

# Template rules for a charitable unincorporated association

These template rules have been developed by the Australian Charities and Not-for-profits Commission (ACNC) with Justice Connect Not-for-profit Law and in close consultation with the ATO, state and territory government agencies and a number of professional advisors.

These template rules must be read in conjunction with our guidance regarding unincorporated associations.

## Who can use these rules?

These template rules are intended to be used as a starting point for an unincorporated association that is seeking to be registered as a charity with the ACNC and therefore be eligible to apply for charity tax concessions and other benefits. In this document we use the word “association” to refer to unincorporated associations only, not incorporated associations.

The template rules are not intended for associations seeking to incorporate under state or territory laws, as each state and territory has its own rules and requirements (particularly for charitable purposes and fundraising).

If you intend incorporating, we recommend you consider the model rules for your state or territory and the [ACNC’s template constitution for a charitable purpose company limited by guarantee](#). Read more about template governing documents at [www.acnc.gov.au/templates](http://www.acnc.gov.au/templates).

## Who these rules may be suitable for

These template rules may be useful for a small, member-based organisation which is governed by a **committee**, chiefly does it work through volunteers, has minimal assets and does work which has minimal risk. The rules are not suitable for organisations with corporate members (eg. members that are companies).

## How to use these rules

Legally, an unincorporated association is not required to have any governing rules. However, many do, because they are helpful practically, and will greatly assist the association to meet ACNC registration requirements. We have marked the rules you need to include to register with the ACNC with an asterisk (\*) and highlighted them in blue.

Once adopted, these template rules become the association’s governing document, establishing a governance structure and some processes for decision-making and member involvement. **Clauses that will assist the organisation to meet ACNC registration requirements are marked with an asterisk.** Additional clauses may be also be added, such as to allow for proxies or postal ballots.

The rules should include the most important rules which govern the association. Other matters can be covered in policies or by-laws.

## Important Information

These template rules are for general information purposes only. **Charities should use these rules as a guide only, and adopt rules that are suitable for their own needs and circumstances.**

Seek professional advice if you need help understanding these rules or to decide whether these rules (and this legal structure) are right for your charity. The [ACNC’s general disclaimer](#), which is set out on the ACNC’s website, applies to these template rules. These rules reflect the law as at 3 March 2016.

# Checklist: Preparing to use the template rules

If you wish to adopt these rules for your unincorporated association before you apply to register with the ACNC, you will need to consider the issues set out in this checklist.

More information can be found at [acnc.gov.au/unincorporatedassociations](https://www.acnc.gov.au/unincorporatedassociations).

## Do you know, or have you decided:

### ☐ **The name of your association and Australian Business Number (ABN) (cover page and rule 2)**

While you do not need an ABN to set up an association, you do need an ABN of the appropriate type before you apply for registration with the ACNC. See [www.acnc.gov.au/applytoregister](https://www.acnc.gov.au/applytoregister).

### ☐ **The state or territory where your association is located (rule 2)**

The laws of this state or territory will apply to your association.

### ☐ **Your association's charitable purpose(s) (rule 4)**

Organisations seeking registration as a charity must have a charitable purpose or purposes. Its purpose is sometimes referred to as its mission or object, but technically they can be different. See our guidance on [charitable purposes, as set out in the Charities Act 2013](#) and [examples of charitable purposes in governing documents](#).

Please note that if you are considering incorporating your association at some point in the future, it is worth considering adopting the model rules of your local state or territory incorporated associations regulator at that time. Alternatively the organisation could incorporate as a company limited by guarantee under Commonwealth law. We recommend reviewing the ACNC's [template constitution](#) for these companies.

### ☐ **When your association's financial year runs (rule 6)**

The default financial year in the template rules is 1 July to 30 June. If your association's financial year is different, as a registered charity you must apply to the ACNC for a [different \('substituted'\) accounting period](#).

### ☐ **How many committee members your association has (rule 12)**

The template has a default of a minimum of three **committee** members. The ACNC suggests there be at least three as a basis for good governance.

### ☐ **Whether you have or want to register for deductible gift recipient (DGR) status (optional rule)**

A limited number of charities may be eligible to apply for DGR status. Some DGR-types need to be registered with the ACNC. If you want to keep or register for DGR status, there are additional legal requirements for your rules. See our [DGR](#) factsheet and the [ATO's guidance on DGR endorsement](#).

