

Constitution of LEADR

Corporations Act 2001 (Cth)

A company limited by guarantee

Registered in New South Wales

ACN: 008 651 232

Level 1
13-15 Bridge Street
Sydney 2000 NSW
Australia

Table of contents

1	Objects	4
2	Powers	5
	2.1 Powers	5
	2.2 Additional powers	6
	2.3 Limit on powers	6
3	Governance	6
4	Membership	6
	4.1 Membership	6
	4.2 Categories of membership	6
	4.3 Patron	6
	4.4 Honorary membership	7
	4.5 Application for membership.....	7
	4.6 Admission to membership.....	7
	4.7 Subscriptions	7
	4.8 Complaints and concerns	7
	4.9 Cessation of membership.....	8
	4.10 Members' Register	9
	4.11 Address of Members	9
5	General meetings	9
	5.1 Convening meetings of Members	9
	5.2 Notice	9
	5.3 Quorum at general meetings	10
	5.4 Chair of general meetings	10
	5.5 Decisions at general meetings.....	10
	5.6 Voting rights	11
	5.7 Proxies	11
	5.8 Right of Non-Members to Attend General Meetings.....	12
	5.9 Adjourning general meetings	12
6	The Board and office bearers	12
	6.1 Responsibilities and Powers of the Board	12
	6.2 Delegation	13
	6.3 Directors	13
	6.4 Election of Directors	13
	6.5 Conflicts of Interest	14
	6.6 Secretary.....	14
	6.7 Office bearers	15
	6.8 Vacation of office.....	15
	6.9 Alternate Directors	16
	6.10 Appointment of attorneys.....	16
	6.11 Referrals of work	16

7	Proceedings of the Board	17
	7.1 Directors' meetings	17
	7.2 Convening Meetings of Directors.....	17
	7.3 Decision making.....	17
	7.4 Notice	17
	7.5 Quorum	17
	7.6 Chair.....	18
	7.7 Committees and specific purpose groups	18
	7.8 Validity of acts	18
	7.9 Resolutions between meetings of Directors	18
8	Chapters and Practice Groups within Australia	19
	8.1 Establishment of Chapters and Practice Groups.....	19
	8.2 Role and Functions of Chapters	19
	8.3 Role and functions of Practice Groups	19
9	Organisations in countries other than Australia	19
10	Payments	20
11	Seal	20
12	Accounts	21
13	Indemnity and insurance	21
14	Notice	22
15	By-laws	22
16	Winding up	23
	16.1 Members to contribute	23
	16.2 Surplus of assets	23
17	ASIC conditions	23
18	Interpretation of and alterations to the constitution	24
	18.1 Interpretation.....	24
	18.2 Alterations	24
19	Definitions	24

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A Company limited by Guarantee

Name

The name of the Company is LEADR.

1 Objects and Aims

1.1 Objects

The Objects for which LEADR is established are to promote in Australia and elsewhere:

- a) The acceptance and use of ADR;
- b) The provision of education, training and research in ADR;
- c) The development and maintenance of high standards of practice in ADR;
- d) The active role of LEADR Members in the practice of ADR; and
- e) The use of ADR to prevent, manage and resolve conflict and disputes.

1.2 Aims

For the purpose of achieving its Objects LEADR will aim to:

- a) Raise public awareness of the benefits of ADR;
- b) Provide information on ADR and ADR practitioners to the public;
- c) Facilitate access by the public to ADR practitioners and services;
- d) Establish education and training programs to enhance competence in ADR;
- e) Submit comments, opinions and recommendations to governments and other authorities and bodies;
- f) Encourage courts to implement ADR processes before and after the commencement of legal proceedings;
- g) Facilitate the implementation of ADR by business and community organisations;
- h) Urge the inclusion of provision for ADR in documents creating legal relations;
- i) Promote research, accreditation and professional development in ADR and associated areas;

- j) Receive and respond to reports and information received from LEADR Members and the public; and
- k) Collaborate with individuals and organisations whose aims are consistent with the Objects of LEADR.

2 Powers

2.1 Powers

For the purpose of carrying out its Objects LEADR may:

- a) Appoint a patron of LEADR;
- b) Appoint Honorary Members of LEADR;
- c) Subject to clause 10, join or co-operate, consult, amalgamate or act in conjunction with any other organisation engaged in promoting ADR;
- d) Purchase, lease, exchange, hire, receive by way of gift or otherwise acquire any real or personal property. However, if LEADR takes or holds any property subject to a trust, LEADR may only deal with that property in the manner allowed by law having regard to that trust;
- e) Sell, lease, hire, transfer or otherwise dispose of any of the assets of LEADR;
- f) Enter into arrangements with or seek privileges and concessions from any Government, council or authority and carry out, exercise and comply with such arrangements, privileges and concessions;
- g) Engage, dismiss or suspend employees, agents, contractors or advisors;
- h) Take such steps as it considers appropriate to provide benefits to employees or past employees of LEADR, including but not limited to granting allowances and making payments toward insurance;
- i) Donate money for any purpose, including but not limited to charitable, benevolent, patriotic or public purposes;
- j) Do all such things as it considers necessary or appropriate in connection with any real and personal property held by LEADR;
- k) Invest and deal with any money of LEADR in such manner as may be permitted by law;
- l) Borrow or raise money in such manner as LEADR may think fit and provide such securities in respect of its debts and liabilities over all or any of the property of LEADR as it thinks fit;
- m) Make, draw, accept, endorse, discount, execute and issue, cheques, promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
- n) Take security for any debts owed to LEADR by any third parties;
- o) Take steps to procure contributions to the funds of LEADR;

- p) Hold or arrange competitions in connection with ADR and provide or contribute towards the provision of prizes and awards, for which Members may be eligible; and
- q) Do all other things that are incidental or conducive to attaining the Objects.

