

PART 6: SPECIAL GENERAL MEETINGS

A guide to running a NSW incorporated association



SPECIAL GENERAL MEETINGS

This Part of the Guide to running a NSW incorporated association covers preparing for, conducting and minuting *special* general meetings (**SGMs**) of an incorporated association in New South Wales.

Key Points

1. What is a special general meeting?

The *Associations Incorporation Act 2009* (NSW) (**AI Act**) does not define a special general meeting (**SGM**), however a definition is set out in the Model Constitution which is contained in Schedule 1 to the *Associations Incorporation Regulation 2016* (NSW) (**AI Regulation**).

An SGM is a general meeting that is not an annual general meeting (**AGM**) and the expression "**general meeting**" may mean either an AGM or an SGM, depending on the context in which it is used.

The provisions of the AI Act and the AI Regulation that deal with general meetings apply equally to an SGM and an AGM and your association's Constitution will also set out procedures to be followed at general meetings, including SGMs.

It is important not to confuse a special resolution with a special general meeting.

A *special resolution* is required by the AI Act for matters such as changes to the name, constitution or objects of an association and may be required for other matters by the association's Constitution. A *special resolution* can be proposed for any general meeting, the AGM or an SGM convened especially for that purpose. The AI Act, including section 39, sets out particular rules that apply to *special resolutions* and the Constitution may contain other requirements.

An SGM is any general meeting that is not the AGM and the rules applicable to an AGM apply equally to an SGM, except as detailed in this Part 6 of the Guide.

2. What is a notice of meeting (and notice of motion)?

A notice of *meeting* is a written notice that a meeting is to take place at a specified time. A notice of *motion* is a notice, given by a member of the association, that proposes some decision or action be discussed and voted on at the next meeting.

3. What are the legal requirements for notices of special general meetings?

Laws regulate the content of the notice, the time and method of giving it, who the notice is to be given to, and what to do if the SGM (or motion) is adjourned to another time and place. SGMs are referred to in this Part of the Guide as any general meeting of members that is **not** an AGM. For information on AGMs see Part 5: Annual General Meetings in this Guide.

4. Notice of a special general meeting

This Part sets out the requirements for notices of SGMs of the association's members. A sample notice and checklist tools are provided.

5. Procedures for a special general meeting

At an SGM, matters must be considered by members in a certain way. A sample agenda, with guidance for the secretary, is provided in this Part.

6. Voting methods

There is a range of ways in which people who are entitled to vote at a meeting can do so. A variety of voting methods are set out in a tool in this Part.

7. What are “minutes”?

Minutes are a written record of what was discussed and decided at a meeting. One of the key legal tasks of the secretary of an incorporated association is to make sure that accurate minutes are made of the association’s SGMs, and that these are kept in a safe place.

The AI Act, AI Regulation and an association’s Constitution set out legal requirements for the minutes of the association. Those requirements are discussed in this Part.

8. Preparing and keeping minutes

This Part sets out what should be included in the minutes and how they should be kept. It also contains tips and tools for drafting minutes, including “action lists” which summarise people’s responsibilities arising from an SGM.

9. Confirming and verifying minutes

The secretary should ensure at each SGM that the members pass a resolution confirming the minutes of the previous meeting, and the chairperson signs a copy of the confirmed minutes. This Part explains this procedure and has a tool to help you.

1. What is a special general meeting?

An SGM is a meeting of the members of an incorporated association and is any general meeting that is not an AGM.

SGMs are used to address matters that are not dealt with at an AGM, and are normally convened to address one or more particular matters, including an appeal by a member against a decision of the committee under rule 12 of the Model Constitution, if an association’s Constitution includes such a rule. All voting members of an association must be provided notice of an SGM and can vote on any resolutions of an SGM.

An SGM must be convened in accordance with the procedures provided in an association’s Constitution. See for example rule 27 of the Model Constitution.

2. What is a notice of meeting (and notice of motion)?

What is a notice of meeting?

A “notice of meeting” is a written notice that a meeting is to take place at a specified time.

