

**THE CORPORATIONS LAW**  
**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**CONSTITUTION**

**OF**

**DROUGHTMASTER STUD BREEDERS' SOCIETY LIMITED**

**1. PRELIMINARY**

1.1 In this Constitution, unless the contrary intention appears, the following words will have the following meanings:-

"The Law"	The Corporations Law as amended from time to time.
"Breed"	The Droughtmaster breed of beef cattle.
"Central Zone"	That part of the State of Queensland lying between a parallel of latitude drawn through Mackay and a parallel of latitude drawn through Bundaberg.
"Board"	The Board of Directors of the Society.
"Directors"	The duly elected or appointed Directors of the Society.
"Droughtmaster"	A beef breed evolved from <i>Bos indicus</i> and <i>Bos taurus</i> cattle, the main features of which include a strong constitution, high standards of fertility, mothering ability, growth rates, docility, tick resistance, heat resistance, and other factors relevant to economic performance and which conform to the definition and to the desirable and acceptable standards of excellence contained in this Constitution and in the Regulations.
"Far Northern Zone"	That part of the State of Queensland lying north of a parallel of latitude drawn through Ingham.
"Far Southern Zone"	The whole of the States of Tasmania, and the ACT, New South Wales, Victoria and South Australia.
"Member"	A person duly nominated and accepted as a Member of the Society in accordance with this Constitution.
"Month"	Calendar month.
"Northern Zone"	That part of the State of Queensland lying between a parallel of latitude drawn through Ingham and a parallel of latitude drawn through Mackay.

"Person"	Includes:  (a) a company duly incorporated in any State or Territory of the Commonwealth. (b) a firm (or partner thereof) carrying on business as such in any State or Territory of the Commonwealth. (c) the executors or trustees of any deceased estate. (d) the trustees of any settlement or trust. (e) the Government of the Commonwealth or of any State or any Government instrumentality of any State or Territory.
"Register of Members"	The Register of Members maintained by the Society in accordance with this Constitution.
"Regulations"	The Regulations passed pursuant to this Constitution.
"The Seal"	The Common Seal of the Society.
"Secretary"	The Secretary appointed pursuant to this Constitution and where the context reasonably permits shall include any acting Secretary or Assistant Secretary appointed by the Board.
"Society"	The Droughtmaster Stud Breeders' Society Limited.
"Southern Zone"	That part of the State of Queensland lying south of a parallel of latitude drawn through Bundaberg.
"Stud"	In relation to any animal, means an animal registered by the Society.  In relation to any business, means a Droughtmaster breeding business which utilises a prefix authorised by the Society.
"Western Zone"	The whole of the States of Western Australia and the Northern Territory.
"Zone and Zones"	The zones of membership defined in this Constitution.

1.2 Reference to a Statute, Regulation or provision of a Statute or Regulation ("Statutory Provision") includes:

- (a) the Statutory Provision as amended or re-enacted from time to time; and
- (b) a Statute, Regulation or provision enacted in replacement of that Statutory Provision

1.3 Words or expressions defined in the Regulations will, unless otherwise defined in this Constitution and if the context permits, have the same meaning in this Constitution.

1.4 Words or expressions contained in this Constitution, where not separately defined in the Constitution or Regulations will be interpreted in accordance with the provisions of the following Acts and, to the extent of any inconsistency between those Acts, in the following order:

- (a) *Corporations Act 2001* (Cth); and
- (b) *Acts Interpretation Act 1901* (Cth).

## **2. LIABILITY OF MEMBERS**

- 2.1 The liability of members is limited.
- 2.2 All Commercial and Stud members of the Society undertake to contribute to the assets of the Society in the event of the same being wound up while he/she is a member or within one (1) year after he/she ceases to be a member for payment of the debts and liabilities of the Society contracted before he/she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustments of the rights of the contributors among themselves such amount as may be required not exceeding twenty dollars (\$20.00).

## **3. REPLACEABLE RULES**

- 3.1 Displacement of replaceable rules. Each of the provisions of the Law which would but for this Rule apply to the Company as a replaceable rule within the meaning of the Law are displaced and do not apply to the Company.

## **4. CLASSES OF MEMBERSHIP**

- 4.1 The members of the Society will be divided into six classes:
  - (i) Stud members;
  - (ii) Commercial members;
  - (iii) Associate members;
  - (iv) Junior members;
  - (v) Honorary members;
  - (vi) Life members;
- 4.2 The Stud members of the Society will be:
  - (a) All persons who are Stud Members of the Society immediately before the adoption of this Constitution.
  - (b) Any breeder of registered Droughtmaster cattle for stud purposes who makes application for Stud membership and who is accepted as a Stud member pursuant to this Constitution.
  - (c) Persons who:
    - (i) are actively engaged in the breeding of registered Droughtmaster cattle for stud purposes and
    - (ii) are not a breeder in their own right and are nominated by a Stud member and by whom that person is engaged and make application for Stud membership and
    - (iii) are accepted as a Stud member pursuant to this Constitution.
- 4.3 A breeder may only nominate one person in accordance with Clause 4.2 (c) of this Constitution for every fifty registered Droughtmaster female cattle owned by that breeder.

“Examples:

- (a) *a breeder with up to 49 registered Droughtmaster female cattle does not have enough registered cattle to nominate a person;*
- (b) *a breeder with 50 to 99 registered Droughtmaster female cattle may nominate 1 person; and*
- (c) *a breeder with 100 to 149 registered Droughtmaster female cattle may nominate 2 people.*

*In each example the breeder is also a Stud Member, having their own membership and voting rights.”*

4.4 The Commercial members of the Society will be:

- (a) All persons who are Commercial Members of the Society immediately before the adoption of this Constitution.
- (b) Persons who:
  - (i) are the owners of a Droughtmaster commercial herd; and
  - (ii) are nominated by a Stud member; and
  - (iii) make application for Commercial membership; and
  - (iv) are accepted as a Commercial member pursuant to this Constitution.

