

Constitution

The Australian and New Zealand Institute
of Insurance and Finance

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The Australian and New Zealand Institute of Insurance and Finance

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1. Preliminary

The name of the Institute is The Australian and New Zealand Institute of Insurance and Finance.

The Institute is a company limited by guarantee with the licence of the Australian Securities and Investments Commission to omit the word *Limited* from its name.

The replaceable rules in the Law do not apply to the Institute.

2. Registered office

The registered office of the Institute is to be in such place in the city of Melbourne as the Board may from time to time appoint.

3. Definitions and interpretation

3.1 Definitions

In this Constitution, unless it is inconsistent with the subject or context in which it is used:

Alternate Director means a person appointed under Rule 18.8.

Annual General Meeting has the same meaning as in the Law.

Board means the Directors for the time being of the Institute or those of them who are present at a meeting at which there is a quorum.

Board Committee means a committee of the Institute formed by the Board to assist the Board in the conduct of its functions, including, but not limited to, the Councils.

Board Office Bearers has the meaning given to it in Rule 18.1.

Branch means a body empowered by the Institute to provide services and events to Institute Members in a State or Territory of Australia, New Zealand or other overseas location.

Certified Insurance Professional (CIP) means a Member of the Institute who belongs to a qualified class of Members formed under Rule 10.

Chairman means the President of the Board or other person occupying the position of Chairman under Rule 14.4.

Chief Executive Officer means that person from time to time who is appointed as the Chief Executive Officer of the Institute.

Company Proxy has the meaning given to it in Rule 15.4(b)

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Constitution means the constitution of the Institute as amended from time to time.

Corporate Supporter means a corporation, or a representative of a corporation, which pays an annual fee to support the Institute's development of insurance and finance information for the broader community in order to help improve the image and professional standing of the industry and Institute Members.

Council means a council of the Institute formed by the Board to assist the Board in the conduct of its functions and may include:

- (a) a Council comprising a group of Members aged less than thirty- five years appointed to guide the Institute's affairs in relation to young people's issues in the insurance and financial services sector;
- (b) a Council comprising a group of Members appointed to guide the Institute's affairs in relation to human resourcing, learning and talent development issues in the insurance and financial services sector;
- (c) a Council comprising a group of female Members appointed to guide the Institute's affairs in relation to women's issues in the insurance and financial services sector.

Deputy President means the person elected from time to time to that office under Rule 18.2.

Director means a person who has consented to being a Director of the Institute, and is a member of the Board and, where appropriate, includes an Alternate Director.

Faculty means a faculty of the Institute formed by the Board representing an industry segment in which Members have a particular speciality or area of focus and have earned qualifications, and may include:

- (a) a Faculty of General Insurance;
- (b) a Faculty of Insurance Broking;
- (c) a Faculty of Claims;
- (d) a Faculty of Life Insurance, Health and Superannuation;
- (e) a Faculty of Financial Planning;
- (f) a Faculty of Risk Management; and
- (g) a Faculty of Reinsurance.

Faculty Advisory Board means the advisory board for a Faculty (comprised of appointed Members belonging to that Faculty), the purpose of which is to support and inform the Institute with respect to matters relating to the Faculty's industry segment or area of focus.

General Meeting means a meeting of the Institute's Members and includes an Annual General Meeting.

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Industry Executive means a person holding a position at an appropriate level of seniority in the insurance or financial services industry.

Law means the *Corporations Act 2001* (Cwlth) or any statutory modification amendment or re-enactment thereof and includes a reference to the Corporations Regulations.

Member means a Member of the Institute who belongs to one of the classes of Members formed under Rule 10.

Month means a calendar month.

Non-voting Member means a Student Member and any other Member in a class of Members which does not carry the right to vote at General Meetings at the relevant time.

Office means the registered office of the Institute.

Person and words purporting persons includes partnerships, associations and corporations, unincorporated and incorporated by ordinance, Act of Parliament or registration as well as individuals.

President means the person elected from time to time to that office under Rule 18.2.

Registered address means the address of which the Member notifies the Institute as the place at which the Member will accept service of notices.

Regulations means those regulations created pursuant to this Constitution under Rule 20 as amended from time to time.

Rules means these rules as amended.

Secretary means that person from time to time who is appointed as the Secretary of the Institute by the Board.

Special Resolution means, in the context of the Board, a resolution passed by not less than three quarters of the Directors of the Institute and in the context of the Members of the Institute, has the same meaning as in the Law.

Student Member means an individual who is a Member of the Institute in a class of Membership for the time being named *Student Members*.

The Institute means The Australian and New Zealand Institute of Insurance and Finance (ACN 004 320 076).

The Institute Journal means the publication published by the Institute which communicates Institute affairs to its Members and constituents.

Voting Member means a Member who is not a Non-voting Member.

Writing and **written** includes printing, typing, lithography, facsimile and transmission by email and other modes of reproducing words in a visible form.