A notice of meeting should set out information (such as the date, time, place, and what is proposed to be done) so that those invited to the meeting know what it's about and can decide whether to attend.

The contents of a notice of meeting may vary significantly from association to association, depending on the type of association and how formal the SGM is. In some cases, there are particular notice requirements under the AI Act before certain resolutions can be passed at a meeting (see below, [3. Notice of a special general meeting of members](#)).

Remember!

SGMs are referred to in this Part of the Guide as any general meeting of members that is **not** an AGM.

For information on AGMs see, Part 5: Annual General Meetings in this Guide.

What is a notice of motion?

A “notice of motion” is a notice, given by a member of the association, which proposes that a decision or action be discussed and voted on at the next meeting. Commonly the member gives a notice of motion to the secretary in accordance with the requirements of the association's Constitution. The motion is then included as an item of business for the next meeting (usually under a heading such as “motions on notice”).

A notice of motion gives the other members an opportunity to consider the member's motion before the meeting takes place and is generally only given if the matter proposed by the member is an important decision for the association. A notice of motion may also be required by your association's Constitution or policies. You need to check.

Important:

The secretary of an incorporated association is usually responsible for preparing and giving notice of meetings under the association's Constitution.

This is an important job. If a notice of meeting is not correctly prepared and given, the meeting may be invalid and decisions made at it may be void (of no legal effect).

3. What are the legal requirements for notices of special general meetings?

For any general meeting, including SGMs, there are legal requirements about:

- when the notice must be given
- the content of the notice
- how notice must be given
- who the notice must be given to, and

- what to do if the meeting is adjourned.

You need to consider any requirements imposed by:

- the AI Act
- the AI Regulation
- the law developed by the courts (that is, “judge-made law”)
- your association’s Constitution, and
- any policies your association has about this issue.

Remember!

Make sure you have the most up-to-date version of your association's Constitution, including any changes that the association’s members and NSW Fair Trading have approved.

If you are confused about which Constitution applies to you and whether the copy you have is up-to-date, the best thing to do is to contact NSW Fair Trading and request a copy of your association’s Constitution and purposes.

The checklist in [Tool 1: Checklist for notice of special general meeting](#), will help you to prepare a notice for an SGM.

4. Notice of a special general meeting of members

What is a special general meeting?

An SGM is a meeting of the members of an incorporated association which is not an AGM and which is convened using the procedures in the association’s Constitution. An association will have its own Constitution and procedures for giving members notice of an SGM.

When to give notice of a special general meeting

The Constitution of an incorporated association must set out the time within which notices of SGMs (and notices of motion) are to be given, published or circulated. Many associations have a rule (similar to rule 28 of the Model Constitution) that members should receive notice of an SGM at least 14 days (or 21 days if a special resolution is proposed – see more information below) before the meeting. In addition, section 39 of the AI Act provides that a special resolution may only be passed at a meeting of which 21 or more days' notice was given to members.

Also, many associations have a rule (similar to rule 27 of the Model Constitution) that committee may decide the specific date, time and place to hold an SGM.

Remember!

Check your Constitution to see what it says — your association may have adopted the Model Constitution or it may have changed the Model Constitution to suit its own particular circumstances.

Your association may have also supplemented its Constitution with policies about the time for giving notice of an SGM. You should check whether any such policies exist and if so, whether they specify extra requirements.

How to measure time for giving notice

Calculating the number of days' notice can be confusing. Firstly, check whether your association has its own Constitutional rule about measuring time. The Model Constitution does not have any provisions about measuring time.

If your Constitution does not address measuring time, it is good practice when counting days to exclude both:

- the day on which the notice is sent, and
- the day on which the meeting is to be held.

The Model Constitution contains rules relating to the service of notices, including provisions about the permitted methods of giving notice, and when notice is taken to have been given for each permitted method (see rule 46 of the Model Constitution).

Check your association's Constitution for requirements about the service of notices.

Example:

Most associations have a rule that a notice of general meeting should be sent to members at least 14 days before the meeting is held.

If a notice is personally delivered to a member on **1 January**, you would count 14 days from 2 January. That makes **16 January** the earliest date for holding the meeting.