4.5 The Associate members of the Society will be:

- (a) All persons who are Associate Members of the Society immediately before the adoption of this Constitution.
- (b) Persons who:
  - (i) are interested in the Droughtmaster breed; and
  - (ii) have been nominated by a Stud member of the Society; and
  - (iii) make application for Associate membership; and
  - (iv) are accepted as an Associate member pursuant to this Constitution.

4.6 The Junior members of the Society will be:

- (a) All persons who are Junior Members of the Society immediately before the adoption of this Constitution.
- (b) Persons who:
  - (i) are interested in the Droughtmaster breed; and
  - (ii) are under the age of twenty-one (21) years; and
  - (iii) who do not own more than 10 registered Droughtmaster females; and
  - (iv) are nominated by a Stud member of the Society; and
  - (v) make application for Junior membership; and
  - (vi) are accepted as a junior member pursuant to this Constitution.

4.7 The Honorary members of the Society will be:

- (a) All persons who are Honorary Members of the Society immediately before the adoption of this Constitution.
- (b) Persons who, in the opinion of the Board, have advanced the interests of the Droughtmaster breed and who are conferred and accepted, by resolution of the Board, as Honorary Members. It is not necessary that any person conferred Honorary membership must be engaged in the breeding of Droughtmaster cattle.
- (c) Any educational institution which indicates interest in Honorary membership of the Society and who are accepted as Honorary members of the Society by the Secretary.

4.8 The Life members of the Society will be:

- (a) All persons who are Life Members of the Society immediately before the adoption of this Constitution.
- (b) Persons who, by resolution of the Board, are conferred and accepted as Life Members.

4.9 Any person, except those conferred and accepted as Honorary and Life Members, eligible for membership of the Society in accordance with this Constitution must apply in the form prescribed in the Regulations to the Board to be accepted to the class of membership applied for by that person.

4.10 The Board may accept or reject (without giving reasons and subject to any conditions) any applicant for membership of the Society and the decision of the Board will be final.

4.11 An individual who has:

- (a) resigned from membership of the Society;
- (b) applied for membership of the Society which has been refused; or
- (c) otherwise ceased to be a member of the Society,

will not be entitled to reapply for membership for a period of 12 months from the effective date of resignation, refusal or cessation and only after all outstanding fees, subscriptions and/or other charges have been paid to the Society. This Clause will not apply to those persons who have ceased to be a member by virtue of the operation of Clause 6.1 (g).

4.12 When an applicant has been accepted for membership, the Society must immediately notify the applicant of acceptance and invoice the applicant for all fees, subscriptions and/or other charges then due.

4.13 The applicant must by the due date stated in the invoice pay to the Society all fees subscriptions and/or other charges in the invoice and the applicant will then be a member of the Society in the Class of membership determined by the Board.

4.14 Except in accordance with Clause 6.1 (g) of this Constitution, no Member will be deemed to be unable to continue in a class of Membership to which that Member has been accepted by virtue of the fact that that Member, after acceptance, no longer meets the preconditions for qualification to that class of Membership as set out in this Constitution.

4.15 The Society must maintain a Register of Members which shall contain such information as may be prescribed in the Regulations. Members must advise the Society of any change in details recorded in the Register of Members.

## **5. ZONES OF MEMBERSHIP**

5.1 The membership of the Society shall be divided into six (6) zones being:

- (i) the Southern Zone;
- (ii) the Central Zone;
- (iii) the Northern Zone;
- (iv) the Far Northern Zone;
- (v) the Far Southern Zone; and
- (vi) the Western Zone.

- 5.2 Stud members or Commercial members of the Society shall be a member of the zone in which the stud or herd of Droughtmaster cattle is located.
- 5.3 If a Stud or Commercial member owns two or more studs or herds in different zones, that person shall elect and notify the Society which Zone membership will attach to.
- 5.4 In the event that the election referred to in Clause 5.3 is not made, the Board will elect the zone which in its opinion is the most appropriate.
- 5.5 In the event that a Stud or Commercial member acquires a stud or herd in a zone other than the elected zone or moves a stud or herd to another zone then by notice in writing to the Society, the member must advise the Society of a transfer of membership to the zone in which the stud or herd is located and the transfer will take effect immediately on receipt of the notice by the Society.
- 5.6 Associate, Junior, Honorary and Life members will be accepted to membership of the zone which in the opinion of the Secretary is the most appropriate.
- 5.7 Despite the preceding provisions of this Clause 5 any Member may make written application to the Board, not more than once in any 12 month period, to transfer their membership to another zone. Upon receipt of application the Board may determine to refuse the transfer, grant it, or grant it subject to reasonable conditions. In making its determination under this clause 5.7 the Board may have regard to:
- (a) the representations of the Member making the application;
  - (b) the representations of any other Member who may be affected by the transfer of membership;
  - (c) the location of the ordinary residence or place of business of the Member, their herd and the place in which the zone meetings of the relevant zones take place;
  - (d) the desirability of increasing or decreasing the membership of the relevant zones; and
  - (e) any other fact, matter or thing which the Board determines, acting reasonably, is relevant to the application.

