Only Professional Strata Manager Members may vote in the ballot for the PSM Directors.
 - c) Only Strata Services Members may vote in the ballot for the Strata Services Directors.
- 28.6 The results of an election of Elected Directors will be announced at the Annual General Meeting.
- 28.7 If the number of approved candidates received for the election of Elected Directors is equal to or less than the number of vacant positions to be filled then the candidates will be declared elected at the Annual General Meeting.
- 28.8 Any unfilled positions as a result of an insufficient number of candidates will be deemed casual vacancies.

29. Casual vacancies on the Board

- 29.1 If a casual vacancy in the position of an Elected Director occurs, the Board may appoint an eligible individual to fill the vacancy and such appointee holds office for the remainder of the predecessor's term.
- 29.2 If a casual vacancy in the position of an Appointed Director occurs, the Board may appoint a new Appointed Director for a term as determined by the Board in accordance with clause 26.3.

30. Ceasing to be a Director

- 30.1 In addition to any other way under this constitution, a Director ceases to be a Director if they:
- a) resign by written notice to the Secretary;
 - b) are subject to any of the circumstances prescribed by the Corporations Act resulting in the ending or vacating of the office;
 - c) become of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health unless, in the opinion of a majority of Directors, the Director can fully participate in the governance of the Company despite their mental incapacity;
 - d) die;

- e) become bankrupt or make any arrangement or composition with their creditors generally, unless, subject to the Corporations Act, the Board resolves otherwise;
- f) are convicted on indictment of an offence and the Board does not resolve to confirm the Director's appointment to the office of Director at the next meeting of the Board after that conviction;
- g) are absent, without the consent of the Board, from three consecutive meetings of the Board, unless the Board resolves otherwise;
- h) fail to disclose a material personal interest in breach of the law, unless at its next meeting the Board resolves otherwise;
- i) are removed as a Director by ordinary resolution of the Company in General Meeting;
- j) become a paid employee of the Company except on a casual basis as approved by the Board;
- k) are found guilty by a tribunal, industrial commission, court of competent jurisdiction or other similar authority of engaging in discriminatory conduct or harassment towards employees of the Company or towards Members or their employees;
- l) are a PSM Director and cease to meet requirements to be a Professional Strata Manager Member;
- m) are a Strata Services Member and cease to be employed by or a director, principal or owner of the Strata Services Member at which they were employed or a director, principal or owner of at the time of appointment or election; or
- n) are a Strata Services Member who is an employee, director, principal or owner of a Strata Services Member and that Member ceases to be a Member.

31. No Alternate Directors

31.1 Directors are not entitled to appoint alternate directors.

32. Office Bearers

32.1 The Board will elect from amongst the Directors the following Office Bearers:

- a) a President who must be a Professional Strata Manager Member;
- b) a Senior Vice President who must be a Professional Strata Manager Member; and
- c) two Vice Presidents – one of whom must be a Professional Strata Manager Member and the other must be an employee, director, principal or owner of a Strata Services Member.

32.2 A Director may not hold more than one Office Bearer role at a time.

- 32.3 Each Office Bearer will hold their position:
- a) for the period as determined by the Board at the time of their election or appointment as an Office Bearer;
 - b) until they resign from their position as Office Bearer by written notice to the Secretary in which case they would remain a Director unless they also resign as a Director; or
 - c) until they are removed from their position or replaced as Office Bearer by resolution of the Board, in which case they would remain a Director; or
 - d) until they vacate office as a Director.
- 32.4 An Office Bearer shall have such powers and duties as specified in this constitution, as required by law and as determined by the Board.

33. Powers of the Board

- 33.1 The business and affairs of the Company are to be managed by or under the direction of the Board which may exercise all the powers of the Company that are not required by the Corporations Act or by this constitution to be exercised by the Company in General Meeting.

34. Duties of Directors under common law and legislation

- 34.1 The Directors must comply with their duties as Directors under relevant legislation and the common law.
- 34.2 Without limiting clause 34.1, the Directors must comply with the following duties:
- a) to exercise their powers and discharge their duties with the degree of care and diligence that a reasonable individual would exercise if they were a Director of the Company;
 - b) to act in good faith in the best interests of the Company and to further the Purposes of the Company;
 - c) not to misuse their position as a Director;
 - d) not to misuse information they gain in their role as a Director;
 - e) to maintain the confidentiality of information received in their role as a Director;
 - f) to disclose any material conflicts of interest in the manner set out in this constitution;
 - g) to ensure that the financial affairs of the Company are managed responsibly; and
 - h) not to allow the Company to operate while it is insolvent.