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## ASSOCIATION RULES OF [NAME OF ASSOCIATION]

### Guidance notes

These explanatory notes are for guidance only and do not form part of the rules. Please delete from your rules.

These rules are intended for unincorporated associations (associations that have not adopted an incorporated structure).

# ASSOCIATION RULES OF

### What are rules?

These rules are a set of statements agreed on by members of the association, and it is intended that members will be bound by (must follow) these rules. These rules contain a statement (rule 2.4) that it is intended that these rules create a legal relationship between the members. These rules can be enforced against members.

While, legally, an unincorporated association is not required to have written governing documents, many do because they are helpful practically and will assist the association to demonstrate it complies with ACNC requirements.

**[name of association]**

An organisation needs an ABN to apply to be registered as a charity. Visit the Australian Business Register at [www.abr.gov.au](http://www.abr.gov.au)

Australian Business Number (ABN) [ABN]

An unincorporated association

Rule 1 defines the meaning of some words and phrases in the template rules. If a word or phrase is defined in rule 1, it will be in bold wherever it appears in the template rules.	<p><b>1. *Definitions</b></p>
	1.1 In these rules, words and phrases have the meaning set out below:
	<b>ACNC</b> means the Australian Charities and Not-for-profits Commission.
	<b>ACNC Act</b> means <i>Australian Charities and Not-for-profits Commission Act 2012</i> (Cth) as amended from time to time.
	<b>AGM</b> means annual general meeting.
	<b>association</b> means the unincorporated association described in rule 2.
	<b>committee and committee member(s)</b> means the association's <b>committee</b> of management and the members of the <b>committee</b> of management respectively (see rule 12.2).
	<b>general meeting</b> means the meetings of members of the association as described in rule 15, consisting of AGMs and special general meetings.
	<b>purposes</b> means the charitable purposes of the association as described in rule 4.1.
	<b>registered charities</b> means charities registered with the ACNC.
	<b>special resolution</b> means a resolution of members:
	<ul style="list-style-type: none"> <li>• of which at least 21 days' notice of the meeting at which it will be considered has been given to members, and</li> </ul>
	<ul style="list-style-type: none"> <li>• that is passed at a general meeting by 75% or more of the members voting (who are eligible to vote), voting in favour of it.</li> </ul>
<p><b>Preliminary</b></p> <p>The preliminary rules (rule 2) set out your association's name, legal structure, that it is intended to be charitable and that the rules are intended to be binding on its members.</p>	<p><b>2. *Preliminary</b></p>
The association's legal name is the name specified in the association's rules and on the Australian Business Register (the name under which it applied for an ABN). The legal name will also be published on the ACNC	2.1 The name of the <b>association</b> is [name of association].

Register. You can check on the ASIC and ABR websites to see if the name you want for your association is similar to the names of any existing organisations.	
	2.2 The <b>association</b> is unincorporated.
	2.3 The <b>association</b> is established to be, and continue as, a charity.
<p>This rule confirms that by accepting membership of the association that the members agree to be bound by these rules. If the rules are binding on members, then action can be taken to enforce them, in state or territory courts.</p> <p><b>IMPORTANT:</b> Members must agree to support the purpose of the association and be bound by the rules when they join the association, (see rule 10.1).</p>	2.4 These rules are intended to be binding on members of the <b>association</b> and enforceable by courts in [name of state or territory].
	<b>3. *Alteration of rules</b>
A <b>special resolution</b> in these rules is set out in the definitions above.	3.1 Subject to rule 3.2 below, these rules may be changed, added to, or replaced by <b>special resolution</b> of the <b>association's</b> members at a <b>general meeting</b> . This includes a change to the <b>association's</b> name.
	3.2 The members must not pass a <b>special resolution</b> that amends these rules if passing it causes the <b>association</b> to no longer be a charity.
	<b>4. *Charitable purposes and not-for-profit status</b>
<p>The ACNC provides <a href="#">examples of charitable purposes</a> that you can use as a guide when writing your purpose or purposes.</p> <p>The purpose is very important, as it is the reason that the association exists and is what its activities work towards achieving. <a href="#">Governance standard 1</a> requires all charities that are registered with the ACNC to show that they have a charitable purpose. Including your charitable purpose in your constitution helps it to meet this requirement of governance standard 1.</p>	<p>4.1 The <b>association</b> will pursue the following charitable purposes: [purposes of association]</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____.</p>