2.2 Additional powers

LEADR has the powers set out in the Act but only to the extent necessary or convenient to carry out, or incidental to the carrying out of, the Objects.

2.3 Limit on powers

- a) LEADR must not make any by-law or restrict the Members in a way that would have the effect of making LEADR a trade union.
- b) LEADR must not exercise any power other than those set out in clauses 2.1. and 2.2.

3 Governance

The Board is the governing body of LEADR.

4 Membership

4.1 Membership

The Board may admit to membership any person who or organisation which, in the opinion of the Board, would be suitable to be admitted as a Member having regard to the Objects of LEADR.

4.2 Categories of membership

The Board may by a resolution passed by a two-thirds majority create, remove, amalgamate or vary categories of membership, or alter the rights attaching to a category of membership. Within one month after such variation or cancellation the Board must send a notice describing the change to Members in that category.

4.3 Patron

The Board may from time to time invite a suitable person to be the patron of LEADR, who on accepting appointment will become an Honorary Member and the Patron of LEADR.

4.4 Honorary membership

The Board may from time to time offer honorary membership of LEADR to such persons as it thinks fit, who will upon acceptance of such offer become Honorary Members of LEADR.

4.5 Application for membership

Every application for membership must be in the form and accompanied by the information that the Board from time to time prescribes.

4.6 Admission to membership

- a) The Board may, in its complete discretion, admit or refuse an applicant for membership. The Board's decision must be notified to the applicant in writing as soon as possible.
- b) Neither the Board nor LEADR is required to give any reasons for rejecting an application for membership.
- c) An applicant admitted to membership will become a Member upon payment of the first annual subscription or an agreed instalment.
- d) On admission, every Member will be deemed to have agreed to be bound by the Constitution and by-laws.

4.7 Subscriptions

- a) Members will pay an annual subscription to LEADR at a rate determined by the Board by reference to the Member's level of accreditation, experience, academic or student status or other criteria determined by the Board from time to time.
- b) The Board may allow a discount on annual subscriptions and accept payment by instalments in such circumstances and on such terms as it deems appropriate.
- c) Annual subscriptions are payable by the first day of July in every year or by another date prescribed in the by-laws, provided that if a Member has elected to pay an annual subscription by instalments, payment must be made on the dates specified by the Board for payment of those instalments.
- d) Honorary Members are not required to pay any subscription.

4.8 Complaints and concerns

- a) The Board may delegate in whole or in part any or all of its functions under sub-clauses (b), (c) and (d) of this clause in which event the person to whom the functions have been delegated shall in all respects and in the name of the Board exercise the powers and functions of the Board.
- b) If a complaint is made against a Member or if the Board considers that any other concern has arisen in regard to a Member's conduct or membership of LEADR, the Board, except in cases where the law requires otherwise, will in the first instance:

- i. advise the Member of the complaint or concern and the issue that has been raised by it; and
 - ii. invite the Member to respond if the Member so wishes.
- c) After considering the Member's response, if any, the Board may dismiss the complaint or concern.
- d) If the Board determines that the complaint or concern can be dealt with informally or by ADR, LEADR will assist to have it resolved informally or by ADR.
- e) The Board shall make by-laws for the investigation of the conduct of a Member and for disciplinary proceedings and action in respect of any complaint or concern that cannot be dealt with informally or by ADR, and for an appeal against any disciplinary action determined by the Board.
- f) If the Board determines that the complaint or concern is not suitable for informal resolution or resolution by ADR, and that it should be investigated, the Board will refer it for investigation to an Investigation Committee in accordance with the by-laws made under clause 15.
- g) The Investigation Committee shall provide the Board with its determination.
- h) On receipt of the Investigation Committee's determination the Board may, in accordance with the procedure laid down in the by-laws determine what action, if any, should be taken.
- i) The Member may appeal against the Board's determination to the Appeal Committee appointed in accordance with the by-laws.
- j) If there is an appeal against the Board's determination then the determination of the Appeal Committee in accordance with the procedure laid down in the by-laws, shall be binding on the Board and the Member.
- k) If the determination of the Board, or on appeal of the Appeals Committee, is that the Member's membership of LEADR should be terminated, or any other disciplinary action taken, the Board will effect such termination or give effect to such disciplinary action.
- l) Within the limits of confidentiality, the Board will inform the complainant and the Member concerned about the progress and outcome of the complaint.

4.9 Cessation of membership

- a) A Member may resign from membership of LEADR by giving written notice to LEADR, upon receipt of which the Member shall cease to be a Member but shall continue to be liable for any annual subscription unpaid as at the date of such resignation and for all other moneys due by the Member to LEADR.
- b) A Member who fails to pay any subscription within three months of its due date for payment, or who dies or becomes incapable of managing their affairs because of mental or physical incapacity, shall cease to be a Member.
- c) The Board may reinstate a Member whose membership has ceased.

4.10 Members' Register

The Board must cause the Secretary to keep a register containing full names and addresses, including email addresses, of the Members and such other particulars as the Board may prescribe.

4.11 Address of Members

Every Member must communicate any change in his or her contact details, including any change to his or her address or email address, to LEADR in writing and any such change of address must be entered in the Members' Register. The latest address in the Members' Register is deemed to be the Member's current registered address.

5 General meetings

5.1 Convening meetings of Members

- a) An Annual General Meeting of Members must be held before the end of November in each year, unless otherwise permitted by law.
- b) In addition, the Board or the Members may convene a general meeting in accordance with the Act.
- c) The Board may change the venue for, or postpone or cancel a general meeting by notice in writing to all persons who are entitled to receive notice of that meeting except where:
 - i. a general meeting is ordered by the Court; or
 - ii. a general meeting is convened by Members unless it has the consent of the Members who convened the meeting.