35. Delegation of powers

- 35.1 The Board may delegate any of its powers to:
- a) a committee;

- b) a Director;
 - c) an employee of the Company; or
 - d) any other person,
- and may revoke that delegation.

35.2 A delegate must exercise the powers delegated in accordance with any directions, terms and conditions set by the Board.

36. By-laws

36.1 The Board may from time to time by resolution make, amend, or repeal such By-laws as it determines are appropriate for the purposes of giving effect to any provision of this constitution or to govern the procedures and activities of the Company.

36.2 Any By-laws shall:

- a) be consistent with this constitution; and
- b) be binding on the Board and the Members.

37. Payments to Directors

37.1 Directors are not entitled to be paid fees for acting as a Director.

37.2 Directors are entitled to:

- a) be paid an honorarium approved by the Board to attend events;
- b) be paid for any work they do for the Company, other than as a Director, if the amount is no more than a reasonable fee for the work done and has been approved by the Board; and
- c) be reimbursed for expenses properly incurred by the Director in the performance of any duty as a Director where the amount payable does not exceed an amount previously agreed by the Board.

37.3 The Company may pay premiums for insurance indemnifying Directors, as allowed by law (including the Corporations Act) and this constitution.

38. Conflict of interest

38.1 A Director must disclose the nature and extent of any material conflict of interest in a matter that is being considered at a meeting of the Board (or that is proposed in a circular resolution):

- a) to the other Directors; or
- b) if all of the Directors have the same conflict of interest, to the Members at the next General Meeting, or at an earlier time if reasonable to do so.

38.2 Subject to clause 38.3, a Director who has a material personal interest in a matter that is being considered at a Board meeting (or that is proposed in a circular resolution) must not:

- a) be present at the meeting while the matter is being discussed; or
 - b) vote on the matter.
- 38.3 Despite the existence of a material personal interest, a Director may still be present and vote if:
- a) the Directors who do not have a material personal interest in the matter pass a resolution that:
 - b) identifies the Director, the nature and extent of the Director's interest in the matter and how it relates to the affairs of the Company;
 - c) says that those Directors are satisfied that the interest should not stop the Director from voting or being present;
 - d) their interest arises because they are a Member of the Company, and the other Members have the same interest;
 - e) their interest relates to an insurance contract that insures, or would insure, the Director against liabilities that the Director incurs as a Director of the Company;
 - f) their interest relates to a payment by the Company in respect of an indemnity provided for in this constitution, or any contract relating to an indemnity that is allowed under the Corporations Act; or
 - g) Australian Securities and Investments Commission (ASIC) makes an order allowing the Director to vote on the matter.
- 38.4 No contract made by a Director with the Company and no contract or arrangement entered into by or on behalf of the Company in which any Director may be in any way interested is voided or rendered voidable merely because the Director holds office as a Director or because of the fiduciary obligations arising out of that office.
- 38.5 The disclosure of a conflict of interest by a Director must be recorded in the minutes of the Board meeting.

39. Frequency and mode of Board meetings

- 39.1 The Board may meet together (including by technological means) for the despatch of business and adjourn and otherwise regulate its meetings as frequently and in the manner, it sees fit.

40. Calling a Board meeting

- 40.1 The President or any two Directors may at any time, and, upon the request of the President or any two Directors, the Secretary must convene a Board meeting.

41. Notice of a Board meeting

- 41.1 Unless special circumstances apply, at least 48 hours' notice must be given to each Director of the place, date and time of a Board meeting.

- 41.2 Notice of a Board meeting must be given by such means as have been agreed by the Directors.
- 41.3 Non-receipt of any notice of a Board meeting by a Director does not affect the validity of the convening of the meeting.

42. Chair of a Board meeting

- 42.1 The President is entitled to preside as chairperson at Board meetings.
- 42.2 If the President is unable to chair the Board meeting (e.g due to absence or unwillingness), the Senior Vice President is entitled to chair Board meetings.
- 42.3 If the Senior Vice President is unable to chair the Board meeting, the Directors at a Board meeting may choose a Director to be the chairperson of the Board meeting.