## **6. CESSATION OF MEMBERSHIP**

- 6.1 Membership of the Society will cease in the following circumstances:
- (a) Where a new member has failed to pay his initial application fee within two months of notification of acceptance of membership and the Board resolves to cease the membership accordingly.
  - (b) If any fees, subscriptions and or other charges remain outstanding past the due date for payment by a member for a period of six (6) calendar months and the Board resolves to cease the Membership accordingly.
  - (c) On written notice to the Board of a member's intention to cease membership of the Society.
  - (d) A member becomes bankrupt or makes any arrangement or composition with his creditors generally and the Board resolves accordingly.
  - (e) Where the member is a Society, or incorporated entity and it goes into liquidation, receivership, official management or any scheme of arrangement and the Board resolves accordingly.

- (f) A Member becomes of unsound mind or a person whose personal estate is liable to be dealt with in any way under the law relating to mental health and the Board resolves accordingly.
- (g) At the expiration of the financial year of the Society in which a Junior member attains the age of twenty-one (21) years.
- (i) Where Membership of a Member is ceased in accordance with Clause 7.1 of this Constitution.

6.2 A person who has ceased to be a member of the Society:-

- (a) will not be entitled to any of the privileges or rights attaching to membership;
- (b) will forfeit all claims whatsoever which he may have as a member against the Society;
- (c) will remain liable for any fees, subscriptions and/or other charges due and unpaid at the date of cessation of membership; and
- (d) will have their name removed from the Register of Members.

## **7. CONDUCT OF MEMBERS**

- 7.1 (a) Every Member must strictly observe and act in conformity with the Constitution of the Society and any Regulations or lawful directions given by the Board.
- (b) Any member who does any of the following (“Objectionable Conduct”) may be called upon by the Board to cease Membership by resigning from the Society:
- (i) failing to strictly observe and act in conformity with the Constitution of the Society and any Regulations or lawful directions given by the Board;
  - (ii) engaging in conduct which is or is likely to significantly impede or substantially adversely affect the ability of the Society to attain or pursue its objects; or
  - (iii) engaging in conduct which does or is likely to bring the Society or the Breed into disrepute.
- (c) If any member engages in Objectionable Conduct and the Member does not resign membership when called upon by the Board to do so then the Board may give notice in writing of the Board’s intention to cease the Membership and must call on the Member to show cause why the Membership should not be ceased by the Board (“Show Cause Notice”).
- (d) In giving to a Member a Show Cause Notice the Board will give full details of the relevant Objectionable Conduct and nominate a date, time and place for the holding of a Board meeting where the resolution for cessation of Membership will be determined by the Board, which meeting must not be held less than thirty (30) days after the Show Cause Notice has been given.
- (e) At the Board meeting at which the resolution for cessation of Membership will be determined or any adjournment thereof the Member may at such meeting and before the passing of the resolution have an opportunity of giving orally, or in writing, any explanation or defence deemed appropriate. The Member may be represented at the

meeting and must give to the Society, not less than 48 hours notice before the time appointed for the meeting, notice of an intention to be represented and the name of the person who will represent the member.

- (f) The resolution for cessation of Membership must be passed by the Board meeting passing the resolution by at least 75% of the votes cast by the Board members entitled to vote on the resolution.
- (g) In the event that there is no attendance by the member, no written submission by the Member or if there are submissions, these are rejected by the Board, the Board may pass a resolution ceasing the Membership of the Member which resolution shall take effect thirty (30) days after having been made.
- (h) Any Member in respect of who a resolution has been passed by the Board to cease their membership may by notice in writing, delivered to the Society before the resolution takes effect elect to have the decision of the Board reviewed by the Society in General Meeting and in that event an Extraordinary General Meeting of the Society will be called for that purpose and may, by special resolution set aside the resolution of the Board (in which case the Member's membership will continue). If the resolution fails the ceasing of the membership of the Member will take effect thirty (30) days after the vote was held.
- (i) The registered cattle of a member whose membership has ceased under this Clause 7 will remain registered for a period of 6 months after the date of cessation of membership. Provided that all outstanding fees are paid, or adequate provision for their payment is made (in the sole and unfettered discretion of the Secretary) then during that 6 months those registered cattle may be transferred, and their transfer recorded, in the normal way.

## **8. FEES SUBSCRIPTIONS AND OTHER CHARGES**

- 8.1 The fees subscriptions and other charges payable by members of the Society will be such as is provided in the Regulations.
- 8.2 All fees, subscriptions or other charges will be due and payable by the due date invoiced by the Society.
- 8.3 A member will not be entitled to exercise membership rights while any fee subscription or any charge remains outstanding to the Society beyond the due date for payment.

## **9. GENERAL MEETINGS OF THE SOCIETY**

- 9.1 General Meetings of the Society will be either:-
  - (a) Annual General Meetings; or
  - (b) Extraordinary General Meetings.
- 9.2 Annual General Meetings of the Society must be convened:-
  - (a) in accordance with the provisions of the Law; and