	4.2 The <b>association</b> may do all things that help it to achieve these <b>purposes</b> , in accordance with these rules.
	4.3 The <b>association</b> and its <b>committee</b> may only do things and use the income and assets of the <b>association</b> (including those held on trust for the association or its <b>purposes</b> ) for the <b>purposes</b> .
	4.4 The <b>association</b> must operate consistently with legal requirements for <b>registered charities</b> .
<b>IMPORTANT:</b> An association that is a registered charity must operate on a not-for-profit basis. See our guidance on the meaning of <a href="#">not-for-profit</a> . This is also required by governance standard 1.	4.5 The <b>association</b> must not distribute any income or assets, directly or indirectly, to its members.
	4.6 Rule 4.5 does not stop the <b>association</b> from doing the following things, provided they are done in good faith (fairly and honestly):
	i. paying a member for goods or services they have provided or expenses they have properly incurred at fair and reasonable rates or rates more favourable to the <b>association</b> , or
	ii. making a payment or providing a benefit to a member in carrying out the <b>association's</b> charitable purpose(s).
	<b>Indemnity</b>
<p>This rule provides some protection to members of an association, where they have personally incurred debts or liabilities. They can be paid from assets held for the association, but only in certain situations.</p> <p>For unincorporated associations, personal liability is an important issue, so it is worth considering getting independent legal advice.</p>	<p>4.7 To the extent possible under law, members (including <b>committee members</b>) are entitled to be indemnified out of the assets held for the <b>association</b> for any debts or liabilities incurred personally by a member when acting on behalf of the <b>association</b>, so long as the member was:</p> <ul style="list-style-type: none"> <li>i. authorised by the <b>association</b> to take that action, and</li> <li>ii. acting in good faith (fairly and honestly) and in the best interests of the <b>association</b>.</li> </ul>
This indemnity continues after the member has left the association.	4.8 This indemnity is a continuing obligation and is enforceable by a person even if that person is no longer a member of the <b>association</b> . This indemnity only applies to the extent that the person is not otherwise entitled to be indemnified and is not actually indemnified by another person (including an insurer under an insurance policy).

	4.9	To the extent permitted by law, and if the <b>committee</b> considers it appropriate, the <b>association</b> may pay or agree to pay a premium for a contract insuring a person who is or has been a member of the <b>association</b> (including a <b>committee member</b> ) against any liability incurred by that person as a member of the <b>association</b> (including as a <b>committee member</b> ).
	<b>5.</b>	<b>* Funds and assets</b>
It is good governance to have policies about how money and other assets are managed and controlled.	5.1	The <b>committee</b> must establish policies about the holding and management of funds and assets on behalf of the <b>association</b> or its <b>purposes</b> , and that set out who oversees these funds and assets and who can make decisions about them.
A trust may be set up to hold assets.	5.2	The <b>association</b> must satisfy any obligations that apply to the use of assets over which a trust exists.
	5.3	The <b>association</b> can receive funding from:
	i.	joining and annual membership fees
	ii.	donations
	iii.	grants
	iv.	fundraising
	v.	interest, and
	vi.	any other lawful sources approved by the <b>committee</b> that are consistent with furthering the <b>association's purposes</b> .
	<b>6.</b>	<b>* Financial year</b>
This is the year the ACNC requires charities to report on, in their Annual Information Statements. If your charity uses a different period you need to apply to the ACNC for approval. <a href="#">Read more about reporting to the ACNC.</a>	7.1	The financial year of the <b>association</b> is from [1 July] to [30 June], unless the <b>committee</b> passes a resolution to change the financial year.
	<b>7.</b>	<b>* Record-keeping</b>
The association will have obligations as a registered charity (under ACNC and tax laws) to keep records.	7.1	The association must make and keep written financial records that: <ul style="list-style-type: none"> <li>i. correctly record and explain the <b>association's</b> transactions and financial position and performance, and</li> <li>ii. enable true and fair financial statements to be prepared and to be audited.</li> </ul>
	7.2	The <b>association</b> must also keep written records that