43. Quorum at a Board Meeting

- 43.1 The quorum for a meeting of the Board shall be the number that is a majority of the Directors currently in office.
- 43.2 No business may be transacted at a Board meeting unless a quorum of Directors is present during the time the business is dealt.

44. Decisions of the Board

- 44.1 A resolution of the Board must be passed by a majority of the votes cast by Directors present and entitled to vote on the resolution.
- 44.2 The Board may pass a resolution using technology, without a meeting of the Board being held if the proposed resolution is sent to the Directors and a majority of Directors, assent to the resolution in writing within the time specified. The resolution is taken to have been passed on the date the resolution was assented to by the last Director who constituted the majority of Directors in favour.

45. Validity of acts of Directors

- 45.1 All acts done at any meeting of the Board or by any individual acting as a Director shall be valid even if it is later discovered that there was a defect in the appointment of an individual as a Director or the individual not being entitled to vote.

E. ADMINISTRATIVE MATTERS

46. Secretary

- 46.1 The Board must appoint at least one Secretary.
- 46.2 The Secretary holds office on such terms and conditions as to remuneration and otherwise as the Board determines.
- 46.3 The Board may remove any Secretary so appointed, subject to the terms of any contract and the law.

- 46.4 The Secretary has such powers and duties as specified in this constitution, as required by the Corporations Act, and as determined by the Board.

47. Minutes

- 47.1 The Board must ensure that the following records are taken and kept (which may be in electronic form):
- a) proceedings and resolutions of General Meetings;
 - b) proceedings and resolutions of Board meetings;
 - c) proceedings of committee meetings; and
 - d) resolutions passed by the Board without a meeting

48. Inspection of records

- 48.1 A Member other than a Director does not have the right to inspect any books, records or documents of the Company except as provided by law or authorised by the Board.

49. Time for service of notices

- 49.1 Where a notice is sent by post, service of the notice is taken to be effected seven days after it is posted.
- 49.2 Where a notice is sent by email or other electronic means, service of the notice is taken to be effected on the day it is sent or on the day the Member is advised via the electronic contact address that the notice is accessible electronically.

50. Method for service of notices

- 50.1 A notice may be given by the Company to a Member:
- a) by serving it on the Member personally;
 - b) by sending it by post to the Member's address as shown in the register of Members;
 - c) by sending it to an electronic contact address (such as an email address) that the Member has supplied to the Company or using which the Member has contacted the Company in the past; or
 - d) by making a copy of it accessible electronically (for example on a website of, or related to, the Company, or using a hyperlink or other technology) and advising the Member of its availability via the electronic contact address.

51. Accounts and audit

- 51.1 The Company must make and keep written financial records that:
- a) correctly record and explain its transactions and financial position and performance, and
 - b) enable true and fair financial statements to be prepared and to be audited (if required).

52. Indemnity and insurance

- 52.1 In this clause 52, 'officer' means a Director or Secretary and includes a Director or Secretary after they have ceased to hold that office.
- 52.2 The Company indemnifies each officer of the Company out of the assets of the Company, to the relevant extent, against all losses and liabilities (including costs, expenses and charges) incurred by that person as an officer of the Company.
- a) In this clause 52.2, 'to the relevant extent' means:
- i) to the extent that the Company is not precluded by law (including the Corporations Act) from doing so; and
 - ii) for the amount that the officer is not otherwise entitled to be indemnified and is not actually indemnified by another person (including an insurer under an insurance policy).
- 52.3 The indemnity is a continuing obligation and is enforceable by an officer even though that person is no longer an officer of the Company:
- 52.4 To the extent permitted by law the Company may:
- a) purchase and maintain insurance; or
 - b) pay or agree to pay a premium for insurance,
- against any liability incurred by the officer as an officer including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal.

53. Changes to the constitution

- 53.1 The Company may modify or repeal its constitution, or a provision of its constitution, by special resolution.