- (b) be held between the first day of July and the thirtieth day of September in each year unless or as otherwise resolved by the Board.
- 9.3 An Extraordinary General Meeting of the Society must be convened if the Secretary:
- (a) receives a requisition in writing requiring the calling of an Extraordinary General Meeting signed by the President of the Society, or
  - (b) receives a requisition in writing requiring the calling of an Extraordinary General Meeting signed by at least twenty-five percent (25%) of the Stud members of the Society for the time being.
- 9.4 At least twenty-eight (28) days clear notice must be given, subject to the provisions of the Law relating to special resolutions and agreements for shorter notice, of all General Meetings of the Society to all persons entitled to receive notice from the Society and the notice must specify the place, the day and the hour of meeting and in case of special business the nature of that business.
- 9.5 All business transacted at any General Meeting will be special, with the exception of the consideration of the accounts, balance sheets and the report of the Board and auditors, the election of officers and other members of the Board in the place of those retiring and the appointment and fixing of the remuneration of the auditors or as may otherwise be provided by this Constitution.
- 9.6
- (a) No business will be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business.
  - (b) Except as otherwise provided, fifteen (15) Stud members present in person or by attorney, representative or proxy will be a quorum.
  - (c) If, within half an hour from the time appointed for the meeting, a quorum is not present, the meeting will lapse unless a majority of those present resolve to adjourn the meeting for a period not exceeding seven (7) days. If there is no quorum within half an hour of the time appointed for the adjourned meeting to commence, the meeting shall lapse altogether.
- 9.7 The Chairman at General Meetings will be:-
- (a) the President; or
  - (b) if there is no President or he is not present within 15 minutes after the time appointed for the holding of the meeting - the Vice President; or
  - (c) if there is no Vice President or he is not present within 15 minutes after the time appointed for the holding of the meeting - a National Director chosen from those present; or
  - (d) if there is no National Directors or one of them is not present within 15 minutes after the time appointed for the holding of the meeting - a Director chosen from those present.
- 9.8 The Chairman may, with the consent of any meeting at which a quorum is present (and must if directed by the meeting), adjourn the meeting and no business must be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 9.9 When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting must be given as in the case of an original meeting. It will not otherwise be necessary to give any notice of an adjournment or the business to be transacted at any adjourned meeting.

- 9.10 Stud, Commercial and Life members may attend and vote at a General Meeting in person or by proxy or by attorney. A Stud member who is a corporation or an incorporated association may attend and vote by its duly authorised representative who may attend in person or by his proxy or his attorney.
- “9.11 Stud, Commercial and Life members of the Society whether present personally or by representative, proxy or attorney will have one vote on a show of hands and on a poll or postal ballot voting shall be as follows:
- |                                    |   |         |
|------------------------------------|---|---------|
| Stud member                        | - | 5 votes |
| Stud member (no Registered cattle) | - | 1 vote  |
| Commercial member                  | - | 1 vote  |
| Life Member                        | - | 5 votes |
- 9.12 At any General Meeting, a resolution put to the vote at the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of a show of hands) demanded:
- (a) by the Chairman, or
  - (b) by at least three (3) Stud members present in person or by proxy.
- 9.13 When a poll is not demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect is made in the book containing the minutes of the proceedings of the Society is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 9.14 The demand for a poll may be withdrawn before the poll is taken.
- 9.15 If a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman directs, and the result of the poll shall be the resolution of the meeting at which the poll was demanded but a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith.
- 9.16
- (a) Stud members, commercial members, associate members, junior members, honorary and life members will have full speaking rights at all General Meetings.
  - (b) Associate members, junior members and honorary members will have no voting rights at General Meetings.
- 9.17 In the case of an equality of votes whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to an additional or casting vote.

## **10. PROXIES**

- 10.1 An instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under seal or under the hand of an officer or attorney duly authorised.

- 10.2 The instrument appointing a proxy will be deemed to confer authority to demand or join in demanding a poll. A member will be entitled to instruct his proxy to vote in favour of or against any proposed resolutions but if no instruction is given the proxy may vote as deemed fit.
- 10.3 The instrument appointing a proxy must be in the form prescribed in the Regulations.
- 10.4 A proxy may only be given by one member to another member.
- 10.5 Where a member intends to attend and vote at any General Meeting by proxy, the instrument appointing a proxy and the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Society or at such other place within the State as is specified for that purpose in the notice convening the meeting, not less than two clear working days (excluding weekends and public holidays) immediately preceding the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than two clear working days (excluding weekends and public holidays) immediately preceding the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
- 10.6 No person, excluding the Chairman at any meeting, can hold more than 5 proxies directed to them. A person who holds more than 5 appointments as a proxy must deliver all additional proxies received to the second person nominated in the form of proxy and in the event that there is no second nominated person or in the event that that person already holds 5 appointments as a proxy then the proxy will be held by the Chairman of the meeting and acted on as if the Chairman had been appointed as the proxy.

## **11. POWERS OF ATTORNEY**

- 11.1 Where a member intends to attend and vote at any General Meeting by attorney, the Power of Attorney or a notarially certified copy of that power must be deposited at the registered office of the Society, or at such other place within the State as is specified for that purpose not less than one clear working day (excluding weekends and public holidays) immediately preceding the time for holding the meeting or adjourned meeting at which the person named as the attorney in the Power of Attorney proposes to vote or, in the case of a poll not less than one clear working day (excluding weekends and public holidays) immediately preceding the time for the taking of the poll and in default the Power of Attorney shall not be treated as valid.

## **12. REPRESENTATIVE OF CORPORATIONS AND UNINCORPORATED ASSOCIATIONS AND PARTNERSHIPS**

- 12.1 A firm, partnership or corporation is eligible to apply to be admitted to a Class of Membership of the Society but must nominate in its application for Membership a person as its representative who will be entitled to enjoy the privileges and exercise the rights and obligations of the class of Membership to which the Member is admitted. The nomination of a person may be cancelled from time to time by the Member and another representative must be nominated in lieu.

12.2 Where a firm partnership or corporation is a Member of the Society the acts and omissions of a partner or a Member of that corporation or the nominated representative will be deemed to be the acts or omissions of the Member.

### **13. ZONE MEETINGS**

13.1 The Secretary must convene an Extraordinary General Meeting of all members of one zone of membership if:

- (i) a requisition is received by the Society in writing requiring the calling of an Extraordinary General Meeting of the zone members signed by a member of the Board for the time being who is also a member of the zone referred to in the requisition, or
- (ii) a requisition is received by the Society in writing requiring the calling of an Extraordinary General Meeting of the zone members signed by at least twenty-five percent (25%) of the Stud members of that zone referred to in the requisition, or
- (iii) directed in writing by the President of the Society.