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3.2 Interpretation

- (a) A word or phrase which is given a special meaning by the Law has the same meaning in this Constitution.
- (b) Words in the singular include the plural and vice versa.
- (c) Words importing a gender include each other gender.
- (d) A reference to the Law or any other statute or regulation or provisions of any of them is to be read as though the words *as modified or substituted* were added to the reference.
- (e) The headings do not affect the construction of this Constitution.

4. Objects

The objects for which the Institute is constituted are as follows.

- 4.1 To provide and maintain a central organisation for the promotion of efficiency, progress, sound practice and general development among persons employed in the insurance and finance business in Australia and/or New Zealand and/or Asia, whether Members of the Institute or not, with a view not only to their own advantage, but also to rendering the conduct of such business more effective, safe and scientific, and securing and justifying the confidence of the public and employers by reliable tests and assurances of the competence of persons engaged in the insurance business in Australia and/or New Zealand and/or Asia.
- 4.2 To encourage and assist by the making of grants, the donation of prizes or in any other manner, the study and dissemination of knowledge relating to any subject bearing on any branch of insurance or finance. Provided that no Members of the Institute will receive any prize, award or distinction of monetary value except as a successful competitor at any competition held or promoted by the Institute.
- 4.3 To publish a journal and any other matter relating directly or indirectly to insurance.
- 4.4 To devise and impose means for testing the qualifications of candidates for the purpose of awarding Membership of the Institute by examination in theory and practice, for the Australian Qualification Framework awards or any other such externally regulated qualifications or by any other tests, and to grant certificates of qualifications to the successful candidates.
- 4.5 To promote exchange of ideas, networking and interface between Members of the Institute; to hold conferences and meetings for the discussion of professional affairs, interests and duties, the reading of papers and the delivery of lectures; to conduct classes or courses of education in the principles and practices of insurance and finance and related matters; to compile lists, registers and records of events and proceedings of interest to Members; to issue copies of such lists, registers and records from time to time to Members, and generally to collect, collate and publish statistical or

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other information of service or interest to persons employed in the insurance and financial services business.

- 4.6 To ascertain the law and practice relating to all things connected with insurance and finance, to collect and form a strong body of expert opinion, with the view of obtaining the codification and amendment of the laws and regulations relating to insurance and finance and any legislation affecting the same.
- 4.7 To exercise professional supervision and control over the Members of the Institute, to safeguard their interests and welfare, to further their advancement, to promote whatever may lead to the improvement of the status of persons employed in the insurance and financial services business in general and Members of the Institute in particular and to do such other things as the Board may consider desirable to promote the interests of the Members of the Institute.
- 4.8 To purchase, hire, take on, lease or otherwise acquire for the purposes of the Institute any lands, buildings or other interests in real estate and to sell, let or lease or otherwise dispose of or grant rights over any real property belonging to the Institute.
- 4.9 To invest all funds not immediately required in any manner, and from time to time to sell or vary such investments.
- 4.10 To borrow such moneys as may be necessary for the purposes of the Institute and to secure the payment thereof in such manner as may be arranged.
- 4.11 To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them, including to arrange for the Institute to be registered or recognised as a body corporate in a place outside Australia and to establish and carry on business in a place outside Australia.
- 4.12 The Institute must not support with its funds or endeavour to impose on or procure to be observed by its Members or others any regulation or restriction which, if an object of the Institute, would make it a trade union within the meaning of the *Trade Unions Act 1958*.

The powers set forth in Section 124 of the Law do not apply to the Institute except insofar as they are included in this Rule 4.

5. Liability of Members

The liability of the Members of the Institute is limited.

6. Members' liability on winding up

Every Member (other than Student Members) of the Institute undertakes to contribute to the property of the Institute in the event of it being wound up while he or she is a Member, or within one year after he or she ceases to be a

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Member, for payment of the debts and liabilities of the Institute contracted before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding ten dollars.

7. Application of income and property

The income and property of the Institute is to be applied solely towards the promotion of the objects of the Institute as set out in this Constitution and no part of it is to be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the persons who at any time are or have been Members of the Institute, or to any of them or to any person claiming through any of them. **PROVIDED THAT** nothing in this Constitution prevents repayment of out-of-pocket expenses, payment in good faith of remuneration to any officers or servants of the Institute or to any Member of the Institute or to any other person in return for services actually rendered to the Institute or for payment for goods supplied in the ordinary and usual way of business, nor prevents the payment of interest at a rate not exceeding 10 per cent per annum on money borrowed from any Member of the Institute or reasonable or proper rent for premises demised or let by any Member of the Institute but so that no remuneration or other benefit in money or money's worth is to be given by the Institute to any Director except repayment of out-of-pocket expenses (not in excess of an amount approved by the Board) incurred in the performance of any duty as a Director or Member of a committee of the Institute, payment of interest at the rate aforesaid on money lent or payment of reasonable and proper rent for premises demised or let to the Institute. Provided that this Rule 7 does not prevent:

- (a) any Member of the Institute nor any Director from accepting any prize, medal, grant or other recognition which may be awarded to him or her by the Institute under the regulations governing any competition or examination held or conducted by the Institute and open to Members of the Institute or any specified class of Members of the Institute not being a class consisting solely of Director;
- (b) any Director from accepting, with the prior approval of the Board, a fee for undertaking the office of examiner in any examination held or conducted by the Institute in furtherance of any of the objects of the Institute but so that no such Director is to receive as remuneration for his or her services as examiner, for each subject in which he or she acts as examiner, a sum in excess of a commercially reasonable amount payable for the services as approved by the Board;
- (c) any Director from receiving from the Institute any salary or wage due to that Director as an employee of the Institute on the terms of employment approved by the Board;

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- (d) any Director from receiving from the Institute a benefit in the form of an indemnity, to the extent permitted by the Law; and
- (e) any Director from receiving from the Institute a benefit in the form of the payment of an insurance premium in respect of a contract insuring that person, to the extent permitted by the Law.