54. Winding Up

- 54.1 If the Company is wound up, any surplus assets must not be distributed to a Member or Members of the Company.
- 54.2 Subject to the Corporations Act, any other applicable Act and any court order, any surplus assets that remain after the Company is wound up must be distributed to one or more organisations:
- a) with purposes similar to, or inclusive of, the Objects; and
 - b) which has a constitution which:
 - i) requires its income and property to be applied in promoting its objects;
 - ii) prohibits the distribution of any surplus assets to its members to at least the same extent as the Company.
- 54.3 The decision as to the organisation(s) to be given the surplus assets
- a) must be made by a special resolution of Members at or before the time of winding up; or

- b) if the Members do not make this decision, the Company may apply to the Supreme Court to make this decision.

55. Transitional arrangements

55.1 In the transitional arrangements specified in this clause 55:

- a) **AGM** means annual general meeting;
- b) **Previous Constitution** means the constitution that this constitution replaces.

Membership

55.2 Upon adoption of this constitution:

- a) Persons belonging to the Professional Strata Managers Chapter in accordance with the Previous Constitution will continue as Professional Strata Manager Members;
- b) Persons to the Honorary Member Chapter in accordance with the Previous Constitution will continue as Honorary Members;
- c) Individuals belonging to the Professional Strata Services Chapter in accordance with the Previous Constitution will cease to be Members. For clarity, bodies corporate belonging to the Professional Strata Services Chapter in accordance with the Previous Constitution will continue as Professional Strata Services Members;
- d) Persons belonging to the Strata Owners Chapter in accordance with the Previous Constitution will cease to be Members;
- e) Persons belonging to the Associate Member Chapter in accordance with the Previous Constitution will be reclassified as Professional Strata Manager Members; and
- f) Persons belonging to the Professional Strata Practice Chapter in accordance with the Previous Constitution will continue as Strata Practice Members.

Board

55.3 Upon adoption of this constitution, each Director in office continue as Directors under this constitution and subject to clause 30, will retire at the conclusion of the 2024 AGM, at which time if eligible they may be re-elected or re-appointed.

55.4 Following completion of the transitional arrangements, the terms of Elected Directors will be staggered so that each year one-third of the Director positions (being two PSM Director positions and one Strata Services Director position each year) will be up for election.

55.5 To implement the rotation as described in clause 55.4:

- a) Elections will be held in conjunction with the 2024 AGM for the nine Elected Director positions (six PSM Director positions and three Strata Services Director positions).
 - i) The Nominations Committee will group the Elected Directors elected in 2024 into three groups as follows:
 - ii) Group A will comprise two PSM Directors and one Strata Services Director. Directors in Group A will serve three year terms, ie until the conclusion of the 2027 AGM;
 - iii) Group B will comprise two PSM Directors and one Strata Services Director. Directors in Group B will serve two year terms, ie until the conclusion of the 2026 AGM;
 - iv) Group C will comprise two PSM Directors and one Strata Services Director. Directors in Group C will serve one year terms, ie until the conclusion of the 2025 AGM.

55.6 If eligible, the PSM Directors and Strata Services Directors retiring at the 2025 AGM, may stand for re-election. If elected, for the purposes of clause 26.5, the counting of the Maximum Continuous Period for these Directors commences from the conclusion of the 2025 AGM.

55.7 If eligible, the PSM Directors and Strata Services Directors retiring at the 2026 AGM, may stand for re-election. If elected, for the purposes of clause 26.5, the counting of the Maximum Continuous Period commences from the conclusion of the 2026 AGM.

55.8 If eligible, the PSM Directors and Strata Services Directors retiring at the 2027 AGM, may stand for re-election. If elected, for the purposes of clause 26.5, the counting of the Maximum Continuous Period for these Directors commences from the conclusion of the 2027 AGM.

55.9 Any Directors retiring at the conclusion of the 2024 AGM may be appointed as Appointed Directors at discretion of the Board. If appointed, for the purposes of clause 26.5, the counting of the Maximum Continuous Period commences from the date of such appointment.

55.10 The Board may appoint up to three Appointed Directors at any time, subject to there being a maximum number of 12 Directors.

55.11

Office Bearers

55.12 Upon adoption of this constitution, the Directors holding the positions of President, Senior Vice President and Vice Presidents will continue in these roles until they otherwise vacate these positions in accordance with clause 32.3.



END OF CONSTITUTION