13.2 The provisions of this Constitution relating to General Meetings of the Society will with such alterations and adaptations as set out in sub-clauses 13.3, 13.4, 13.5, 13.6 and 13.7 and with such other alterations and adaptations as may be necessary apply to zone meetings.

13.3 A quorum for zone meetings will be:

- (a) for any zone having 100 or more Members – 10 Members present in person; and
- (b) for all other zones – 5 Members present in person.

13.4 Only those Members present at Zone meetings will be entitled to cast a vote.

13.5 The President of the Society is entitled to receive notice of any zone meeting and is entitled to be present at and vote at any zone meeting whether or not he is a member of that zone.

13.6 For the avoidance of doubt it is confirmed that:

- (a) the organization of the membership of the Society into zones is an administrative measure implemented including to assist with the achievement of the objects of the Society; and
- (b) no business transacted at any zone meeting, including for example resolutions passed, is binding upon or representative of the views of the Society unless or until it is adopted by the Society in general meeting or the Board (as the case may require).

### **14. THE BOARD OF DIRECTORS OF THE SOCIETY**

14.1 The Board of Directors of the Society will consist of:

- (a) the President of the Society;
- (b) the then current National directors; and
- (c) the then current Zone Directors,

provided that there will be no less than 3 and no more than 10 Directors at any one time.

- 14.2 A Director may appoint any other person who is eligible to be a Director to be his alternate and to act on his behalf and may revoke such appointment, provided that an alternate Director as appointed will have only the powers conferred by this Constitution on Board members. An alternate Director need not be a member of the same zone as the Director making the appointment.
- 14.3 At every third Annual General Meeting of the Society the Directors shall, subject to this Constitution, be elected and hold office until the declaration by the returning officer of the results of the next election of Directors to the Board, when they must retire but will be eligible for re-election.
- 14.4 The nomination and election of the Board of Directors of the Society must be conducted in accordance with the provisions of this Constitution:-
- (a) The Secretary of the Society must, not later than three (3) calendar months prior to the date of an election for Directors to the Board forward by prepaid post a nomination form in accordance with the prescribed form in the Regulations to each Stud, Commercial and Life Member of the Society noted in the Members' Register at that date of calling nominations (“**Nominating Members**”) for the positions of six Zone Directors (one from each of the Far Northern Zone, Northern Zone, Central Zone and Southern Zone, Far Southern Zone and the Western Zone) and three National Directors.
  - (b) Any Nominating Member entitled to receive a nomination form may nominate any Stud, Commercial or Life Member for the position of National Director and any Stud, Commercial or Life Member for the position of Zone Director provided that no person can be both a National Director and a Zone Director at the same time.
  - (c) To be a valid nomination the nomination form must:-
    - (i) be countersigned by the nominee;
    - (ii) be received at the Registered Office of the Society by 5pm on that date specified on the nomination form as the closing date for nominations; and
    - (i) be delivered to the Society personally, by post or by facsimile transmission.
  - (d) In the event that the number of persons nominated are equivalent to the number of vacant positions then the person or persons nominated will be deemed to have been duly elected to the position for which they were nominated and will take office on declaration of the poll by the returning officer.
  - (e) Where the number of nominations received exceeds the number of vacant positions then not less than two (2) calendar months prior to the next Annual General Meeting of the Society at which the result of the election of Directors to the Board is to be declared the Secretary will forward by prepaid post to each Stud, Commercial and Life Member whose name appears in the Register of Members at the date ballot papers are posted (“**Voting Member**”) the following materials (“Voting Materials”):

- (i) a ballot paper bearing the name of each nominee for the position of National Director;
  - (ii) a ballot paper bearing the name of each nominee for the position of Zone Director in the Zone to which that Voting Member belongs according to the Register of Members maintained by the Society;
  - (iii) a slip with the Voting Members name and membership number/code (“**Voting Slip**”);
  - (iv) the policy statements (if any) of the nominees detailed in the ballot papers sent to the Voting Member;
  - (v) an envelope addressed to the Returning Officer; and
  - (vi) instructions on how to complete the ballot papers, when and how to return them to ensure that the Voting Member’s vote is valid.
- (f) Every nominee shall be entitled to have forwarded to Voting Members, in accordance with clause 14(e) above, a statement of policy, not exceeding an A4 size, provided that any nominee wishing to have such statement forwarded with the ballot paper must have lodged the statement with their nomination form.
- (g) Voting will be preferential and each Voting Member must signify his choice of nominee for the various positions by placing numbers in the spaces indicated on the ballot paper beside the name of the nominee desired to fill the position in order of priority. A failure to complete a ballot paper by placing a number beside the name of each and every nominee or which, if completed, does not clearly indicate a preference will be an invalid vote.
- (h) To be a valid vote:-
- (i) The Voting Members completed ballot paper and Voting Slip must be received (either by post or personal delivery) at the notified address of the Returning Officer by no later than 5pm on that date which is one (1) month prior to the date of the next Annual General Meeting at which the result for the election of Directors to the Board is to be declared; and
  - (ii) The ballot paper must be completed in accordance with this Constitution.
- (i) The returning officer will be appointed by the Board of Directors prior to the posting of the ballot papers by the Secretary to members eligible to vote. The returning officer need not be a member of the Society. As soon as practicable after sending the Voting Materials to the Voting Members the Secretary must send to the Returning Officer a list of the Voting Members to whom Voting Materials have been sent;
- (j) All votes cast in accordance with this Constitution will be opened and counted by the returning officer between the date fixed for the return of the ballot papers and the date of the Annual General Meeting at which the result of the election is to be declared.
- (k) The returning officer will first count the votes for the election of the National Directors. The nominees with the greatest number of votes, counted preferentially, will be noted by the returning officer and will also then be ineligible for election as a Zone Director if they have been nominated for both a National Director and a Zone Director position (“Dual Nominee”). The returning officer will then count the votes for the election of Zone Directors. The votes for the Dual Nominees will be counted with the votes for the other nominees, but votes for Dual Nominees will pass to the

next preference noted on the ballot papers containing those votes, or be exhausted as the case may be.