Tip:

When calculating the number of days notice that needs to be given, to be safe, you should allow a couple of extra days, especially if the notice is sent by post.

What information should be in a notice of a special general meeting?

A notice of an SGM should:

- be sufficiently clear and detailed so that members understand what is proposed to be discussed at the meeting and can then decide whether to attend
- be a full and fair disclosure of the matters to be discussed at the meeting, and
- not mislead any member of the association.

To meet these requirements, it is desirable that an association's Constitution specifies what details must be included in a notice of a general meeting, including an SGM. As a minimum, the notice should include the date, time and place of the SGM and the nature of the business proposed to be dealt with (rule 28 of the Model Constitution). Where the SGM is to consider a *special resolution*, the notice must include the terms of the *special resolution* and a statement to the effect that the resolution is a *special resolution* (see below for more details).

For an example of a notice of a SGM (under the Model Constitution, this is any general meeting which is not an AGM) see [Tool 2: Sample notice for special general meeting](#).

Remember!

If your association uses the Model Constitution, or has a rule similar to rule 28(3) of the Model Constitution, the only matters that can be discussed and voted on at an SGM are the ones set out in the notice of meeting. This means that the secretary must be very careful to include in the notice of SGM *all* items of business to be dealt with. Extra things can't be addressed at the meeting.

Remember to check your association's own Constitution and procedures, as they may have different requirements.

Tip:

Although agendas for AGMs will include a catch-all item such as "any other business" or "general business", this is not allowed for SGMs that have adopted a rule such as rule 28(3) of the Model Constitution.

Therefore, the SGM should not pass resolutions on matters which have not been notified to members in the notice of the meeting. If additional matters of business are attempted to be raised at the meeting, the chairperson should arrange to convene a further meeting (with at least 14 or 21 days' notice (as applicable) to members) to consider the issues properly, and vote on any resolutions.

Your association may also have policies about the content of notices of SGMs. For example, it may be your association's policy to specify who authorised the notice.

The notice of an SGM is usually sent together with any relevant documents which provide background information on the specific matters to be discussed at the SGM, including the text of any proposed resolutions, and an explanation of why they are being proposed.

- See [Tool 1: Checklist for notice of special general meeting](#) and also
-
-
-
-
-
-
-
-
-

- Tool 2: Sample notice for special general meeting.

How to give notice of a special general meeting

The Constitution of an incorporated association must set out the manner in which notices of general meetings, including SGMs (and notices of motion) are to be given, published or circulated (item 9 of Schedule 1 of the AI Act).

Many associations have a provision in their Constitution that a notice of a general meeting may be:

- provided in person
- sent by post to each member's address, or
- sent by fax, email or other form of electronic transmission.

Check your own association's Constitution. The way in which a notice must be given varies depending on the type of association and the formality of meetings. Some associations' Constitutions require a notice to be posted to each member; others may require notice by an advertisement in a local newspaper; and others may place a notice in their regular newsletter or on a club notice board.

Extra requirements apply if there will be a motion put at your SGM that requires a special resolution to pass (in summary, notice must be given to members no later than 21 days before the date of the meeting - see further discussion below).

Your association may also have supplemented its Constitution with policies about how to give notice of an SGM.

Tip:

When giving a notice of an SGM, it is good practice to give each member of the association an individual notice (rather than, for example, only putting up a notice on the club notice board). This prevents a claim by a member that they were unaware of an SGM.

With large associations this may be expensive. Therefore, some association's Constitutions may allow for other methods of providing notice to members (for example, by email).

Who should be given notice of a special general meeting?

Unless your Constitution provides otherwise, you should give notice of an SGM to all members listed on the association's register of members (the secretary usually has responsibility for maintaining the members register, but check your Constitution – see Part 4: Registers, Records and Official Documents in this Guide).

Rule 28 of the Model Constitution requires that notice be given to each member". However, some associations may elect not to use the Model Constitution and instead specify in their Constitution that only paid-up (financial) members or some other special membership class are required to receive notice of any general meeting, including an SGM. Your association may also have "life members", who may or may not need to be notified. Check your association's Constitution and policies about who should be given notice of a general meeting, including an SGM.