5.2 Notice

- a) Unless shorter notice is allowed under the Act, at least 21 days notice must be given to every Member of any general meeting or Annual General Meeting.
- b) The notice of a general meeting or Annual General Meeting must specify the day, time and place of the meeting, the general nature of the business of the meeting, the terms of any special resolution to be proposed at the meeting and any other information required by the Act.
- c) The non-receipt of a notice convening a general meeting by, or the accidental omission to give notice to, any person entitled to receive notice does not invalidate the proceedings or any resolution passed at the meeting.
- d) The Board may conduct the general meeting with the aid of electronic systems that will facilitate the attendance of members at the meeting.
- e) A Member who takes part in a meeting by electronic means is taken to be present in person at the meeting.

5.3 Quorum at general meetings

- a) A quorum consists of five Members or their proxies present at the meeting.
- b) No business may be transacted at a general meeting, except the election of a chair and the adjournment of the meeting, unless a quorum of Members entitled to vote is present when the meeting proceeds to business.
- c) If a quorum is not present within 30 minutes after the time appointed for a general meeting:
 - i. when the meeting was convened on the requisition of Members, the proposed meeting is automatically dissolved; or
 - ii. in any other case, the meeting will be adjourned to such other day, time and place that the Board decides, and if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the Members present (being not less than three) will be a quorum.

5.4 Chair of general meetings

The chair at each general meeting will be:

- a) the Chair;
- b) if the Chair is not present within 15 minutes after the time appointed for the meeting or if there is no Chair, the Vice-Chair; or
- c) if the Chair and Vice-Chair are not present or if the Vice-Chair is unwilling to act, the Directors present may choose one of their number or, in the absence of all Directors or if none of the Directors present wish to act, a Member elected by the Members present.

5.5 Decisions at general meetings

- a) All business at a general meeting must be decided by a Special Resolution except for questions relating to the consideration of accounts and balance sheets, the reports of the Board and Auditors, the election of Directors and the appointment of auditors.
- b) The Chair of a general meeting may make rulings without putting a question to the vote if he or she considers action is required to ensure the orderly conduct of the meeting.
- c) When the Chair of a general meeting determines that a consensus has been reached on any matter requiring a decision by the meeting, the consensus shall be the decision of the meeting and a formal vote on the matter will be dispensed with.
- d) Matters not determined by consensus will be determined on a show of hands unless a poll is demanded by the Chair or by at least three Members present in person or by proxy who are entitled to vote on the resolution.
- e) The Chair will direct the manner in which a poll is taken, provided that when a poll is called on a resolution for the election of a chair of the meeting or on a proposal for adjournment, the poll must be taken immediately and must be

conducted by the Chair or, if the Chair is a candidate, by the Vice-Chair, or if the Vice-Chair is also a candidate, by the Secretary, failing which by a Member elected by the meeting.

- f) The outcome of the poll must be recorded in the Minute Book and an entry in the Minute Book to the effect that a resolution at a general meeting has, on a show of hands, been carried or lost, is conclusive evidence of that fact. For the avoidance of doubt, it is not necessary to show the number or proportion of the votes recorded in favour of or against a resolution.
- g) The call for a poll may be withdrawn by the Member or Members who called for it.
- h) A demand for a poll does not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
- i) If the vote on a proposed resolution at a general meeting is tied, the Chair shall have a second or casting vote.

5.6 Voting rights

- a) Every Member present at a general meeting in person or by proxy whose annual subscription is current or no more than one month in arrear, is entitled to one vote.
- b) A Member is entitled to a separate vote for each Member for whom a proxy is held in addition to the vote the Member has in his or her own right.
- c) An objection to the qualification of a person to vote at a general meeting must be:
 - i. raised before or at the meeting at which the vote objected to is given or tendered; and
 - ii. referred to the Chair of the meeting, whose decision is final.
- d) A vote allowed by the Chair under clause 5.6(c) is valid for all purposes at the meeting at which it is allowed.

5.7 Proxies

- a) A Member may appoint one proxy to represent the Member, in the manner prescribed by the Board from time to time. A proxy need not be a Member.
- b) The notification of the appointment of a proxy must be received at the registered office of LEADR or at such other place as specified for that purpose in the notice of meeting at least 24 hours before the commencement of the meeting at which the proxy will exercise the Member's vote. In exceptional circumstances the appointment of a proxy may be accepted by the Chair up to two hours before the meeting.
- c) A Member will be entitled to instruct the Member's proxy to vote in favour of or against any proposed resolutions. Unless otherwise instructed, the proxy may vote as the proxy thinks appropriate.
- d) A proxy becomes invalid if, at least two hours before the commencement of the meeting at which the proxy will vote, the Chair receives notice that the Member

who appointed the proxy has died or become incapable of managing their affairs because of mental or physical incapacity.

- e) Subject to (d) above, a vote exercised in accordance with the terms of proxy, is valid despite:
 - i. the Member having become incapable of managing their affairs because of mental or physical incapacity; or
 - ii. the revocation of the proxy.
- f) A proxy is not revoked by the appointing Member attending and taking part in the meeting, unless the appointing Member actually votes at the meeting on the resolution for which the proxy is proposed to be used.
- g) No instrument of proxy is treated as invalid merely because it does not contain:
 - i. the address of the appointing Member or of a proxy;
 - ii. the proxy's name; or
 - iii. in relation to any or all resolutions, instructions on the manner in which the proxy is to vote.
- h) Where an instrument of proxy does not specify the name of the proxy, the instrument shall be taken to be given in favour of the Chair of the meeting.

5.8 Right of Non-Members to Attend General Meetings

Any person requested by the Board or Chief Executive Officer to attend any general meeting is entitled to be present at and, at the request of the Chair, to speak at that general meeting.