- (l) The returning officer will declare the result of the ballot at the Annual General Meeting.
- (m) The decision of the returning officer as to the validity of any vote cast and as to the correctness of the counting of the votes shall be conclusive and final.
- (n) If two or more candidates for a position achieve an equal number of votes in a ballot the returning officer must, in the presence of at least 3 members of the Society and before the Annual General Meeting at which the result is to be declared, draw lots to resolve the matter.
- (o) Any election held in accordance with this Constitution will not be deemed to be invalid merely by reason of:
  - (i) the details contained in the Members Register being incorrect;
  - (ii) the failure of the Secretary to forward to any eligible member a nomination form, or any of the Voting Materials; or
  - (ii) the non-receipt of any such nominated form or Voting Materials by a member or by the Society.
- (p) In the event that there are insufficient nominations to fill all positions on the Board of Directors of the Society after the declaration of the result of the ballot by the returning officer then any vacant positions must be filled in accordance with clause 14.5.
- (q) Within one (1) month of the declaration of the poll the Board must meet, nominate and confer on one Director the position of President of the Society and on another Director the position of Vice President of the Society. The nominations by the Board of the President and Vice President of the Society must be notified to members of the Society as soon as practicable after the nominations have taken place.
- (r) With the prior consent of the Board the Returning Officer may, with the assistance of the Secretary, introduce administrative practices for the conduct of elections provided that those practices are not contrary to the requirements of this Constitution or this clause 14.4.
- (s) The Returning Officer in his discretion may collect information during the discharge of his duties for the purposes of reporting to the Society as to how the electoral process may be more efficiently or more accurately conducted. Any such information must be prepared and disseminated in a manner which as far as practicable does not disclose how any particular Voting Member voted. Examples of information which the Returning Officer may assemble are the number or percentage of validly cast votes, the reasons for which votes may not have been validly cast and a comparison of this information across or between elections.
- (t) The Returning Officer may, for the purposes of the efficient and accurate conduct of an election, require the inclusion on any one or more of the Voting Materials of a symbol, mark, barcode or other unique identifier (“Code”) unique to the Voting Member to which the Voting Materials are to be sent, provided in all cases that:

- (i) the master list (“Master List”) specifying what Code has been used for each Voting Member is, after the sending of the Voting Materials by the Secretary, given to the Returning Officer and all other copies are destroyed;
- (ii) the Master List may only be used by the Returning Officer to ensure the efficient and accurate conduct of the election (for example by ensuring no Member casts multiple votes) and not to record how any particular Voting Member voted;
- (iii) the Master List must be destroyed contemporaneously with the ballot papers and any other Voting Materials when authorised and directed by the Society; and
- (iv) in the event that Codes are used the Secretary need not forward the Voting Slip under Clause 14.4(e)(iii) above and neither must the Voting Member return the voting slip for the vote to be a valid one under Clause 14.4(h)(i).

14.5 The Board of Directors may appoint any eligible person as a Director either to fill a casual vacancy or as an addition to the existing Directors of the Board at any time. The total number of Directors must not at any time exceed the number fixed in accordance with this Constitution. Any Director so appointed will hold office only until the next election of Directors to the Board. The Board will consider appointing a replacement director from the same Zone as that of the removed or replaced Director.

14.6 The Society in General Meeting may by ordinary resolution, remove any Director from the Board before the expiration of the period of office, and may appoint another person instead and the person so appointed will hold office only until the next election of Directors to the Board.

14.7 The office of Director of the Board will become vacant if the Director:

- (a) Ceases to be eligible or is prohibited from being a Director of the Board by virtue of the Law.
- (b) Becomes bankrupt or makes any arrangement or composition with his creditors generally.
- (c) Becomes of unsound mind or a person whose personal estate is liable to be dealt with in any way under the law relating to mental health.
- (d) Resigns as a Director by notice in writing to the Society.
- (e) For more than six (6) months, is absent without permission of the Board from meetings of the Board held during that period;
- (f) Holds any office of profit under the Society or is directly or indirectly interested in any contract with the Society and fails to comply with Clause 14.8.
- (g) Ceases to be a member of the Society; or
- (h) Is removed as a Director in accordance with this Constitution.

14.8 Notwithstanding Clause 14.7(f) a Director’s position on the Board will not become vacant if that Director has made full disclosure of the office of profit which is held or the contract in which an interest (directly or indirectly) is held and the Board has resolved that the Director may continue as a Director of the Society. A Director to which this Clause applies must not vote on any motion relating to the office of profit or contract and otherwise must not act in a manner detrimental to the affairs of the Society.

- 14.9 If at any time the number of Directors is less than the quorum required to conduct a valid Board Meeting or upon majority resolution of the Board (“Triggering Event”) a Special General Election of the Board of Directors of the Society must be conducted. Upon the occurrence of a Triggering Event:
- (a) the Directors still in office at that time may remain as Directors until the Special General Election has been conducted and the results declared, upon which their positions are vacated and the new Directors are elected;
  - (b) the Secretary is charged with conducting the Election as quickly as possible;
  - (c) until the new Directors take office the Secretary is authorised and directed by the Society to conduct the functions and fulfill the responsibilities of the Board in addition to fulfilling the Secretary’s ordinary role and functions;
  - (d) the balance of the provisions of this Clause 14 will apply to the conduct of the Special General Election *mutatis mutandis* to the intent that the Election will be for all of the Directors’ positions; and
  - (e) the Directors elected at the Special General Election will, despite Clause 14.3, hold office until the declaration by the Returning Officer of the results of the next election of Directors of the Board which must take place at the third Annual General Meeting conducted after the completion of the General Meeting at which the results of the Special General Election are declared by the Returning Officer.