What if a special general meeting (or a motion) is adjourned to a later date?

Sometimes, an SGM may be adjourned to a later date – for example, if there are not enough members at the meeting to make decisions for the association (see [How many people need to be at a special general meeting?](#) below).

And sometimes, even though the meeting goes ahead, a motion – of which notice has been given – may need to be adjourned to a future date for the SGM to be reconvened.

In such cases, you will need to consider whether a new notice of SGM (or notice of motion) is required. For example, rule 31 of the Model Constitution states that if a meeting is adjourned for 14 days or more, a fresh notice must be served. Check your association's Constitution for any specific provisions about this.

Why have extra requirements for special resolutions?

The policy reason for having extra requirements for a notice of a meeting proposing a special resolution is that special resolutions are used to make important decisions under the AI Act. So, it is important to give members more time and information about the matter so that they can consider it carefully before the meeting.

Notice of SGM where motion requiring special resolution will be put to members – extra requirements

There are extra notice requirements if particular types of decisions are proposed to be made at an SGM. One of these situations is where a motion requiring a “special resolution” will be put to members.

Notice of a proposed special resolution

Special resolutions are required under the AI Act for an association to make certain decisions (such as changing the association's name, Constitution or official address and winding up or cancelling the registration of the association). See [4. Procedures for a special general meeting](#) below for information about passing a special resolution at an SGM (and then seeking approval from NSW Fair Trading, where applicable).

When to give notice of a proposed special resolution

A notice of a meeting that will include a motion requiring a special resolution to pass must be given to all members who are entitled to vote at least 21 days before the meeting (section 39 of the AI Act).

Otherwise, the resolution cannot be passed as a special resolution at the meeting.

What information should be included in the notice?

To pass a special resolution at an SGM, section 39 of the AI Act and rule 28 of the Model Constitution require the notice to:

- specify the date, time and place of the SGM
- set out the *actual wording* of the proposed special resolution in full, and

- state that it is intended to propose the resolution as a special resolution.

Check your association's Constitution carefully for any extra requirements about notices of proposed special resolutions.

For an example of a notice with a proposed special resolution, see [Tool 2: Sample notice for special general meeting](#).

How should notice be given?

See discussion above, [How to give notice of a special general meeting](#).

Who should be given notice?

The AI Act requires a notice of any general meeting proposing a special resolution to be given to all members of the association who are entitled under the association's Constitution to vote on the resolution (section 39 of the AI Act).

Check whether your association has particular classes of members who are, or are not, eligible to vote on the matter.

Notice of proposal to amalgamate the association with another association

If the motion requiring special resolution is proposing to *amalgamate* (or, "join") an association with other associations (one or more), the notice should:

- specify the date, time and place of the SGM
- state that it is intended to propose the resolution as a special resolution
- include the proposed name and official address of the amalgamated organisation
- nominate the first public officer of the amalgamated organisation
- include the terms of the amalgamation
- include a copy of the proposed Constitution and objects (purposes) of the amalgamated organisation, and
- authorise an application for registration of the amalgamated association.

An application to amalgamate can only be approved by NSW Fair Trading (section 7 of the AI Act), if the application includes the relevant details required under the AI Act and the AI Regulation.

There may be other matters that you need to address in the notice of proposal to amalgamate. You may need to seek legal advice to ensure the notice has been drafted correctly.

Remember!

If a special resolution is proposed for an SGM, your association must comply with the notice requirements in section 39 of the AI Act. Otherwise, the resolution cannot be passed as a special resolution at the SGM.

Check whether your association has particular classes of members who are, or are not, eligible to vote on the matter.

What if a notice of a special general meeting might be invalid (defective)?

If there is a defect with a notice of SGM (for example, it did not contain the details required by the AI Act or was sent without providing sufficient notice), the notice may be “invalid”. If this happens, any actions taken and decisions made at the subsequent meeting may be void (that is, of no legal effect).