5.9 Adjourning general meetings

- a) The Chair of a general meeting may, if directed by the meeting, adjourn the meeting from time to time and from place to place. No business may be transacted at any adjourned meeting except the business left unfinished at the meeting from which the adjournment took place.
- b) If a meeting is adjourned for more than 30 days, Members must be given notice of the adjourned meeting.

6 The Board and office bearers

6.1 Responsibilities and Powers of the Board

- a) The Board is responsible for managing the business and affairs of LEADR and may exercise all the powers in the Constitution except for those required by the Act or by the Constitution to be exercised by LEADR in general meeting.
- b) The Board may exercise all the powers of LEADR to borrow or otherwise raise money and grant security over any of its assets.

- c) All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to LEADR must be signed, drawn, accepted, endorsed or otherwise executed as the case may be by any two Directors or in such other manner as the Board determines.
- d) The Board will engage the Chief Executive Officer, Secretary and other staff on such terms as it decides are appropriate. The Board may delegate to the Chief Executive Officer the power to appoint staff on terms the Chief Executive Officer decides are appropriate.
- e) The Board will cause Minutes to be made of the proceedings at all general meetings and Directors' meetings that must include the names of those Directors present and a record of any appointments of officers or employees made since the previous Board meeting.
- f) The Minutes must be signed by the Chair of that or the next Board meeting.

6.2 Delegation

The Board may delegate any of its powers in accordance with the Act.

6.3 Directors

- a) The Board will consist of up to 11 Directors:
 - i. Up to nine of these will be Members of LEADR elected by the Members at Annual General Meetings, who will hold office for two years before being eligible for re-election.
 - ii. Up to two of these may be appointed by the Board, selected on the basis of the contribution that they are able to make to the achievement of the Objects of LEADR.
- b) The Board may appoint a Member to the Board to fill any casual vacancy and if the number of Directors falls below seven, the Board must, within a reasonable time, appoint such additional Director or Directors as may be necessary to bring the total number of Directors up to at least seven, provided that if the number of Directors has fallen below five, the remaining Director or Directors may take no action other than to appoint an additional Director or additional Directors to bring the number of Directors up to at least five.
- c) In appointing a Director under Clause 6.3(b), the Board must ensure that in respect of each of five states or territories there is a Director who has a principal place of business or residence in that State or Territory.
- d) An additional Director appointed by the Board will hold office only until the next Annual General Meeting at which Directors are elected.
- e) If the position of Chief Executive Officer becomes vacant, or if the Chief Executive Officer is unavailable for an extended period of time, the Directors may appoint a Director as managing director of LEADR for a period, and on terms (including as to remuneration), as the Directors see fit.

6.4 Election of Directors

The election of Directors shall take place in the following manner:

- a) Any two Members may nominate any other Member to serve as a Director;
- b) Nominations shall be in writing, including the signature of the nominee and the nominee's proposer and seconder, and accompanied by the nominee's supporting statement, if any, and must be lodged with the LEADR office on paper or electronically at least 21 days (or such other period as the Board may determine in accordance with the Act) before the Annual General Meeting at which the election is to take place;
- c) Nominations and supporting statements together with ballot papers listing the nominees' names in alphabetical order and draft proxy forms must be distributed to Members at least 14 days before the relevant Annual General Meeting, by such means as may be prescribed by the Board from time to time;
- d) Each Member present or represented by proxy at the Annual General Meeting will be entitled to vote for up to nine nominees;
- e) In respect of each of five Australian States or Territories the nominee having a principal residence or place of business in that State or Territory who receives the most votes will be declared elected. Nominees not so elected, up to a maximum of four, who receive the most votes, will also be declared elected. In the event of a tie lots will be drawn in the manner decided by the Chair to determine which of the nominees will be declared elected.

6.5 Conflicts of Interest

- a) A member of the Board and a member of any Committee must not derive any personal or professional profit or gain, directly or indirectly, by reason of such membership.
- b) Each member of the Board and each member of a Committee must disclose to the Board or Committee any personal or professional interest that member may have in any matter pending before the Board or Committee and must not participate in any discussion or decision on such matter.
- c) Each member of the Board and each member of a Committee must, at such time and in such manner as the Board may by by-law prescribe, identify that member's affiliation with any person or body which, directly or indirectly, may give rise to a conflict with the interests of LEADR.
- d) A member of the Board or of a Committee who, in the opinion of the Board, has a continuing affiliation with a person or body which, directly or indirectly, gives rise to a conflict with the interests of LEADR such that the member is unable to effectively discharge the member's duties as a member, will cease to be a member of the Board or the Committee.

6.6 Secretary

- a) The Board will appoint a Secretary in accordance with the Act for the term of that Board and upon such conditions as the Board thinks appropriate.
- b) If the Secretary is not a Director, the Secretary will be an ex officio Director and will be entitled to remuneration in accordance with clause 10, may attend Directors' meetings and may be heard on any matter.

- c) Any Secretary so appointed may be suspended or removed by the Board. If that person is a Director, such removal or dismissal does not remove that person from office as a Director.
- d) The Secretary will not be appointed as a Director if the Secretary is a permanent employee of LEADR.
- e) The Board may delegate to the Secretary such powers, duties and authorities as it determines. The Secretary will exercise all such powers and authorities subject to the control of the Board.
- f) The duties of the Secretary include:
 - i. to ensure that the registers that are required to be kept by the Act are established and properly maintained;
 - ii. to ensure that all returns that are required to be lodged with the ASIC are prepared and filed within appropriate time limits;
 - iii. to ensure that meetings of the members and the Board are organised, including the sending out of notices, the preparation of the agenda and the compilation of minutes;
 - iv. to attend meetings of the Board and the Members;
 - v. to supervise the preparation of LEADR's tax returns; and
 - vi. to ensure that any administrative functions necessary for the running of the company are carried out.