		correctly record its operations, and be able to produce these records if required by law.
	7.3	The <b>association</b> must retain its records for at least seven years, or as otherwise required by the <b>ACNC Act</b> or any other laws that may apply (for example, taxation law).
	7.4	The <b>committee members</b> must take reasonable steps to ensure that the <b>association's</b> records are kept safe.
	<b>8.</b>	<b>*Contracts</b>
The association can only enter into a contract in the collective names of three or more individuals appointed by the <b>committee</b> .	8.1	As an unincorporated association, the <b>association</b> cannot enter into contracts in its own name but only in the collective names of three or more individuals appointed by the <b>committee</b> .
	8.2	The individuals who enter into the contract under the previous rule may elect to re-execute a contract if one or more of the individuals is no longer a member of the <b>association</b> , in which case the <b>committee</b> shall point one or more individuals in their place.
	<b>9.</b>	<b>* Membership</b>
People who support the purposes of the association must apply to join, and also agree to have these rules apply to them.  <b>IMPORTANT:</b> If you are only going to have one member or a complex membership structure, you should get professional advice to adapt the template rules to your circumstances.	9.1	Anyone who supports the <b>purposes</b> and agrees to be bound by these rules can apply to join the <b>association</b> as a member.
The <b>committee</b> decides the process for managing applications (including whether there are membership fees and if there are any special requirements (such as being over 18)) as well as deciding individual applications.	9.2	The <b>committee</b> decides the process for receiving and approving or rejecting membership applications.
	9.3	After the <b>committee</b> has approved or rejected a membership application, <b>the committee</b> must write to the applicant as soon as possible to tell them whether their application was approved or rejected. If an application is rejected, the <b>association</b> does not have to give reasons.
A membership fee can be charged, if	9.4	The <b>committee</b> can propose to set or change joining fees and membership fees for members. Joining and

agreed by the <b>committee</b> .	membership fee proposals must be approved by a majority of members voting at a <b>general meeting</b> .
	9.5 Members must pay any membership fee and any unpaid joining fee within one month of being asked. If a member does not pay in time, their membership may be suspended by the <b>committee</b> . If the member does not pay all amounts owing within six months of their membership being suspended, their membership may be cancelled by the <b>committee</b> .
	9.6 When membership is suspended, a member cannot exercise their members' rights such as voting at a <b>general meeting</b> .
A person may stop being a member in certain situations.	9.7 A person immediately stops being a member if: <ul style="list-style-type: none"> <li>i. their membership is cancelled under these rules</li> <li>ii. they resign by writing to the <b>committee</b>; or</li> <li>iii. they die.</li> </ul>
	9.8 If a member resigns, the <b>association</b> is not required to refund any joining and membership fees already paid.
	<b>10. * Register of members</b>
A register of members is a record of member details that the association must keep current. Members can request access to the register.	10.1 The <b>association</b> must maintain a register of members.
	10.2 Members' names and contact details (an email address is sufficient instead of other contact details, if the <b>committee</b> approve this) must be entered in the register of members when membership is approved. A person becomes a member when their name is entered on the register.
	10.3 The <b>committee</b> must record the date that a person stops being a member of the association in the register of members as soon as possible after the person stops being a member.
	10.4 If a member requests that access to their details on the register of members be restricted, the <b>committee</b> may decide whether access will be restricted and will notify the member of this.
	<b>11. * Members' access to documents</b>
Members can ask the <b>committee</b> to inspect or make copies of the association's register of members,	11.1 A member may make reasonable requests to inspect (at a reasonable time) the:

rules, or minutes of general meetings. They can also ask for copies.	<ul style="list-style-type: none"> <li>i. rules of the <b>association</b></li> <li>ii. <b>general meeting</b> minutes, and</li> <li>iii. register of members.</li> </ul>
	11.2 A member may make reasonable requests for copies of the documents requested under rule 11.1. The <b>association</b> can charge a reasonable fee for providing copies.
Members can only use the information in these records for lawful and proper purposes.	11.3 Members may only use information that is accessed in accordance with rules 11.1 or 11.2 for lawful and proper purposes related to the <b>association</b> .
	11.4 Subject to rule 11.5, the <b>association</b> must provide access to documents or copies requested under rules 11.1 and 11.2 within a reasonable time.
	11.5 The <b>association</b> can refuse to provide access or copies, or provide only limited access, if the documents contain confidential, personal, employment, commercial or legal matters, or if granting the request would breach a law or could cause damage or harm to the <b>association</b> , or if the request is otherwise unreasonable.
	11.6 Members cannot inspect or get copies of <b>committee</b> meeting minutes or parts of the minutes, unless the <b>committee</b> specifically allows it.
	<b>12. * The committee</b>
<p>The <b>committee</b> members of a charitable association are the people responsible for overseeing the association's activities and making sure it works towards achieving its charitable purpose. They must also make sure the association meets its ethical, legal and financial obligations.</p> <p>The ACNC includes <b>committee</b> members as '<a href="#">responsible persons</a>' (also called 'responsible entities' under the ACNC Act).</p>	12.1 The <b>association</b> is governed by the <b>committee</b> that is made up of <b>committee members</b> . The role of the <b>committee</b> is to ensure that the <b>association</b> is responsibly managed and pursues its <b>purposes</b> .
	12.2 The <b>committee</b> can exercise all powers and functions of the <b>association</b> (consistently with these rules, relevant Australian laws and requirements for <b>registered charities</b> ), except for powers and functions that the members are required to exercise at a <b>general meeting</b> (under these rules, relevant Australian laws or requirements for <b>registered charities</b> ).

	12.3	The <b>committee</b> can delegate any of its powers and functions to a <b>committee member</b> , a sub- <b>committee</b> , a staff member or a member, other than the power of delegation or a duty that applies to the <b>committee</b> or particular <b>committee member</b> under Australian laws.
	12.4	<b>Committee members</b> are elected by a ballot of members of the <b>association</b> at a <b>general meeting</b> .
<b>While not a legal requirement, the ACNC recommends that there be a minimum of three committee members, for good governance.</b> Consider the needs of your group, how many members it has, and its responsibilities in deciding.	12.5	The <b>committee</b> is made up of a minimum of three <b>committee members</b> .
	12.6	At the first <b>committee</b> meeting after each <b>AGM</b> , the <b>committee</b> must appoint a <b>committee member</b> as Chair.
	12.7	The <b>committee</b> may appoint and remove <b>committee members</b> to and from any positions (such as Chair, President, Deputy President, Treasurer and Secretary) and decide their responsibilities in those roles.
	12.8	Each <b>committee member</b> finishes their time on the <b>committee</b> at the end of the next <b>AGM</b> after they were appointed, but they can be elected again.
Because general meetings may be held using technology (under rule 16), <b>committee members</b> can be elected in various ways, for example, by using an online poll during an annual general meeting that is held by web conference.	12.9	A member can nominate to be on the <b>committee</b> by writing to the <b>committee</b> or at a <b>general meeting</b> where an election for the <b>committee</b> is held. Another member must support their nomination.
You may want to add extra requirements for <b>committee members</b> of your charity in the rules, or have a policy which sets out the ideal mix of skills and experience you will seek to have on the board for good governance. You can then appoint or seek nominations for people with these skills and experience.  For more information on choosing suitable <b>committee members</b> for	12.10	To be eligible to be a <b>committee member</b> , a person: <ul style="list-style-type: none"> <li>i. must not be ineligible to be a responsible person under the ACNC Act</li> <li>ii. must be nominated under rule 12.9</li> <li>iii. must give the <b>association</b> their signed consent to act as a <b>committee member</b> of the <b>association</b>, and</li> <li>iv. must be a member of the association at the time of their nomination, appointment, and for the duration of their time on the <b>committee</b>.</li> </ul>