If a member of your association alleges that a notice of an SGM is invalid, it can be difficult to work out whether the alleged defect is something that would make the meeting void. The answer will depend on the seriousness of the alleged defect.

Is it possible to waive any defects in a notice?

If you have realised that your notice of SGM was defective, there are steps you can take to fix the defect. If all the members entitled to attend the SGM (not just those who actually attend) agree to “waive” a defect in the notice (that is, essentially to ignore it), the invalidity may be overcome. The courts have long recognised this as a way of “curing” defects in a notice. However, waiving a defect can prove difficult for an SGM that is large or more formal.

A defective notice of an SGM that includes a proposed special resolution is unlikely to be cured by a waiver. If 21 clear days’ notice has not been given, you should seek legal advice. You may need to hold the meeting again or confirm the resolution at a future SGM (see below).

Is it possible to overcome alleged defects in any other way?

One method of overcoming any alleged defects in a notice is to continue to hold the (possibly) invalid SGM (if those present agree) and to keep records of the decisions made at the meeting. At the next validly convened general meeting, a motion can be put adopting the decisions made at that earlier (possibly) invalid SGM.

Of course, until that subsequent meeting validates the decisions of the previous (invalid) SGM, the decisions of that previous meeting will have no legal standing or effect. This approach is therefore usually taken only if there is likely to be no dispute about the previous decisions.

Tip:

If there is ever any concern about the validity of any notice, you should seek legal advice.

5. Procedures for a special general meeting

Procedures for SGMs of incorporated associations in New South Wales can vary considerably, depending on the type of association, who is attending and what is being discussed. An SGM of a large association is usually very formal.

Generally, the larger the group, the more formal the SGM procedures (so that order is maintained and the meeting can deal with its business efficiently).

The person who chairs the SGM (usually called the chairperson or president) guides the style. As long as the legal requirements are met, the chairperson may run the SGM in as relaxed or formal a style as the particular situation allows.

You need to take into account any requirements imposed by the AI Act, the Regulations and your

Tip:

Some customs and practices are intentionally designed to promote efficiency of time and effort, to focus on certain key meeting issues, or for other strategic purposes.

For example, an association may table certain reports and take them as read (that is, the SGM does not deal in detail with the report, but members may ask questions).

association's Constitution when establishing meeting procedures.

Each association also develops its own customs, practices and "culture" over time. These may not be formally reflected in the Constitution. So it is important to ask about your association's policies and procedures (written and unwritten), as well as the Constitution, to find out how your association usually conducts meetings.

What is the role of the secretary at special general meetings?

For all general meetings, including SGMs, the secretary is usually responsible for the following tasks:

- preparing and distributing any reports or documents to people who are invited to the meeting and dealing with any correspondence
- assisting in and recording the outcome of any votes taken, and
- taking minutes of the meeting, including the names of the members present (or arranging for someone else to take them).

Constitution and special general meetings

Check your association's Constitution for the requirements (if any) about SGMs including:

- the agenda for the meeting
- the "quorum" for the meeting (that is, the minimum number of members who must be present)
- how resolutions are passed
- voting methods, and
- how meetings can be adjourned.

Each of these matters is discussed in more detail below.

Agenda for a special general meeting

The agenda for any general meeting including a SGM, should include all business to be considered at the meeting (this should be included in the notice of meeting – see [What information should be in the notice of special general meeting?](#) in this Guide).

Some items of business are usually listed on the meeting agenda and dealt with at every general meeting, such as:

- attendance and apologies, and
- confirming the minutes of the last meeting.

As the meeting will usually be convened to consider and decide a particular matter, the agenda should clearly set out the issues to be determined.

How many people need to be at a special general meeting?

Before you can deal with any business at an SGM, there must be a minimum number of the association's members present. This number is called the "quorum".

Your association's Constitution must specify the quorum for SGMs and other general meetings (item 10 of Schedule 1 of the AI Act). Rule 29 of the Model Constitution provides that the quorum is 5 members present and entitled to vote, however, in larger associations, it is more common for the Constitution to stipulate a minimum percentage of the total membership and not an actual number of members..

Check your own association's Constitution for the quorum number and whether they may be present by proxy.