8. Distribution on winding up

If on the winding up or dissolution of the Institute, there remains after satisfaction of all debts and liabilities any property whatsoever, this property is not to be paid to or distributed among the Members of the Institute, but is to be given or transferred to such other funds, authorities or institutions referred to in, or approved by the Commissioner of Taxation or a Deputy Commissioner of Taxation for the purposes of, any of sections 30-15 to 30-100 of the *Income Tax Assessment Act 1997* or any amendment or re-enactment of that Act **PROVIDED THAT** any such funds, authorities or institutions must have objects similar to the objects of the Institute and must prohibit the distribution of its or their income and property among its or their Members to an extent at least as great as is imposed on the Institute under or by virtue of Rule 7 of this Constitution. Such funds, authorities or institutions are to be determined by the Members of the Institute at or before the time of dissolution, or in default thereof by such judge of the Supreme Court of Victoria as may have or acquire jurisdiction in the matter.

9. Licence under the Law

Rule 7 of this Constitution sets out conditions on which a licence is granted by the Australian Securities and Investments Commission to the Institute to omit the word *Limited* from its name. For the purpose of preventing any evasion of the provisions of Rule 7, the Australian Securities and Investments Commission may from time to time on the application of any Member of the Institute, and on giving notice to the Institute of its intention so to do and after affording the Institute an opportunity of being heard in opposition thereto within such time as may be specified in such notice, impose further conditions which are to be observed by the Institute.

10. Membership

- 10.1 Any person or corporation that wishes to be admitted to Membership of the Institute may apply to the Board in writing in such form as the Board from time to time prescribes or accepts. The Board has an absolute discretion as to whether or not to accept such an application. If the Board accepts such an application, the applicant is admitted to Membership of the Institute on and from such date as is determined by the Board.

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- 10.2 The Board may make Regulations governing the election or admission of Members into every class of Membership and may delegate the consideration and approval of applications for Membership as it sees fit.
- 10.3 Every Member of the Institute is taken to have undertaken to be bound by this Constitution and by any Regulations which the Board makes from time to time.
- 10.4 Subject to this Constitution, the Members of the Institute comprise:
- (a) Fellow CIPs;
 - (b) Senior Associate CIPs;
 - (c) Associate CIPs;
 - (d) Affiliate Members;
 - (e) Allied Members (previously called a Member or Ordinary Member)
 - (f) Honorary Life Members;
 - (g) Honorary Members; and
 - (h) Student Members
- 10.5 All qualified Members (i.e. Fellows, Senior Associates, Associates, and Affiliates) undertake to keep their skills updated, keep abreast of changes in their working environment and continue to extend their knowledge and learning in accordance with the Regulations.
- 10.6 A Fellow of the Institute may use the words *Fellow of the Australian and New Zealand Institute of Insurance and Finance* (or the post-nominal ANZIIF (Fellow) CIP) after his or her name.
- 10.7 A Senior Associate of the Institute may use the words *Senior Associate of the Australian and New Zealand Institute of Insurance and Finance* (or the post-nominal ANZIIF (Snr Assoc) CIP) after his or her name.
- 10.8 An Associate of the Institute may use the words *Associate of the Australian and New Zealand Institute of Insurance Finance* (or the post-nominal ANZIIF (Assoc) CIP) after his or her name.
- 10.9 An Affiliate of the Institute may use the words *Affiliate Member of the Australian and New Zealand Institute of Insurance and Finance* (or the post-nominal ANZIIF (Aff) CIP) after his or her name.
- 10.10 An Allied Member of the Institute (previously called a Member or an Ordinary Member of the Institute) does not attain the right to use an Institute post-nominal.
- 10.11 A Member elected to Honorary Life Membership or Honorary Membership of the Institute:
- (a) will retain the level of Membership at which they were previously elected, or that determined by the Members of the Institute at an Annual General Meeting; and

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- (b) may use the words *Honorary Member of the Australian and New Zealand Institute of Insurance and Finance* (or the post-nominal ANZIIF (HM)) after his or her name.
- 10.12 A Student Member of the Institute does not attain the right to use an Institute post-nominal.
- 10.13 Corporate Supporters and Student Members do not have the right to vote at General Meetings of the Institute.
- 10.14 A Corporate Supporter of the Institute does not attain the right to use an Institute post-nominal.
- 10.15 The Board will determine the post-nominals to be used after the names of Members of every class of Membership.
- 10.16 The Board may, by passing a Special Resolution, amend classes of Membership and create additional classes of Membership of the Institute with such rights, privileges and entitlements as the Board determines from time to time, provided that where any such amendment would result in a non-voting class of Membership becoming a voting class, or where any additional class of Membership created is to have voting rights at General Meetings of the Institute, any such amendment or creation must be approved by a resolution of Members entitled to vote under this Constitution.

