

Pambula Tennis Club Inc

Notes on proposed rule changes

Background

The original club rules were adopted in the 1980s. A number of changes (eg changing the AGM and financial year dates) were made at later special general meetings, however no redraft has ever been made to form a complete set of rules. Legislative changes made since the rules were adopted have also changed the obligations on incorporated associations and made some of the old club rules obsolete.

Process

Written notice must be given to members specifying the intention to propose the resolution as a special resolution at least 21 days prior to the date of the general meeting. At least three-quarters of those members voting must vote in favour of the resolution for it to be passed. The votes must be in person at the general meeting or by proxy.

Rather than require members at the AGM to consider multiple resolutions to change each old rule to a new rule however, we have taken the approach to propose two resolutions:

Resolution 1. To adopt the Model Rules from the Office of Fair Trading dated December 2007.

Resolution 2. To adopt the modifications to the model rules as outlined in the Draft Rules of the Association Version 0.2 dated 25 June 2009.

NOTE: Deletions from the model rules are indicated in the draft by ~~red/strikethrough text~~. Additions to the model rules are indicated by underlined/green text.

Summary of changes

Changes from Old Rules:

- The statement of objects of the association remain the same. They are no longer embedded in the rules however, but listed in a separate document. Changes still require a special resolution.
- Clause (8) Audit clause has been removed - under the legislation, an audit is no longer mandatory for incorporated associations unless required by their own rules. Recent minutes would indicate this has not been practised in any case.
- Clause (7) Financial year has been removed - not required under model rules and by default in legislation it is July - June, which is our financial year.
- Clause (10) specified membership types and fees payable and changes needed to go to AGM. New rules enable the committee to decide on membership categories and fees applicable (Members who wish to roll back a committee decision can still do so by following the procedure for calling a special general meeting).
- 28 (2) Quorum number for general meetings changed to eight members or 10% of membership, whichever is lesser (10 under the old rules).

Changes from Model Rules:

- 2 & 3 The model rule nomination process for membership has been removed - a person simply needs to apply to become a member and if the committee doesn't actively oppose it, it is automatically approved after 1 month, in line with current practice.
- 4 (d) The model rules had no way of ceasing membership if fees were in arrears - this has been added.
- 7. Register clause has been expanded so that details required by Tennis NSW can be collected (eg date of birth, gender and expanded contact details).
- 13 (c) & (d) Powers of committee reworded to be consistent with old rules. By-laws will be removed from rules and placed in a separate By Laws document.
- 14 & 20 (5) Committee to have 5 members (Pres, Vice Pres, Treasurer, Secretary plus 1 ordinary member) rather than 7 (as per the model rules) or 11 (as per the old rules) with a quorum of 3. This should make it easier to get a quorum given the limited number of people who are willing to come to meetings. It also retains an odd number for decision making purposes.
- 20 (1) Number of committee meetings made consistent with old rules (ie twice a year).
- 33 (1) Entitlement to vote clarified, as some categories (junior) will not be entitled to vote.
- 33 (4) Changed to take into account (4d) so that a member in arrears is not entitled to vote.
- 36 (1) Sources of income expanded to include grants, ball fees, sponsorship fees and court hire fees.
- 37 (1) Expanded to include account Tax Office recommendation to ensure funds are not paid to members except as bona fide compensation for services or reimbursement of expenses.
- 37 (3) Added to include Tax Office recommendation to ensure that in the event the club is dissolved, any remaining funds go to another non profit tennis club.
- 39 (1) Modified to "if one is required" in anticipation of expected changes to legislation later in 2009 which will no longer require associations to have a common seal.
- 43 Affiliation clause added to allow for affiliation with Tennis NSW (old rules referred to Lawn Tennis Association affiliation).
- Appendix 1 (membership form) modified to remove nomination requirement to become a member (see also 2 & 3).