What happens if there is no quorum?

If there is no quorum at an SGM, your association's Constitution should set out what will happen. For example, rule 29 of the Model Constitution provides that:

- no item of business may be conducted at the meeting unless a quorum of members entitled to vote is present when the meeting is considering that item, and
- if, within half an hour after the time set for the start of the meeting, a quorum is not present, then either:
 - if the meeting has been convened at the request of members — the meeting is to be dissolved, or
 - in any other case — the meeting is adjourned (rescheduled) to the same day in the following week at the same time and at the same place, (unless the chairperson specifies a different venue when adjourning the meeting, or unless written notice of a change of venue is given to members prior to the new date for the meeting).
 - Rule 29 of the Model Constitution also provides that if, at the adjourned meeting, a quorum is not present within half an hour after the time appointed for the commencement of the meeting, the members present (being at least 3) are to constitute a quorum. In that

situation, the rescheduled AGM will be able to deal with the items of business, so long as that amended minimum number of members (3 members under rule 29) are present.

- You must check your association's own Constitution for information relating to what happens if there is no quorum for a general meeting.

Motions and resolutions

The words "motion" and "resolution" are often (incorrectly) used as if they mean the same thing. They don't - they have separate, but related, meanings.

What is a motion?

A motion is a proposal that a member puts at a meeting in order that some action be done or decision made about an issue (see discussion of a ['notice of motion'](#) above in this Part). The technical procedure is that:

- a member moves the motion, and then
- another member seconds the motion.

Sometimes, members may wish to change the wording of the motion, and if so then:

- a member moves an amendment to the motion, and then
- another member seconds the amendment.

A motion typically relates to a procedural aspect of the meeting: for example, someone may move a motion that the minutes of the last meeting be confirmed or that a ballot be conducted in order to decide a question you should refer to your association's Constitution for any additional requirements (but see, for example, rule 32(1)(b) of the Model Constitution).

What is a resolution?

A resolution is a decision of the meeting to approve or pass a resolution and is the result of a motion (or an amended motion) put before, and approved by, the meeting. Once the resolution is passed, the meeting has made a binding decision.

There are two main types of resolutions:

- ordinary resolutions (often simply called a "resolution"), and
- special resolutions.

Example:

The XYZ Club calls a general meeting at which a motion is put forward by a member "that this meeting approve the lodgment of a zoning application for the association's Club House with the City Council". Another member seconds the motion.

Then the meeting can vote to approve or pass the motion (or not).

Example:

The XYZ Club meeting votes to approve the motion "that this meeting approve the lodgment of a zoning application for the association's Club House with the City Council". The motion then becomes a resolution that legally binds the XYZ Club and its members. If necessary, the association can change or cancel its decision by passing another resolution to override the previous one.

The requirements for passing ordinary and special resolutions are different, and are discussed in more detail below. For information about drafting motions and resolutions, see [7. Preparing and keeping minutes](#) below.

How is an ordinary resolution passed?

Section 38 of the AI Act provides that an ordinary resolution will be passed by an association at a general meeting (or in a postal or electronic ballot conducted by the association) if it is supported by more than 50% of the votes cast by the members of the association who, under the association's Constitution, are entitled to vote on the proposed resolution.

For example, if there were 20 members voting on a resolution, you would need 11 (or more) members voting in favour to pass the resolution.

Check your association's Constitution for any particular requirements for passing resolutions (either ordinary or otherwise), in particular as to whether voting by proxy is permitted.

How is a special resolution passed?

A special resolution must be passed in accordance with the requirements in section 39 of the AI Act. As discussed above, special resolutions are required under the AI Act for certain important decisions, such as changing the association's name or Constitution. Your association's Constitution may specify other situations, or types of decisions, which require a special resolution.