11. Fees and subscriptions

- 11.1 The Board is to prescribe the fees and subscriptions payable by the Members of every class.
- 11.2 The Board is to collect or may delegate, as it sees fit, the power to collect all fees and subscriptions payable by Members.
- 11.3 Fees and subscriptions are to be paid by each Member within three (3) calendar months after the date upon which they fall due. Any Member who does not pay within that time will lose all rights and privileges of Membership. Such rights and privileges may be resumed upon the payment by the Member of all arrears and such penalties as the Board may determine from time to time.

12. Register of Members

- 12.1 The Institute is to maintain a record of Members containing:
 - (a) those particulars required by the Law; and
 - (b) any other particulars reasonably required by the Institute.
- 12.2 Every Member is to furnish such particulars as may be required by the Law or which may reasonably be required by the Institute.

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13. Cessation of Membership and readmission of Members

- 13.1 A Member ceases to be a Member if:
- (a) in the case of a Member who is an individual, the Member dies; or
 - (b) the Member is suspended, expelled or otherwise disciplined or resigns in accordance with this Rule 13; or
 - (c) the Member does not abide by any other requirements of Membership prescribed by the Board and ratified by the Institute Membership from time to time.
- 13.2 The Board may expel a person from Membership of the Institute (and remove that person or (as the case may be) from the register) if:
- (a) the person is in arrears of payment of a subscription fee or other moneys due to the Institute for more than three (3) months; or
 - (b) the person becomes a bankrupt.
- 13.3 If a Member is convicted of an indictable offence, has breached a provision of the Constitution or the Regulations or has acted in a manner which the Board considers unprofessional or dishonourable, then the Board may pass a Special Resolution:
- (a) expelling the Member from the Institute;
 - (b) which calls for the Member to resign from the Institute;
 - (c) suspending the Member, either for a fixed period or at the pleasure of the Board; or
 - (d) reprimanding the Member.
- 13.4 A Member to whom Rule 13.3 applies may:
- (a) appear and be heard if the Board or its nominated sub-committee meets for the purpose of considering the alleged breach and to determine disciplinary action or the Special Resolution; or
 - (b) present a written explanation or argument if the Board is to vote in writing in relation to the Special Resolution.
- 13.5 If a Special Resolution pursuant to Rule 13.3 is not passed, the Board may resolve to remove all reference to the Special Resolution from its records.
- 13.6 Expulsion or suspension of a Member does not prejudice any legal rights of the Institute against that Member.
- 13.7 A Member may resign his Membership, providing he or she is under no liability to the Institute, by giving to the Chief Executive Officer of the Institute one (1) month's written notice of his or her intention to resign. A Member who gives such notice less than one (1) month before his or her annual subscription or fees, if any, fall due remains liable to make payment for that following year.

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- 13.8 Any person who has ceased to be a Member of the Institute pursuant to Rules 13.2, 13.3 or 13.7 may only be readmitted to Membership with the approval of the Board and where he or she has complied with the Constitution, the Regulations and any other terms and conditions which the Board may require in each particular case.
- 13.9 A person readmitted to Membership pursuant to Rule 13.8 is to be restored to that class of Membership to which that person previously belonged.
- 13.10 Any person who ceases to be a Member or the Member's estate (in the case of a deceased or bankrupt Member, where the Member is an individual) is to remain liable for all money (if any) owing to the Institute at the time of such cessation of Membership. Unless the Board in special circumstances otherwise determines, no person who ceases to be a Member nor the Member's estate (in the case of a deceased or bankrupt Member, where the Member is an individual) is entitled to have any claim on any portion of the property or assets of the Institute and is not entitled to the return of any money paid to the Institute.

14. General Meetings

- 14.1 (a) Subject to the Law, General Meetings are to be convened and conducted in accordance with the Regulations.
- (b) Subject to the Law, the business of General Meetings is to be in accordance with the Regulations.
- 14.2 Subject to the Law, notice of a General Meeting is to be in accordance with Rule 28 of the Constitution and the Regulations.
- 14.3 At every General Meeting, fifty (50) Voting Members, in person or by proxy, constitutes a quorum. In determining whether a quorum is present, if an individual is attending both as a Member and as a proxy, his or her attendance is counted only once.
- 14.4 (a) The President of the Board is entitled to chair every General Meeting.
- (b) If at any General Meeting:
- (i) a President has not been elected by the Board as provided in Rule 18.2;
 - (ii) the President is not present within fifteen minutes after the time for the holding of the General Meeting; or
 - (iii) the President is present but is unwilling to chair the General Meeting,
- a Member chosen by the Members who are entitled to vote under this Constitution and are present, may chair the meeting.