## **15. POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

- 15.1 (a) Subject to the Constitution of the Society the Board of Directors of the Society will have complete authority and may do all things necessary and expedient with respect to the Management of the affairs of the Society.
- (b) In particular, but without limiting the generality of the foregoing the Board will have power to:
- (i) Pay all expenses incurred in promoting registering and maintaining the Society
  - (ii) Exercise all powers of the Society as are not, by the Law or by this Constitution, required to be exercised by the Society in General Meeting and subject to this Constitution, to the provisions of the Law and to the Regulations.
  - (iii) Pay for any property, rights or privileges acquired by or services rendered to the Society, either wholly or partly in cash or debentures or other securities and any such debentures or other securities may be specifically charged upon all or any part of the property of the Society.
  - (iv) Provide for the management and transaction of the affairs of the Society anywhere, in such manner as it thinks fit, including the appointment of local boards, branch offices or agencies.
  - (v) Appoint any persons to be agents, representatives or employees of the Society with such powers (including power to subdelegate) and on such terms as the Board thinks fit.
  - (vi) Appoint any person or corporation to be the attorney or attorneys of the Society in any country and confer on them such powers including a power of substitution or subdelegation and on such other terms and conditions as the Board thinks fit.

- (vii) Borrow or raise any sum of money for the purposes of the Society and offer any security for repayment, performance or fulfilment of any debts, liabilities, contracts or obligations incurred or undertaken by the Society in such manner and on such terms and conditions as the Board thinks fit.
- 15.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Society must be signed, drawn, accepted, endorsed or otherwise executed as the Board directs.
- 15.3 The Board may meet, adjourn and otherwise regulate its meetings for the purpose of conducting the affairs of the Society as it considers appropriate.
- 15.4 The Board must keep minutes of all meetings held which must be signed by the Chairman of that meeting or the Chairman of the next meeting.
- 15.5 The Board must decide all matters by a majority of votes of those present provided that a quorum exists. In the event of an equality of votes, the Chairman of the meeting will have a second or casting vote.
- 15.6 The quorum necessary to constitute a valid Board meeting will be 4 Directors.
- 15.7 The Chairman at Board meetings will be:-
  - (a) the President; or
  - (b) if there is no President or he is not present within 15 minutes after the time appointed for the holding of the meeting - the Vice President; or
  - (c) if there is no Vice President or he is not present within 15 minutes after the time appointed for the holding of the meeting – a National Director chosen from those present; or
  - (d) if there are no National Directors or one of them is not present within 15 minutes after the time appointed for the holding of the meeting - a Director chosen from those present.
- 15.8 The Board may appoint a sub-committee for any purpose and any Sub-Committee so appointed by the Board to carry out any delegated function shall conduct itself as it deems appropriate subject to observance of this Constitution and any direction given by the Board.
- 15.9 Every act or thing done by a Director subsequently proven to have been invalidly appointed or disqualified from so acting will be deemed a valid exercise of power as if that person had been duly appointed and was qualified to be a Director at the time the act or thing was done.
- 15.10 Meetings of the Board:-
  - (a) may be requisitioned by the President giving notice in writing to the Secretary to convene a Board meeting;
  - (b) may be requisitioned by any 4 other Directors giving notice in writing to the Secretary to convene a Board meeting;
  - (c) must be convened by the Secretary giving notice immediately a meeting has been requisitioned to all eligible Directors and the Board meeting must be convened at a time and place to be appointed by the Secretary within 30 days of the notice requisitioning the meeting has been received; and
  - (d) may be convened by electronic means or in such other manner as not less than 75% of the Board may decide.

15.11 A resolution signed by a majority of Directors at the time will be deemed to be a valid resolution of the Board as if passed at a meeting of the Board duly convened and held provided that a copy of the proposed resolution has been forwarded to all Directors. Any such resolution will be dated and effective on that date on which the last Director signs the document containing the resolution.

15.12 No notice need be given of any matter to be discussed or resolved at a Board meeting.

## **16. REGULATIONS**

16.1 The Board may make, alter and repeal from time to time Regulations as it may deem necessary or expedient for the proper conduct and management of the affairs of the Society and for achieving the objects and purposes of the Society.

16.2 The Society in General Meeting may repeal any Regulation made by the Board but no resolution of the Society in General Meeting repealing a Regulation will invalidate any prior act of the Board done in pursuance of the Regulation prior to its repeal.

16.3 The Board must bring to the attention of all Members in the manner it deems most appropriate any new Regulations passed and the amendment or repeal of any existing Regulation. The Society shall maintain a Book of Regulations at the Registered Office of the Society which will at all times be an accurate record of all Regulations then in force.

## **17. SECRETARY**

17.1 At all times there will be only one Secretary of the Society who will be appointed and remain so appointed on terms and conditions determined by the Board.

## **18. THE SEAL**

18.1 Intentionally Deleted

## **19. ACCOUNTING RECORDS**

19.1 The Board must keep proper accounting and other records relating to the Society's affairs and must distribute copies of financial accounts, auditor's report and any other document required by law and must have available at each Annual General Meeting audited financial accounts up to date not more than six months before the date of the Annual General Meeting.

19.2 No member will have any right to inspect the accounts or other records or books maintained by the Society except as may be required by Statute or authorised by the Board or the Society in General Meeting.