To pass a special resolution at any general meeting, including an SGM, the AI Act requires that:

1. not less than 21 days' notice of the special resolution must have been given to members (section 39(1)(a) of the AI Act)
2. the notice must contain the complete wording of the proposed resolution and a statement to the effect that the resolution is intended to be passed as a special resolution (see [Notice of a proposed special resolution](#) above)
 - not less than three quarters (that is, 75% or more) of members who are both:
 - entitled to vote, and
 - who actually do vote at the meeting, either in person, or by proxy if allowed (see below, [Proxy voting](#))

must vote "in favour of" (for) the special resolution (section 39(1)), or

3. where permitted by the Constitution, a postal or electronic ballot is conducted by the association (section 39(1)(b) of the AI Act), and
 - any additional requirements in the association's Constitution about passing special resolutions must be met.

Your association's Constitution can impose additional requirements (for example, a requirement to include certain extra information about the proposed special resolution in the notice of meeting), but cannot reduce or increase the 75% provision.

If it would be too difficult (impracticable) for your association to pass a special resolution in the way required by section 39(1)(a) or (b) of the AI Act, you can ask NSW Fair Trading for approval to pass a special resolution in another way (section 39(1)(c) of the AI Act). NSW Fair Trading may grant approval if, for example, the association needs to pass a motion to wind up (end) the association but there is a problem with the association's records and it is difficult to identify all the members of the association.

Remember!

Some decisions passed by special resolution (for example, changing the association's Constitution) are not official under the AI Act until they have been approved by NSW Fair Trading. Depending on the type of decision, you may need to notify NSW Fair Trading of the special resolution and seek approval for the change.

Voting at special general meetings

If members at an SGM want to make a decision about a matter, a motion or an amendment, it is usual for each member to cast a vote — generally “in favour” (for) or “against”.

Check your association's Constitution for any requirements about voting procedures. Rule 34 of the Model Constitution provides that:

- each member has only one vote, and
- if there is a tied vote (that is, an equal number of votes “for” and “against”), the chairperson may vote again to decide the matter (sometimes called the “casting vote”).
- Note that the Model Constitution also provides that a member cannot vote unless they have paid all amounts that are due to be paid by that member to the association. Underage members, i.e. those under the age of 18 are also not generally permitted to vote (see rule 34 of the Model Constitution).

For information about voting methods see below, [5.Voting methods](#).

Adjourning special general meetings

Check your association's Constitution for any provisions about adjourning (rescheduling) SGMs.

The Constitution of an incorporated association will usually require the chairperson to adjourn an SGM if there is no quorum present after a specified time. For example, rule 31 of the Model Constitution also provides that:

- if a majority of the members present at the meeting in which a quorum has been reached consent, the chairperson may adjourn the meeting to another time and place
- at the rescheduled meeting, the only business that may be dealt with is the unfinished business from the meeting that was adjourned, and
- if a meeting is adjourned for 14 days or more, then a notice of the rescheduled meeting must be given in accordance with the Constitution for notices of general meetings.

Some associations' Constitutions allow for a general meeting, including an SGM to be adjourned in other circumstances as well. You need to check what your Constitution say.

6. Voting methods

There are various ways in which votes can be taken at an SGM. The most common methods are voting by show of hands or by poll (that is, a vote in writing). These and other methods (such as voting by voices) are discussed in more detail in [Tool 3: Table of voting methods](#). Check your own association's Constitution and policies about voting methods. Your Constitution may require certain methods and not allow others. They may also require different methods of voting at different types of meetings.

How to vote on a special resolution

Voting on a special resolution should be conducted as required or permitted by your association's Constitution.

Tip:

The usual procedure for voting at an SGM is that the chairperson will:

- clearly state the motion to be put to the meeting
- take a vote from those present and entitled to vote
- determine the result, and
- announce the result of the vote.

Ballots

A "ballot" is a method of voting in writing (rather than by a show of hands) on a motion (including the election of an official and any amendments) at a meeting. It is usually the role of the chairperson to determine whether a ballot is required, to direct the conduct of the ballot and to supervise the counting of the written votes. The way in which individual members voted in the ballot is not usually disclosed. In many associations the Constitution may allow a member to request a ballot. Commonly, a ballot may be requested by:

- a member who questions the result of a particular vote count (for example, if the AGM is large and there is a close vote on a show of hands), or
- (when voting by proxy is permitted under the Constitution), a member who believes that any proxies held may alter the outcome of the vote (because a holder of several proxies has only one vote in a show of hands).