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15. Votes of Members

- 15.1 All Members may attend any and all General Meetings convened in accordance with this Constitution and the Regulations.
- 15.2 All Voting Members may vote at any and all General Meetings convened in accordance with this Constitution and the Regulations.
- 15.3 Every Voting Member entitled to vote under this Constitution is entitled to cast one (1) vote per resolution, either in person or by proxy at all General Meetings.
- 15.4 (a) A Member may appoint a person as a proxy to attend (in the case of a Non-voting Member) or attend and vote (in the case of a Voting Member) at a General Meeting in accordance with the Law but not otherwise. A proxy appointed to attend, or attend and vote (as the case may be), in accordance with the Law may exercise the rights of the Member on the basis and subject to the restrictions provided in the Law but not otherwise.
- (b) A form of appointment of a proxy is valid if it is in accordance with the Law or in any form which the Board may prescribe or accept (*Company Proxy*).
- (c) Any appointment of proxy under Rule 15.4(b) which is incomplete may be completed by any Director on the authority of the Board and the Board may authorise completion of the proxy by the insertion of the name of any Director as the person in whose favour the proxy is given.
- (d) Voting instructions given to a Member entitled to vote under this Constitution to a Board Director or employee of the Institute who is appointed as *Institute Proxy* are valid only if contained in the form the Company Proxy or, in the case of new instructions or variation to earlier instructions, if received at the Office before the General Meeting or adjourned General Meeting by a notice in writing signed by the Member.
- 15.5 (a) The validity of any resolution is not affected by the failure of any proxy or attorney to vote in accordance with instruction (if any) of the appointing Member entitled to vote under this Constitution.
- (b) A vote given in accordance with the terms of an instrument of proxy or power of attorney is valid notwithstanding the previous death or mental incapacity of the appointing Member, revocation of the instrument of proxy or power of attorney, provided no notice in writing of the death, mental incapacity or revocation has been received at the Office before the meeting or any adjourned meeting.
- (c) A proxy is not revoked by the appointing Member attending and taking part in the General Meeting, unless the appointing Member

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actually votes at the General Meeting on the resolution for which the proxy is proposed to be used.

- 15.6 The Board may issue with any notice of General Meeting forms of proxy for use by the Members. Each form may include the names of any Board Directors or any other persons willing to act as proxies. Where the form does not contain the name of a proxy the form is not for that reason to be invalid and is to be taken to be given in favour of the chairman of the meeting. The forms may be worded so that a proxy may be directed to vote either for or against any of the resolutions to be proposed.
- 15.7 Any Member may, by duly executed power of attorney, appoint an attorney to act on the Member's behalf at all or certain specified meetings of the Institute. Before the attorney is entitled to act under the power of attorney, the power of attorney or proof of the power of attorney to the satisfaction of the Board must be produced for inspection at the Office or any other place the Board may determine from time to time together, in each case, with evidence of the due execution of the power of attorney as required by the Board. The attorney may be authorised to appoint a proxy for the Member granting the power of attorney.
- 15.8 Unless all sums presently payable by any Member of the Institute have been paid, such Member may not, unless the Board otherwise determines, be entitled to vote at a General Meeting either personally or by representative, proxy or attorney or as representative, proxy or attorney for another Member or to exercise any privilege as a Member.

16. Board – composition and term

- 16.1 The Board is to comprise where possible of:
- (a) four representatives from the general insurance industry and/or the broking industry;
 - (b) one representative from either the life industry or the superannuation industry;
 - (c) one representative from the loss adjusting profession;
 - (d) one representative from Members who are normally resident in New Zealand;
 - (e) one representative from Members who are normally resident in Asia;
 - (f) one representative from the financial planning industry;
 - (g) one representative from the health, medical or personal injury management sectors;
 - (h) one representative from the risk management sector;

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- (i) one person who is a Chairperson of a Faculty Advisory Board determined by the Board;
 - (j) one person who is a Chairperson of a Council determined by the Board;
 - (k) the Immediate Past President of the Board; and
 - (l) the Chief Executive Officer.
- 16.2 Individual Membership of the Institute is a prerequisite for appointment to the Board.
- 16.3 Subject to Rule 16.4, the term of office for Directors (other than the Chief Executive Officer) shall be as follows:
- (a) The maximum term of office for a Director is six (6) consecutive years.
 - (b) The appointment of a Director shall be initially for a three (3) year period (*First Term*), following which the Board (if it has the prior recommendation of any two of the President, Deputy President or the Chief Executive Officer) may reappoint the Director for a second term not exceeding three (3) years, having regard to the Director's contribution, performance, and attendance during the First Term (*Second Term*).
- 16.4 If, as at the end of a Director's Second Term:
- (a) the Board wishes to appoint or reappoint that Director to a Board Office Bearer position; or
 - (b) the Director would, if he or she continued as a Director, be the Immediate Part President,
- the Board may (in a manner consistent with Rule 18.2) extend the Director's maximum term of office up to a maximum of nine (9) consecutive years by Special Resolution.