<p>your charity, see:</p> <ul style="list-style-type: none"> <li>• <a href="#">Choosing a new board member</a></li> <li>• <a href="#">Disqualification from being a responsible person</a></li> </ul>	
	<p>12.11 If the number of eligible applicants nominated to be <b>committee members</b> is equal to the number of <b>committee members</b> required, the chair may declare the positions filled without holding a ballot.</p>
	<p>12.12 A <b>committee member</b> stops being on the <b>committee</b> if they:</p> <ul style="list-style-type: none"> <li>i. resign, by writing to the <b>committee</b></li> <li>ii. stop being a member of the <b>association</b></li> <li>iii. are removed by a resolution of members of the <b>association</b></li> <li>iv. are absent without the consent of the <b>committee</b> from all meetings of the <b>committee</b> held during a period of six months</li> <li>v. become ineligible to be a responsible entity (<b>committee member</b>) under the <b>ACNC Act</b>, or</li> <li>vi. die.</li> </ul>
	<p>12.13 If a <b>committee member</b> stops being on the <b>committee</b> before the next <b>AGM</b>, the <b>committee</b> can temporarily appoint a member of the <b>association</b> to fill the vacancy on the <b>committee</b> until the next <b>AGM</b>.</p>
	<p><b>13. * Duties of the committee</b></p>
<p>This rule confirms that the <b>committee</b> is responsible for the minutes of meetings, keeping records, and ensuring association documents are available to members.</p>	<p>13.1 Among its other responsibilities, the <b>committee</b> is responsible for making sure that:</p> <ul style="list-style-type: none"> <li>i. accurate minutes of <b>general meetings</b> and <b>committee</b> meetings are made and kept</li> <li>ii. other records are kept in accordance with rules 7.1 to 7.4, and</li> <li>iii. documents of the <b>association</b> are made available to members in accordance with rules 11.1 to 11.6.</li> </ul>
<p>This rule sets out the legal duties of <b>committee members</b>, and specifically the requirements for responsible persons of registered charities, including the duties set out in <a href="#">governance standard 5</a> of the ACNC governance standards.</p>	<p>13.2 <b>Committee members</b> must:</p> <ul style="list-style-type: none"> <li>i. comply with their legal duties under Australian laws and ensure that the <b>association</b> complies with its duties under Australian laws, and</li> <li>ii. meet the requirements for responsible entities (<b>committee members</b>) of <b>registered charities</b> and comply with the duties described in governance standard</li> </ul>

	5 of the regulations made under the <b>ACNC Act</b> which are:
Rule 14.2 (ii)(a) – (g) includes each of the requirements set out in governance standard 5. They are included here because it is important that the <b>committee members</b> understand these duties and follow them. It is the association’s duty to make sure this happens.	<ul style="list-style-type: none"> <li>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 <b>committee member</b> of the <b>association</b></li> <li>b. to act in good faith (fairly and honestly) in the best interests of the <b>association</b> and to further the charitable purpose(s) of the <b>association</b> set out in rule 4,</li> <li>c. not to misuse their position as a <b>committee member</b></li> <li>d. not to misuse information they gain in their role as a <b>committee member</b></li> <li>e. to disclose any perceived or actual material conflicts of interest</li> <li>f. to ensure that the financial affairs of the <b>association</b> are managed responsibly, and</li> <li>g. not to allow the <b>association</b> to operate while it is insolvent.</li> </ul>
	13.3 For clarity, rule 13.2(ii) is intended to require compliance with the ACNC governance standards as amended or modified from time to time.
	<b>14. * Committee meetings</b>
	14.1 A <b>committee member</b> can call a meeting by giving seven days’ notice of a meeting to <b>committee members</b> unless the meeting is an urgent meeting (in which case reasonable notice must be given).
	14.2 The <b>committee</b> can decide how often it meets, and the way in which it meets, including by allowing <b>committee members</b> to attend through technology, so long as it allows everyone to communicate.
	14.3 The Chair will chair <b>committee</b> meetings. If the Chair does not attend, the <b>committee members</b> can choose who will chair that meeting.
	14.4 A resolution is passed if more than half of the <b>committee members</b> voting at the <b>committee</b> meeting vote in favour of the resolution.
	14.5 A majority (more than half) of <b>committee members</b> must be present (either in person or through the use of technology) for the meeting to be validly held (this is the quorum for <b>committee</b> meetings).
	14.6 The <b>committee</b> can allow circular resolutions. To pass a circular resolution, each <b>committee member</b> must agree to it in writing, including by email or other electronic communication, and it is passed once the last <b>committee</b>