6.7 Office bearers

- a) The Chair, Vice-Chair and the Honorary Treasurer are the office bearers. These Office Bearers, or their delegates, comprise the Executive.
- b) The elected Directors will meet as a Board within one month of the Annual General Meeting at which they were elected, and will elect the Chair, the Vice-Chair and the Honorary Treasurer. Until such election the previous office bearers will remain in office.

6.8 Vacation of office

In addition to the circumstances in which the office of a Director becomes vacant under the Act, a Director will cease to be a Director if the Director:

- a) resigns as a Director by notice in writing to LEADR at its registered company;
- b) is recorded as being absent from more than four meetings of the Board;
- c) has an ongoing conflict of interest that, in the view of the Board, significantly reduces or prohibits the Director's ability to act in the best interest of LEADR;
- d) ceases to be a Member;
- e) is appointed to any office of profit in LEADR that is not specifically approved by the Board;
- f) becomes bankrupt or makes any arrangement or composition with creditors;

- g) is prohibited or disqualified from being a director of a company by reason of any order of the Court or ASIC;
- h) dies or ceases to be a Director by operation of the Act;
- i) becomes incapable of managing their affairs because of mental or physical incapacity
- j) except to the extent permitted by clause 6.5, has a direct or indirect interest in any contract (or series of contracts) with LEADR which exceeds, in aggregate in any 12 month period:
 - i. 10% of LEADR's revenue in that period; or
 - ii. 20% of that Director's or an associate of the Director's income during that period; or
- k) has been removed by resolution of the Members in accordance with the Act.

6.9 Alternate Directors

- a) A Director may give notice in writing to the Chair, or the Chair's delegate, appointing a Member to be an Alternate Director during the Director's inability to act as Director. Notice of such appointment must be given to the Chair not less than 48 hours before any meeting of the Board at which the Director wishes the Alternate Director to attend. The Chair may accept such notice up to half an hour before the meeting.
- b) Any Alternate Director is entitled to receive notice of Directors' meetings and to attend and vote at those meetings and to exercise all the powers of the appointing Director.
- c) An appointment under this clause will terminate if revoked by the appointing Director by notice in writing to the Chair, or if the appointing Director vacates or is removed from office as a Director.

6.10 Appointment of attorneys

- a) The Board may, by power of attorney, appoint any person to be the attorney of the company for the purposes, and with the powers, authorities and discretions, vested in or exercisable by the Board for any period and subject to any conditions as it thinks fit.
- b) The Board may authorise the attorney to delegate all or any of the vested powers, authorities and discretions.

6.11 Referrals of work

LEADR may nominate or engage Directors and Members as trainers and coaches and may enter into contracts with them for that purpose, and may refer Directors and Members to work for third parties as ADR practitioners, trainers or coaches.

7 Proceedings of the Board

7.1 Directors' meetings

- a) The Directors may meet for the despatch of business and may adjourn and regulate their meetings as they think fit.
- b) Meetings may be held in person, or by telephone or electronically as determined by the Chair, and a Director who takes part in a meeting electronically is deemed to be present in person at the meeting.

7.2 Convening Meetings of Directors

A Director may, and the Secretary must on the request of a Director, convene a Directors' meeting.

7.3 Decision making

- a) Decisions on matters requiring to be dealt with at a meeting of Directors are to be decided wherever possible by a consensus as determined by the Chair.
- b) If the Chair determines that a consensus will not be reached within a reasonable time then the decision will be made by a majority vote with each Director or Alternate Director having one vote.
- c) A decision by consensus or by a majority of Directors will for all purposes be regarded as a decision of the Board.
- d) When there is an equality of votes, the Chair will have a second or casting vote.

7.4 Notice

- a) At least seven days' notice will be given to every Director of any Directors' meeting. Any papers relevant to the Directors' meeting will be provided to each Director at least two days prior to the Directors' meeting.
- b) The notice of a Directors' meeting must specify the day, time and place the meeting and may be given in writing or electronically.
- c) When the Chair considers that a matter of sufficient urgency exists, the Chair may call a Directors' meeting on less than seven days' notice. The Directors may ratify the calling of the Directors' meeting at short notice at the Directors' meeting.

7.5 Quorum

- a) A quorum of the Board consists of a majority of the Directors and any Alternate Directors.
- b) If the number of Directors is reduced below the number required to constitute a quorum of the Board, the continuing Directors may act only to increase the number of Directors to the number sufficient to constitute a quorum or to convene a general meeting of the company.

7.6 Chair

The chair at each Board meeting will be the Chair unless:

- a) if the Chair is not present within 15 minutes after the time appointed for the meeting or there is no Chair, the chair will be the Vice-Chair; or
- b) if the Chair and the Vice-Chair is not present or the Vice-Chair is unwilling to act, the chair will be a Director elected by the Directors present at the meeting.

7.7 Committees and specific purpose groups

- a) The Board may delegate any of its powers and functions to one or more committees appointed by the Board consisting of such Director or Directors as the Board thinks fit.
- b) Any committee appointed by the Board will comply with the Board's directions.
- c) A Committee may meet and adjourn as it thinks fit. Each Committee member will be entitled to one vote at a Committee meeting. Questions arising at any Committee meeting will be determined by a majority of votes of the members of the Committee present, and in the case of an equality of votes, the chair of the Committee will have a second or casting vote.
- d) The Board may appoint specific purpose groups to provide recommendations or advice to the Board. Any such group appointed by the Board will comply with the Board's directions.

7.8 Validity of acts

All acts done by the Board, a Committee, Director or Alternate Director will, despite it subsequently appearing that there was some defect in their appointment, election or qualification, or that any Director or Alternate Director was disqualified or had vacated office at the time of the act, be as valid as if every such person had been duly appointed and qualified to act.