17. Vacancies on the Board

- 17.1 A person is deemed to have resigned from the Board, immediately and without the requirement for notice, if that person:
- (a) ceases to be a Member or an employee of the Institute;
 - (b) is prohibited by law from continuing to be a director of a company;
 - (c) becomes bankrupt;
 - (d) fails to attend more than two (2) consecutive meetings of the Board without its permission;
 - (e) is convicted of an indictable offence;
 - (f) being a representative of Members normally resident in New Zealand, ceases to reside in New Zealand;
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- (g) being a representative of Members normally resident in Asia, ceases to reside in Asia;
 - (h) in the case of a Chairperson of a Faculty Advisory Board or Council, ceases to hold that position as Chairperson;
 - (i) in the case of a Chairperson of a Council, ceases to hold the position of Chairperson.
 - (j) being the Chief Executive Officer, ceases to be the Chief Executive Officer of the Institute.
- 17.2 Any Director may resign at any time from that office by notice in writing to the President. Resignation in this manner shall take effect one (1) month later.
- 17.3 All appointments to, or vacancies on, the Board shall be filled by resolution of the Board in a manner consistent with Rule 16.1 in the following way:
- (a) Except for the position to be filled by the Chairperson of a Council determined by the Board, suitable candidates among the Institute's Membership base will be identified by the Board and approached to join the Board.
 - (b) Appointments to the Board (apart from the automatic appointment of the Chairperson of a Council determined by the Board) will be made on merit, the industry standing of the individual and consideration will be given to the appointee bringing an appropriate mix of skills and industry experience to the Board.
 - (c) Directors must complete a minimum of one year's service on the Board before being eligible for consideration for the positions of President or Deputy President.

18. Board – general

- 18.1 The Board Office Bearers are the President, the Deputy President and the Immediate Past President.
- 18.2 Subject to Rules 17.3(c) and 18.3, at the meeting of the Board immediately preceding the Annual General Meeting in each year, the Board is to elect the President and the Deputy President from amongst its number. Their term of office commences immediately after that Annual General Meeting and concludes at the end of the next succeeding Annual General Meeting. The President and Deputy President are eligible for re-election but the office of President may not be held by any person for more than three consecutive years.
- 18.3 No person who is chairman of any of the Faculty Advisory Boards or Councils or normally resident outside Australia or New Zealand is eligible to be elected as the President or the Deputy President.

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- 18.4 Subject to the Law, the Board is to meet for the dispatch of business at such times and in accordance with such Regulations for the conduct of meetings as the Board may determine from time to time.
- 18.5 Quorum for a Board Meeting is five (5) Directors of the Board present personally or by alternate.
- 18.6 Providing that a quorum is constituted (in accordance with Rule 18.6), the Board may meet and conduct business notwithstanding that there is a vacancy in its number.
- 18.7 A Director may appoint a person to be an Alternate Director in his place, in accordance with the following:
- (a) Only an Individual Member of the Institute may be appointed as an Alternate Director;
 - (b) The appointment of an Alternate Director may be terminated at any time by the appointer and terminates in any event if the appointer vacates office as a Director;
 - (c) The appointment or termination of appointment of an Alternate Director is to be made by a notice in writing signed by the Director who makes or made the appointment and served on the Institute; and
 - (d) in the case of the Director who is the representative of Members normally resident in New Zealand or Asia, he or she may only appoint a Member normally resident in New Zealand or Asia as an Alternate Director.
- 18.8 An Alternate Director is entitled to notice of meetings of the Board and, if the appointer is not present at such a meeting, is entitled to attend and vote in his or her stead.
- 18.9 An Alternate Director is entitled to exercise all the powers (except the power to appoint an Alternate Director) and perform all the duties of the appointer, to the extent the appointer by whom the Alternate Director was appointed has not exercised or performed them or they have not been limited by the instrument appointing the Alternate Director.

19. Powers and duties of the Board

- 19.1 It is the duty of the Board to control, assist and direct the work of the Institute, to deal with all matters on which a decision may be required in the interests of the Institute, and to present at each Annual General Meeting a report on the position of the Institute, financial and otherwise, and on the affairs and proceedings of the Institute during the past year.
- 19.2 The Board has power to regulate its own proceedings and to make provision for carrying out the objects of the Institute, and for conducting its affairs, and subject to the provisions of the Law and the Constitution, has the control of

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the income, property, and affairs of the Institute, and may exercise all powers and do all such acts and things as may be exercised or done by the Institute.