	<b>member</b> has agreed to it.
	<b>15. * General meetings of members</b>
A <b>general meeting</b> is a meeting of all the members, but it can only be validly held if there is sufficient notice given and there are at least 10% of members entitled to vote present at the meeting. <a href="#">Read our tips on holding meetings.</a>	15.1 <b>General meetings</b> of members can be called by the <b>committee</b> . The <b>committee</b> must call a <b>general meeting</b> if requested by a group of members making up at least 10% of members who are entitled to vote at <b>general meetings</b> . The members must state in the request any resolution to be proposed at the meeting.
	15.2 If the <b>committee</b> does not call and hold a meeting where requested to do so under rule 15.1 within two months of the request, 50% or more of the members who made the request may call and arrange to hold a <b>general meeting</b> . The meeting must be held within three months from the time the request was made and as far as possible, should follow the procedures for calling <b>general meetings</b> set out in these rules. The members are entitled to claim any reasonable expenses that they incur in calling the meeting from the assets of the <b>association</b> .
	15.3 At least 10% of the members that are entitled to vote at the meeting must be present at a <b>general meeting</b> (either in person or through technology that allows for clear and simultaneous (interactive) communication of all meeting participants, for the meeting to be held (this is the quorum for <b>general meetings</b> ).
Written notice of the meeting must be given 21 days before the meeting.	15.4 Written notice of <b>general meetings</b> must be provided to all members (and the <b>association's</b> auditor or reviewer, if one is appointed) at least 21 days before the meeting. Notice to members must be sent to the members' contact addresses listed on the register of members.
	15.5 Any notice of <b>general meetings</b> must include the meeting details (including whether the meeting is to be held in two or more places and the technology that will be used to facilitate this), proposed issues to be discussed and resolutions to be moved at that meeting.
The first annual general meeting (AGM) must be held within 18 months of the association being formed, and then annually. <a href="#">Read more about AGMs.</a>	15.6 The <b>association</b> must hold its first <b>AGM</b> within 18 months of being formed. After that the <b>association</b> must hold an <b>AGM</b> at least once in every calendar year, at which it provides reports to members about the financial position and activities of the <b>association</b> .
	15.7 The ordinary business of the <b>AGM</b> is to confirm the minutes of the previous <b>AGM</b> , receive reports and statements on the previous financial year, and elect <b>committee members</b> . The notice of the <b>AGM</b> must include any special business or resolutions to be

	considered.
	15.8 A group of at least 10% of members who are eligible to vote at a <b>general meeting</b> can propose resolutions to be voted on at a <b>general meeting</b> by writing to the <b>committee</b> advising them of the proposed resolutions, so long as requirements to notify members of the resolutions prior to the <b>general meeting</b> can be met (which will depend on the type of resolution proposed).
	15.9 Any resolution proposed under rule 15.8 must be considered at the next <b>general meeting</b> held no more than two months after the date the <b>committee</b> is notified of the request to present a resolution to members. This rule does not limit any other right that a member has to propose a resolution at a <b>general meeting</b> .
	15.10 The Chair (see rule 12.6 and 12.7) will chair <b>general meetings</b> . If the Chair does not attend, the members at the meeting can choose another <b>committee member</b> to be the chair for that meeting. The Chair is responsible for the conduct of the <b>general meeting</b> , and for this purpose must give members a reasonable opportunity to make comments and ask questions (including to the auditor or reviewer (if any)).
Each member has one vote.	15.11 Each member has one vote.
	15.12 A resolution (other than a <b>special resolution</b> ) is passed if more than half of the members present at a <b>general meeting</b> vote in favour of the resolution.
Voting is by a show of hand or written ballot, but the ballot can only be held after a show of hands if more than half of the members agree.	15.13 Votes may be held by a show of hands or written ballot, or another method that the chair decides is fair and reasonable in the circumstances. If a vote is held initially by show of hands, any member can request a vote be held again by written ballot. If a vote of the members is tied, the chair of the meeting does not have an additional, deciding vote and shall declare that the motion has failed.
This rule sets out what happens if not enough members attend or if there is not enough time to finish. A meeting can be adjourned if agreed.	15.14 The chair can adjourn the meeting if there are not enough members at the meeting (a quorum – see rule 15.3) within 30 minutes of the meeting start time, or if there is not enough time at a meeting to consider all business. A new notice must be sent to members for the adjourned meeting (but does not have to comply with time for notice requirements, unless the adjourned meeting is more than 21 days after the original meeting date). Only unfinished business may be dealt with at a resumed meeting. The chair must adjourn the meeting if a majority of members entitled to vote at the meeting direct the chair to do so.
	15.15 On a show of hands, the chair's decision is conclusive