7.9 Resolutions between meetings of Directors

- a) The Board may adopt resolutions between meetings if a majority of Directors approves the resolution within three business days of notification of the proposed resolution. Approval or disapproval of a proposed resolution may be communicated in writing. As soon as a majority of Directors has notified their approval the resolution shall be adopted.
- b) The terms of any resolution adopted between meetings must be recorded in the Minute Book.

8 Chapters and Practice Groups within Australia

8.1 Establishment of Chapters and Practice Groups

The Board may establish or cause to be established Chapters and Practice Groups in any city, town, state or regional area within Australia.

8.2 Role and Functions of Chapters

- a) The role and functions of Chapters established by LEADR are to cooperate with the Board in furthering the Objects of LEADR in the designated areas for which they are established by the Board.
- b) Chapters may use the LEADR name and enjoy such other benefits as may be provided or agreed by the Board.
- c) Members of each Chapter must endeavour to ensure that the Chapter to which they belong acts consistently with LEADR's Constitution, Objects and the by-laws, and policies of the Board.
- d) By the end of November each year, each Chapter must hold an annual meeting at which a Chapter Committee which will coordinate the activities of the Chapter is appointed or elected as appropriate.
- e) At the first meeting of the Chapter Committee after its annual meeting, the members of the Chapter Committee will appoint a Chapter Chair or Chapter Convenor and Members to other positions as they think fit.
- f) The Chapter Chair or Convenor or the Chapter Committee will provide LEADR with written records of their meetings which shall include the date of the meeting, attendees and decisions made.

8.3 Role and functions of Practice Groups

The role and function of Practice Groups will be to convene and operate under the auspices of LEADR and with the assistance of the Board, without having to adopt any formal structure. They may identify themselves as affiliated to LEADR and enjoy such other benefits as may be provided or agreed by the Board.

9 Organisations in countries other than Australia

- a) The Board may establish and or affiliate with groups or organisations which have objects similar to those of LEADR.
- b) The Board may negotiate agreements with such groups or organisations according to the needs and legal framework of the country in which the group or organisation is or is to be established which set out the nature of the relationship including the terms on which the LEADR name may be used, financial arrangements and the cooperation, support and assistance that LEADR and the organisation will afford each other.

10 Payments

- a) Subject to 10(b), none of the income or property of LEADR may be directly or indirectly paid or transferred in any way to the Members, whether by way of dividend, bonus or otherwise, but must be applied solely to the promotion of the Objects of LEADR as set out in this Constitution.
- b) Subject to 10(c), nothing in 10(a) prevents any payment in good faith of:
 - i. reasonable and proper remuneration to any officers, employees or Members of LEADR for services rendered to LEADR or for goods supplied in the ordinary course of business;
 - ii. interest to a Member (including a Director) on money borrowed by LEADR from any Member (including a Director) of LEADR, at a rate set on the date of the loan not exceeding the lowest rate offered for 12 month term deposits by the bank with which LEADR has accounts at the time; and
 - iii. reasonable and proper rent for premises made available to LEADR by any Member (including a Director) of LEADR.
- c) No payment may be made to a Director or Alternate Director apart from payments made in good faith:
 - i. for out-of-pocket expenses incurred by a Director or Alternate Director in carrying out the duties of the Director, which may be in the form of a per diem allowance, where the amounts payable do not exceed an amount previously approved by the Board;
 - ii. for any service rendered to LEADR by the Director or Alternate Director in a professional or technical capacity, other than in the capacity of Director, the provision of which has the prior approval of the Board and where the amount payable is reasonable and is approved by a resolution of the Board; and
 - iii. of any salary or wage due to a Director or Alternate Director as an employee of LEADR, where the terms of employment have been approved by a resolution of the Board.

11 Seal

- a) The Board will be responsible for the Seal.
- b) The Seal will only be used by the authority of the Board or an authorised Committee of the Board.
- c) Every document to which the Seal is affixed will be signed by two Directors, a Director and a Secretary, or in such other manner as the Board by resolution approves.

12 Accounts

- a) The Board will ensure proper accounting and other records are kept detailing the sums of money received and expended by LEADR, the matters in respect of which such money has been received and expenditure incurred and the property, credits and liabilities of LEADR.
- b) The accounts will be open to the inspection of the Members at a time and in a manner approved by the Board.
- c) At least once a year, the accounts of LEADR will be audited by a properly qualified Auditor appointed by LEADR. The duties of the Auditor will be regulated in accordance with the Act.
- d) The Auditors will report to the Members in accordance with the provisions of the Act.
- e) The Board will distribute or make available electronically to the Members copies of the annual profit and loss account; the balance sheet (including every document required by law to be attached); and the Auditor's report as required by the Act.
- f) The Board will present to each Annual General Meeting the annual financial reports, the Directors' report and the Auditor's report.

13 Indemnity and insurance

- a) Clause 13 applies to every Director, Alternate Director, Auditor, Secretary and other officer for the time being of LEADR.
- b) LEADR must indemnify out of the assets of LEADR on a full indemnity basis and to the full extent permitted by law, each person referred to in clause 13 (a) for all losses or liabilities incurred by the person as an officer of LEADR including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred:
 - i. in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted; or
 - ii. in connection with an application, in relation to those proceedings, in which the court grants relief to the person under the Act.
- c) LEADR may pay or agree to pay, whether directly or through an interposed organisation, a premium for a contract insuring a person who is or has been a Director, Alternate Director, Secretary or executive officer of LEADR against liability incurred by the person in that capacity, including a liability for legal costs, unless:
 - i. LEADR is forbidden by statute to pay or agree to pay the premium; or
 - ii. the contract would, if LEADR paid the premium, be made void by statute.