- 19.3 With the exception of the Chief Executive Officer, no Director is to receive any remuneration from the Institute other than payment for reasonable travelling and out-of-pocket expenses incurred in attending General Meetings or meetings of the Board, or any of the Faculties, Councils or any committee thereof or repayment of any expenses actually incurred by him or her in the business or on behalf of the Institute, whether carried out in or outside Australia.
- 19.4 The Board may delegate any of its powers and functions (not being duties incapable at law of delegation) to one or more committees.
- 19.5 In furtherance of and without prejudice to the general powers conferred by the Constitution, it is hereby expressly declared that the Board has the following powers:
- (a) to appoint, upon such terms and conditions as it sees fit, and to dismiss the Chief Executive Officer and other paid officers of the Institute;
 - (b) to appoint, upon such terms and conditions as it sees fit, the Secretary of the Institute;
 - (c) to purchase or take a lease of, or otherwise acquire, any buildings, offices or rooms for the purposes of the Institute, whether in or outside Australia, and to assign, sub-let or surrender the same as circumstances may require;
 - (d) to employ any part of the funds of the Institute in the provision and maintenance of a suitable collection of books, reports, statistics, accounts, papers, maps, plans, instruments, models and other things of interest to persons employed in the insurance business;
 - (e) to apply to or petition any parliament, or any public department or authority, officer, or body, in the name of the Institute;
 - (f) to apply such portion of the funds of the Institute as it may think fit towards forming and maintaining a reserve fund for the general purposes of the Institute;
 - (g) to invest all funds not immediately required for the purposes of the Institute in the name of the Institute in any investments approved by the Board, with power from time to time to vary such investments;
 - (h) to make provision for pensioning retired officers or employees, whether by agreement at the time of appointment or employment, or otherwise, as the Boards sees fit;
 - (i) to borrow such moneys as may be necessary for the purposes of the Institute and to secure the payment thereof in such manner as may be arranged;

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- (j) to pay the reasonable travelling and out-of-pocket expenses of the Directors of the Board, members of the Councils or any Member incurred in attending General Meetings or meetings of the Board, or any of the Councils or any committee thereof and to repay him or her any expenses actually incurred by him or her in the business or on behalf of the Institute, whether carried out in or outside Australia;
- (k) from time to time to appoint any person to act as an agent of the Institute on such terms and for such a period as the Board may determine;
- (l) to determine who is entitled on behalf of the Institute to sign cheques on the Institute's bankers; and
- (m) subject to the provisions of the Constitution, to enter into such contracts and to do all such acts and things as it may think expedient for the purposes of the Institute, including for the purpose of establishing and carrying on business in a place outside Australia.

20. Regulations of the Institute

20.1 The Board may, by Special Resolution, make, amend or revoke Regulations from time to time for the proper administration and regulation of the Institute, provided that no such Regulations are to be inconsistent with the Constitution. Should inconsistencies exist between any Regulations and the Constitution, the provisions of the Constitution prevail.

21. Committees

21.1 The Board may, as it sees fit, constitute and dissolve Board Committees (including any Council) to assist the Board in the conduct of its functions.

21.2 Board Committees have those powers, authorities and discretions which are delegated to them by the Board.

21.3 The President is entitled to receive notice of, attend, take the chair of and vote at meetings of Board Committees (other than Councils).

21.4 The President is entitled to receive notice and attend meetings of Councils. If the President is a member of a Council, the President is also entitled to vote at meetings of that Council.

21.5 Every Board Committee, including any Council, may be comprised, partly or wholly, of persons who are not Members of the Institute, although Membership of the Institute is encouraged in Council and Committee Members.

21.6 Every Board Committee, including any Council, is to operate within those terms of reference by which it was established. Subject to those terms of reference, every such committee is to regulate its own procedures.

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- 21.7 Board Committees are to perform those objects designated by the Board from time to time.

22. Faculties

- 22.1 The Board may, as it sees fit, constitute and dissolve Faculties and Faculty Advisory Boards to assist the Board in the conduct of its functions.
- 22.2 Faculty Advisory Boards have those powers, authorities and discretions which are delegated to them by the Board.
- 22.3 The President is entitled to receive notice and attend meetings of Faculty Advisory Boards. If the President is a member of a Faculty Advisory Board, the President is also entitled to vote at meetings of that Faculty Advisory Board.
- 22.4 Every Faculty Advisory Board is to operate within those terms of reference by which it is established. Subject to those terms of reference, every such Faculty Advisory Board is to regulate its own procedures.
- 22.5 Faculty Advisory Boards are to perform those objects designated by the Board from time to time.

23. Chief Executive Officer

The Board is to appoint a Chief Executive Officer with such powers and responsibilities to perform such functions and duties as the Board may determine from time to time. The Chief Executive Officer may be known by any title determined by the Board from time to time.

24. Branches

- 24.1 The Board may, as it sees fit, constitute and dissolve Branches.
- 24.2 Branches have those powers, authorities and discretions which are delegated to them by the Board.
- 24.3 Every Branch is to operate within those terms of reference by which it is established. Subject to those terms of reference, every such Branch is to regulate its own procedures.
- 24.4 Branches are to perform those objects designated by the Board from time to time.
- 24.5 Subject to Rule 24.6, every Member of the Institute is entitled to Membership of a Branch in the State or Territory or country where a Branch exists.
- 24.6 With the consent of the person, the Institute may notify each Branch of the name and address of each person who is a Member of the Institute (of whatever class) normally resident within the State or Territory or country of that Branch.

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25. The seal

The Institute may have a common seal and a duplicate common seal, which are to be used by the Institute as determined by the Board.