	evidence of the result of the vote.
	15.16 The chair and the meeting minutes do not need to state the number or proportion of the votes in favour or against on a show of hands.
	<b>Dispute resolution process</b>
<p>It is not compulsory to have a rule about sorting out disputes, but it is recommended.</p> <p>Disputes happen, and a process can help resolve this appropriately.</p> <p>Read more about <a href="#">handling internal disputes</a>.</p>	<p>15.17 If there is a dispute between a member or <b>committee member</b> and:</p> <ul style="list-style-type: none"> <li>i. one or more members, and</li> <li>ii. one or more <b>committee members</b></li> </ul> <p>the parties involved must first attempt to resolve the dispute between themselves within a period of at least 14 days from the date the dispute is known to all parties involved.</p>
<p>The ACNC cannot assist with internal disputes, such as disputes between <b>committee members</b> or between the <b>committee</b> and members, unless this involves a breach of the ACNC Act or there is a serious risk.</p>	<p>15.18 If the dispute cannot be resolved between the people involved, the <b>committee</b> must be notified, and a dispute resolution process must be put in place by the <b>committee</b>. The <b>committee</b> may develop a policy regarding dispute resolution.</p>
	<p>15.19 A dispute resolution process must allow each party a reasonable opportunity to be heard and/or submit arguments in writing, and should first attempt to resolve the dispute by the parties reaching agreement. If agreement cannot be reached, the <b>committee</b> may appoint an unbiased person to decide the outcome of the dispute. The unbiased person may be a member, non-member or professional mediator who is not connected with the dispute or the people involved in it.</p>
	<b>Disciplining members</b>
	<p>15.20 The <b>committee</b> can take disciplinary action against a member of the <b>association</b> if it considers the member has breached these rules or if the member's behaviour is causing (or has caused) damage or harm to the <b>association</b>. The <b>committee</b> must follow a disciplinary process in accordance with rule 15.23. The <b>committee</b> may choose to adopt a more detailed discipline policy, dealing with issues such as rights to appeal.</p>
	<p>15.21 Disciplinary action can include warning a member, or suspending or cancelling the member's membership. It cannot include a fine. Membership cannot be suspended for more than 12 months.</p>
	<p>15.22 The <b>committee</b> must write to the member to tell them why they propose to take disciplinary action.</p>

	15.23 The <b>committee</b> must arrange a disciplinary procedure that meets these requirements:
	i. the outcome must be determined by an unbiased decision-maker (who cannot be a <b>committee member</b> ),
	ii. the member must have an opportunity to explain or defend themselves, and
	iii. the disciplinary procedure must be completed as soon as reasonably practical.
	15.24 The <b>committee</b> must notify the member of the outcome of the disciplinary procedure as soon as reasonably practical.
	15.25 There will be no liability for any loss or injury suffered by a member as a result of any decision made in good faith (fairly and honestly) under rule 15.23.
	<b>16. * Winding up</b>
An association can be wound up (closed) by its members, but only through a special resolution at a general meeting.	16.1 The <b>association</b> can be wound up by its members if the members pass a <b>special resolution</b> to wind up the <b>association</b> at a <b>general meeting</b> .
<p>An essential condition for an association or other organisation to qualify as a charity is that it be not-for-profit. Rule 19 sets out an important condition that an association must satisfy to be not-for-profit.</p> <p>To remain charitable, the distribution must be to another organisation that is charitable at law.</p> <p>Charities can choose whether the members or <b>committee</b> members decide which organisations will receive the asset distribution.</p>	<p>16.2 If the <b>association</b> is wound up, after it has paid all debts and other liabilities (including the costs of winding up), any remaining assets:</p> <ul style="list-style-type: none"> <li>i. must not be distributed to the members or former members of the <b>association</b>, and</li> <li>ii. subject to the requirements of Australian laws and any Australian court order, must be distributed to another organisation or other organisations, with similar <b>purposes</b>, which is/are charitable at law, and which is/are not carried on for the profit or personal gain of members.</li> </ul>
<p>If there is a trust, the rules about the trust assets must be followed.</p> <p>Read the <a href="#">ATO's guidance on trusts</a>.</p>	16.3 In making distributions upon winding up, the <b>association</b> must satisfy any obligations that apply to assets over which a trust exists.