14 Notice

- a) Any notice required by law or by or under the Constitution to be given to any Member will be given by:
 - i. serving it on the Member personally;
 - ii. sending it by post to the Member's registered address, or to the address, if any, supplied by the Member for the giving of notices; or
 - iii. sending it to the Member's fax number or electronic address, if the Member has nominated one to LEADR for receipt of notices.
- b) A notice hand-delivered or sent by post, facsimile or electronically is taken as having been given by LEADR and received by the Member on the next business day after it has been delivered or sent.
- c) Notice of every general meeting, including the Annual General Meeting, will be given to:
 - i. every Member except those Members for whom LEADR has no postal, fax or email address for the giving of notices to them;
 - ii. each Director; and
 - iii. the Auditor or Auditors.
- d) No other person will be entitled to receive notices of general meetings.
- e) Except where otherwise expressly required all notices and other communications may be given electronically, and all Members, Directors and office bearers entitled to attend any meeting or cast any vote need not do so in person but may do so by electronic means if the Board has made such electronic means available.

15 By-laws

- a) The Board will have power from time to time to make and amend by-laws as are in its opinion necessary and desirable for the proper control, administration and management of LEADR's affairs, members, operations, finances, interests, effects and property.
- b) The Members in general meeting may amend or repeal any by-law made by the Board.
- c) A by-law will:
 - i. be subject to the Constitution;
 - ii. be consistent with the Objects and any provision contained in the Constitution; and
 - iii. when in force, be binding on all Members and Directors and will have the same effect as the Constitution.

16 Winding up

16.1 Members to contribute

If LEADR is wound up in insolvency, every Member who is a Member at the date of the appointment of a liquidator, or who was a Member during the period of one year prior to the appointment of the liquidator, undertakes to contribute to LEADR not more than \$25 as a contribution to:

- a) the payment of the debts and liabilities of LEADR incurred prior to the date of appointment of the liquidator;
- b) the costs, charges and expenses of winding up; and
- c) the adjustment of the rights of the Members among themselves.

16.2 Surplus of assets

- a) On the winding up or dissolution of LEADR, any property remaining after satisfaction of all of its debts and liabilities, must be given or transferred to one or more funds, authorities or institutions:
 - i. which have objects similar to the Objects of LEADR; and
 - ii. whose constitutions prohibit distributions or payments to its members to an extent at least as great as in clause 10 of the Constitution.
- b) Any distribution of surplus assets must be:
 - i. approved by the Members by ordinary resolution at or before the date of the winding up or dissolution or, in the absence of such approval, by any Supreme Court; and
 - ii. endorsed as income tax exempt by the Commissioner of Taxation.

17 ASIC conditions

Clauses 2.2, 10, 12 and 18.2 of the Constitution contain conditions upon which a licence was granted by Section 383 of the Corporations Law (as in force prior to 1 July 1998).

For the purposes of preventing any evasion of the provisions of those clauses, ASIC may from time to time impose further conditions on LEADR.

18 Interpretation of and alterations to the constitution

18.1 Interpretation

- a) The Constitution will be understood subject to the Act. The Constitution displaces those provisions of the Act that apply as replaceable rules.
- b) Unless the contrary intention appears:
 - i. an expression used in a clause that deals with a matter dealt with by a provision of the Act has the same meaning as in that provision;
 - ii. the singular includes the plural and vice versa;
 - iii. a gender includes all genders;
 - iv. a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it, and all regulations and statutory instruments issued under it;
 - v. except in so far as a contrary intention appears in this Constitution, a word or phrase given a meaning in the Act has the same meaning in this Constitution;
 - vi. headings are for convenience only and do not affect interpretation;
 - vii. where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings; and
 - viii. a reference to writing includes typewriting, printing, telex, telegram, facsimile, email or other electronic media and other modes of representing or reproducing words in a visible form.

18.2 Alterations

- a) No addition, alteration or amendment shall be made to or in the Constitution for the time being in force without the prior written approval of ASIC.
- b) A Special Resolution making a material alteration to, or materially affecting, clauses 10, 16.6 or this clause 18.2 has no effect unless approved in writing by a Deputy Commissioner of Taxation.

19 Definitions

The meanings of terms used in the Constitution are set out below.

Term	Meaning
Act	the Corporations Act 2001 (Cth)

ADR	processes, other than judicial determination, for the prevention, management and resolution of conflicts and disputes
Alternate Director	an alternate director appointed under clause 6.9
Annual General Meeting	the general meeting held by LEADR in each financial year under clause 5.1(a)
Appeal Committee	a committee appointed by the Board under clause 4.8 to hear and determine appeals from determinations by the Board under clause 4.8
ASIC	the Australian Securities and Investments Commission
Auditor	the auditor of LEADR referred to in clause 12
Board	all or some of the Directors for the time being acting as a board
By-laws	the by-laws made under clause 15
Chair	the person appointed as chair of the Board under clause 6.7
Chapter	includes all bodies incorporated or unincorporated which the Board resolves from time to time will be Chapters of LEADR under clause 8
Chapter Chair	the chair of the Chapter Committee appointed under clause 8.2
Chapter Committee	appointed under clause 8.2
Chapter Convenor	the convenor of the Chapter Committee appointed under clause 8.2
Chief Executive Officer	the chief executive of LEADR appointed under with clause 6.1.
Committee	a committee appointed by the Board under clause 7.7
Constitution	this constitution of LEADR
Director	a person appointed or elected to the Board of LEADR under this Constitution
Financial Year	the period of 12 months ending on June 30 every year