## **20. AUDIT**

## 20.1 Intentionally Deleted

## **21. NOTICES**

- 21.1 Any notice required to be given or served by the Society or the Board on any member must be served either:-
- (a) personally on the Member;
  - (b) forwarded by prepaid ordinary post to the address of the noted in the Register of Members;
  - (c) transmitted by facsimile transmission to the facsimile number of the Member noted in the Register of Members; or
  - (d) if the Member has previously given consent in writing to the receipt of electronic communications, then by means of the type of electronic communication to which the Member has consented to.
- 21.2 Any notice required to be given or served by a Member on the Society or the Board must be served either:-
- (a) by delivering same personally to the Registered Office of the Society during hours of operation of the Registered Office; or
  - (b) by prepaid post to the postal address of the Society; or
  - (c) by facsimile transmission to the facsimile number of the Society.
- 21.3 It is the obligation of each member to promptly notify the Society of any change to that member's contact details as last notified to the Society.
- 21.4 In this Clause 21 the phrase "electronic communication" and the word "consent" have the same meaning as in the *Electronic Transactions Act 1999* (Cth).

## **22. INDEMNITY**

- 22.1 Subject to Clause 22.2 every Director, Secretary, employee or person authorised by the Society or the Board will be indemnified out of the assets of the Society in respect of any liability on any account whatever and howsoever arising from the execution of duties or responsibilities on behalf of or at the direction of the Society or the Board carried out in good faith.
- 22.2 The indemnity in clause 22.1 extends only so far as is permitted at law and the indemnity is not, and is not to be construed as, an exemption from liability

## **23. STANDARD OF EXCELLENCE**

### **DEFINITION OF A DROUGHTMASTER AND STANDARD OF EXECELENCE**

Droughtmasters are a beef breed evolved from *Bos indicus* and British beef cattle. Droughtmasters are red in colour and may be horned or polled. Special emphasis is placed on constitution, fertility, mothering ability, growth rate, docility, tick resistance and other factors related to economic performance particularly under tropical and sub-tropical

conditions. All Droughtmaster cattle must fall within the Desirable or Acceptable characteristics contained in the following Standard of Excellence.

	<b>DESIRABLE</b>	<b>ACCEPTABLE</b>
COLOUR	Red.	red: some dilution
WHITE UNDERLINE		Not more than one third white underline
HEAD	Moderately broad; medium to large ears; broad light pigmented muzzle; well-hooded eyes; extended dewlap; strong jaw.	Dark muzzle
SIZE	Mature cattle in full flesh - Males: 900kg and over. Females: 545kg and over.	Lighter on poorer pastures
BODY	Long, smooth turned rump, slightly rounded; well sprung ribs; strong even well fleshed backline; smoothly set hips; wide pinbones; well filled buttocks or twist; neatly set tail with good thick base; wide withers in bulls.	
CARCASS ATTRIBUTES	Thick, with shallow fat covering, evenly distributed.	Lighter under adverse conditions.
BONE	Medium	Heavy
COAT & HIDE	Sleek, short, soft coat	
LEGS	Moderate length; free active walk; firm, even hocks, pasterns short and strong.	
FEET	Even well proportioned claws	
TEMPERAMENT	Alert, but docile.	
UNDERLINE	Moderate development of sheath in bulls and navel in cows.	
SCROTUM	Containing two testicles of equal size, evenly placed and relevant to age.	
UDDER	Well developed, with teats of moderate size, evenly placed.	

## **24. OBJECTS**

24.1 The objects for which the Society is established are:

- (a) To maintain the Droughtmaster breed for breeding purposes on as high a level as possible, with particular emphasis on the production of high quality beef at the most economical cost.
- (b) To collect, verify and publish information relating to this breed.

- (c) To hold shows or exhibitions or sales of this breed and to offer prizes in respect of competition between this breed and other breeds.
- (d) To protect the interests of its members without unduly interfering with the individual activities of any member.
- (e) To adopt such means of making known the objects and benefits of the Society as may seem expedient, and otherwise to further the interests of members by advertising in the press or by circulars, broadcasting and any other means.
- (f) To promote the improvements and popularity of Droughtmaster cattle.
- (g) To record a herd book of Droughtmaster cattle.
- (h) To promote in any way whatsoever the interests of breeders of Droughtmaster cattle.
- (i) To establish relations with Societies having similar objects and with such Societies formed to promote the welfare of other breeds or of exchanges with any such Societies in any country.
- (j) To support and assist in the progress and development of any agricultural show and in particular the Royal Shows of the various States of the Commonwealth and to promote competitions and to award prizes or to make contributions for that purpose.
- (k) To select persons competent to act at shows and exhibitions as judges of Droughtmaster cattle.
- (l) To register brands of all descriptions and copyrights for the use of the Society or of its members.
- (m) To undertake and execute any trusts which may seem to the Society, conducive to any of its interests.
- (n) To promote the establishment of branches of the Society anywhere in the world.
- (o) To act as auctioneers and agents and to acquire all necessary licences to act as such.
- (p) To acquire all the assets of the unincorporated association called "Droughtmaster Stud Breeders Society".
- (q) To do all such other lawful acts, deeds and things as are incidental or conducive to the attainment of the above objects or any of them or any such other acts, deeds and things that might be conducive to the progress and welfare of the Society and its members.

AND IT IS HEREBY DECLARED that the objects in the different sub-clauses of this clause shall not be limited or restricted by reference to or inference from the terms of any other sub-clause or the objects therein specified nor shall the powers thereby conferred be deemed subsidiary or auxiliary merely to the objects in the first sub-clause and all such objects and powers may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said sub-clause defined the objects of a separate distinct and independent company.