26. Accounts and audit

- 26.1 The Chief Executive Officer must keep, or cause to be kept, a proper account of the receipts and expenditure of the Institute, and of the matters in respect of which such receipts and expenditure take place, and of the property, assets, and liabilities of the Institute; and must provide reports to and as required by the Board.
- 26.2 Once at least in every year, the accounts of the Institute made up to the end of the financial year, (which, until the Board otherwise determines, ends on the 31st day of December) must be audited by a duly qualified auditor, and certified by two (2) Directors of the Board, and an abstract thereof must be printed and issued to the Members with the notice of the Annual General Meeting.
- 26.3 The Institute must observe the provisions of the Law and any relevant law under any other jurisdiction in which the Institute carries on a business in relation to the preparation and lodgement of accounts and the appointment of an auditor or auditors.

27. Notices

27.1 Service of notices

A notice may be given by the Institute to any Member personally, by leaving it at the Member's Registered address or by sending it by prepaid post or facsimile transmission or email transmission addressed to the Member's Registered address or, in any other case, by other electronic means determined by the Board. If the notice is signed, the signature may be original or printed.

27.2 When notice is taken to be served

Any notice sent by post to any Member normally resident in Australia is taken to have been served at the expiration of 72 hours from noon on the day the envelope containing the notice is posted and, in proving service, it is sufficient to prove that the envelope containing the notice was properly addressed and posted.

Any notice sent by post to any Member normally resident in New Zealand or Asia is taken to have been served at the expiration of one week from noon on the day the envelope containing the notice is posted and, in proving service, it is sufficient to prove that the envelope containing the notice was properly addressed and posted.

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Any notice served on a Member personally or left at the Member's Registered address is taken to have been served when delivered. Any notice served on a Member by facsimile transmission or electronic transmission is taken to have been served when the transmission is sent.

27.3 Member not known at Registered address

Where a Member does not have a Registered address or where the Institute has a reason in good faith to believe that a Member is not known at the Member's Registered address, all future notices are taken to be given to the Member if the notice is exhibited in the Office or on the Institute's website for a period of 48 hours (and is taken to be duly served at the commencement of that period) unless and until the Member informs the Institute of a registered place of address.

27.4 Calculation of period of notice

Where a given number of days' notice or notice extending over any other period is required to be given the day of service is not to be counted in the number of days or other period.

27.5 Service on deceased Members

A notice delivered or sent by post to the Member's Registered address under this Constitution is (despite the fact that the Member is then dead and whether or not the Institute has notice of the Member's death) taken to have been duly served and the service is sufficient service of the notice or document on the Member's personal representatives.

28. Profits and winding up

28.1 Application of income

The income and property of the Institute is to be applied in accordance with Rule 7 of this Constitution.

28.2 Winding up

On the winding up or dissolution of the Institute the assets of the Institute are to be dealt with in accordance with Rule 8 of this Constitution.

29. Indemnity

29.1 Indemnity of officers

- (a) The Institute is to indemnify each officer of the Institute out of the assets of the Institute to the relevant extent against any liability incurred by the officer in or arising out of the conduct of the business of the Institute or in or arising out of the discharge of the duties of the officer unless the liability was incurred by the officer

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through his or her own dishonesty, negligence, lack of good faith or breach of duty.

- (b) In addition to Rule 29.1(a), an officer of the Institute may be indemnified to the relevant extent out of the assets of the Institute against any liability incurred by the officer in or arising out of the conduct of the business of the Institute or in or arising out of the discharge of the duties of the officer where the Board considers it appropriate to do so.
- (c) Where the Board considers it appropriate, the Board may execute a documentary indemnity in any form in favour of any officer of the Institute.
- (d) Where the Board considers it appropriate, the Institute may:
 - (i) make payments by way of premium in respect of any contract effecting insurance on behalf or in respect of an officer of the Institute against any liability incurred by the officer in or arising out of the conduct of the business of the Institute or in or arising out of the discharge of the duties of the officer; and
 - (ii) bind itself in any contract or deed with any officer of the Institute to make the payments referred to in Rule 29.1(d)(i).
- (e) In this Rule:
 - (i) **officer** means:
 - (A) a Director, executive officer or employee; or
 - (B) a person appointed as a trustee by, or acting as a trustee at the request of the Institute; or
 - (C) a Member of a Faculty, Council or Committee established under this Constitution or the Regulations of the Institute, who is not otherwise an officer of the Institute; andincludes a former officer.
 - (ii) **duties of the officer** includes, in any particular case where the Board considers it appropriate, duties arising by reason of the appointment or nomination of an officer by the Institute.
 - (iii) **to the relevant extent** means:
 - (A) to the extent the Institute is not precluded by law from so doing;
 - (B) to the extent and for the amount that the officer is not otherwise entitled to be indemnified and is not actually indemnified by another person (including, in particular, an insurer under any insurance policy); and
 - (C) where the liability is incurred in or arising out of the conduct of the business of another corporation or in

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the discharge of the duties of the officer in relation to another corporation, to the extent and for the amount that the officer is not entitled to be indemnified and is not actually indemnified out of the assets of that corporation.

- (iv) ***liability*** means all costs, charges, losses, damages, expenses, penalties and liabilities of any kind including, in particular, legal costs incurred in defending any proceedings (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal, government authority or otherwise.