Honorary Member	a natural person admitted as an honorary member under clause 4.4
Honorary Treasurer	the honorary treasurer of the Board appointed under clause 6.7
Investigating Committee	a committee appointed by the Board under clause 4.8 to investigate complaints or concerns in regard to a Member's conduct or membership of LEADR
Member	a person admitted to the membership of the company under the provisions of this Constitution and includes an Honorary Member
Members' Register	the register of Members which must be kept under clause 4.10
Minute Book	the book containing minutes of general meetings and Directors' meetings. The book may be a register or any other record of information
Objects	the Objects of LEADR as set out in clause 1
Organisation	any body corporate, unincorporated association, partnership or other form of group or organisation
Practice Groups	all bodies incorporated or unincorporated which the Board resolves from time to time will be Practice Groups of LEADR under clause 8.1
Seal	the common seal of LEADR and any official seal of LEADR
Secretary	a person appointed as secretary of the company under clause 6.6
Special Resolution	a resolution, of which at least 21 days notice is given and which is passed by a majority of not less than 75% the individuals that are entitled to vote on it
Vice-Chair	the vice chairperson of the Board elected under clause 6.7

By-Laws Established under Clause 15 read with Clause 4.8 d) of LEADR's Constitution

Under the powers conferred on it by clause 15 of LEADR's Constitution the Board makes the following by-laws.

1. For the investigation and determination by an Investigating Committee to which the Board has under clause 7.7 of the Constitution delegated its investigative powers, of any complaint against any Member or any concern in regard to a Member's conduct or membership of LEADR.
2. For the conduct and determination of disciplinary proceedings and action by the Board arising out of any determination of an Investigation Committee.
3. For appeals against determinations and disciplinary action by the Board.

1. Investigation

- a) If a complaint has been made against a Member or any other concern has arisen in regard to a Member's conduct or membership of LEADR, and the Board has determined under clause 4.7 e) of the Constitution that the complaint or concern is not suitable for informal resolution or resolution by ADR, the Board may refer the complaint or concern to an Investigation Committee to which it has delegated its powers of investigation under clause 7.7 of the Constitution.
- b) On receipt of a reference under a) the Investigating Committee will give notice to the Member whose conduct the Board has determined should be investigated by the Investigating Committee, specifying the nature of the matter to be investigated, and all the facts and contentions that the Investigating Committee considers material to its investigation.
- c) The Member will be given a reasonable opportunity to present in such manner as the Investigating Committee may determine, such facts and submissions as the Member may wish to place before it in relation to the matter being investigated.
- d) The rules of evidence will not apply to investigation by an Investigation Committee.
- e) The Investigating Committee will determine by majority whether the facts in regard to the matter under investigation constitute grounds for any action against the Member, and will record its determination and its reasons for that determination in writing.
- f) A copy of the Investigation Committee's determination and reasons will be provided to the Member and to each Director the Board.

2. Action following Investigation Committee's Determination

- a) If the Investigating Committee has determined that there are grounds for action against the Member, the Board will send its determinations and its reasons to the Member. From time of receipt, the Member will have fourteen within which to provide the Board in such manner as the Board may determine, with facts and submissions relevant to any action the Board might take consequent upon the Investigating Committee's determination.
- b) Upon receipt of any facts and submissions provided to it by the Member the Board will determine by majority whether or not to terminate the Member's membership of LEADR or take other disciplinary action against the Member, and if so what that disciplinary action should be, and will record its determination and its reasons for that determination in writing.
- c) A copy of the Board's determination and reasons will be served on the Member together with a notice advising the Member that the Member may within fourteen days after receipt of the Board's determination lodge with the Board a notice of appeal against the Board's determination.
- d) If the Member does not within fourteen days after receipt of the Board's determination serve on the Secretary a notice of appeal against the Board's determination, the Board's determination will be final and the Board will give effect to that determination.
- e) The rules of evidence will not apply to the consideration and determination by the Board of the Investigating Committee's determination and whether the Board should terminate the Member's membership or take disciplinary action against the Member, and if so what the disciplinary action should be.

3. Appeals

- a) A Member whose membership of LEADR the Board has determined to terminate or against whom the Board has determined to take disciplinary action, may within fourteen days of receiving a copy of the Board's determination lodge with the Secretary a written notice of appeal specifying the grounds of appeal against the Board's determination together with the submissions the Member makes in support of the appeal.
- b) Upon receipt of a written notice of appeal and any submissions the Secretary in consultation with the Chair will convene an Appeal Committee of three Members of LEADR none of whom will be a member of the Board.
- c) The Appeal Committee will consider the Investigating Committee's determination and reasons, the Board's determination and reasons and the Member's grounds of appeal and submissions, together with any other material that it may call for.
- d) The Appeal Committee will not be obliged to conduct a hearing or receive oral submissions nor will the rules of evidence apply to its deliberations.
- e) The Appeal Committee will determine the appeal by allowing it in whole or in part, in which event it will set aside the Board's determination in regard to disciplinary action and substitute its own determination as the determination of the Board; or dismiss the appeal.

- f) The Appeal Committee will record its determination in writing with reasons, and will furnish the Secretary with a copy of the determination. The Secretary will provide the Member with a copy of the determination which will constitute formal notification of the outcome of the appeal and of the disciplinary action to be taken by the Board, if any.
- g) The Board will give effect to the Appeal Committee's determination.

4. General

- a) Costs of an investigation, disciplinary proceedings or appeal will not be ordered or required to be paid by the Member, Investigating Committee, Board or Appeal Committee.
- b) The Board indemnifies Members of any Investigating Committee and Appeal Committee against any claim or liability that may arise out of their performance of their functions or action taken by the Member.
- c) Any notice required to be given under these By-laws is deemed to be properly given if sent by registered post to the last address advised by the Member to whom it is addressed.
- d) Upon the determination of an appeal, or the expiration of the time within which notice of appeal must be given by the Member, the Board may publish in such manner as it decides, the terms of disciplinary action taken against the Member.
- e) Pending the final determination of any investigation or disciplinary proceedings, confidentiality will, subject to clause 4.7 k) of the Constitution, be maintained in regard to the investigation, the disciplinary proceedings and the appeal, if any.