Sometimes a ballot must be conducted if a certain number of members request it (see for example clause 32(1)(b) of the Model Constitution provides that a ballot shall be held if five members present at a meeting may request a ballot).

A ballot is usually confidential, in which case it is referred to as a "secret ballot". In a secret ballot, the name of the voter is not disclosed, compared to a normal ballot where the voter's name is usually written on the voting paper so the voter's right to vote can be checked (for example, that they do not have any outstanding debts owing to the association).

Regulation 13 and Schedule 3 of the AI Regulation set out the requirements for conducting a postal or electronic ballot.

For more information about how to conduct a ballot, see Tool 3: Table of voting methods.

Abstaining from voting and opposing

Some members may decide not to vote at all (that is, “abstain from voting”) and they may wish to have the secretary record their names in the minutes as having abstained.

Other members may oppose the motion and request that their opposition be noted.

What if a vote is tied?

If a vote is tied, most associations’ Constitutions say that the chairperson has a second (or “casting”) vote to decide the matter. This is the position in the rule 34(2) of the Model Constitution. Commonly, the chairperson will exercise this vote to maintain the existing situation (so that a controversial resolution will not be passed).

What if a member is unable to attend a special general meeting and vote in person?

If a member of an association is unable to attend an SGM to cast their vote in person, that member may, depending on the Constitution of their association, vote by “proxy”. See [Proxy voting](#) below.

As an alternative, an association may, if its Constitution permits, allow direct voting so that members who will be absent from an SGM can cast their own vote. The vote can be cast by completing and lodging a voting form prior to that meeting. More information about direct voting, including how an association can amend its Constitution to implement a system of direct voting is provided below, [Direct voting](#).

Alternatively, a postal or electronic ballot can be conducted if an association's Constitution permits a ballot to be conducted in this format. A postal or electronic ballot can only be conducted in relation to resolutions of a kind that the association's Constitution permits to be voted on by means of a postal or electronic ballot and, if conducted, must be conducted in accordance with the AI regulations (see rule 13 and Schedule 3 of the AI Regulations).

Proxy voting

What is proxy voting?

If a member of an association is unable to attend an SGM and vote on an issue personally, if your Constitution permits it, that member may be able to appoint another person to cast a vote on their behalf (that is, “vote by proxy”) at the meeting.

Please check your Constitution to determine whether proxy voting is permitted. Although the Model Constitution expressly prohibits proxy voting at a general meeting, (rule 35 of the Model Constitution), it is quite common for proxy voting to be permitted. Care needs to be taken in managing the process of proxy voting to ensure proxies are properly completed and counted.

Schedule 1 of the AI Act provides that an association's Constitution is to address whether proxy voting is permitted at general meetings.

Terminology:

When talking about proxies, it is important to know the following definitions:

- the “donor” is the member of the association who appoints another person to vote on their behalf
- the “proxy holder” or “proxy” is the person who is appointed to vote on behalf of the absent member, and
- the “proxy form” is the document by which the donor appoints the proxy.

What are the legal requirements for proxy voting?

A member of an incorporated association has no general legal right to appoint a proxy (but see below, [Proxy voting and powers of attorney](#)). The power or right to appoint a proxy can be given only by the association's Constitution, so you should check if your Constitution allows for proxy voting.

The AI Act requires the Constitution of an incorporated association to specify whether or not absent members are allowed to vote by proxy (item 10 of Schedule 1 of the AI Act). Check your association's Constitution carefully for any provisions about proxy voting

The Constitutions of some associations specifies a deadline for receiving proxy forms before a general meeting, including an SGM. Having a deadline in your Constitution ensures that the secretary does not have to receive and process multiple proxy forms at the meeting, which can slow the progress of the meeting.

The Constitution of some associations may also allow:

- non-members to act as proxies
- a general proxy (which gives a member the right to appoint another to vote as they see fit on all aspects of the association's business for a certain period of time)
- a specific proxy (which allows a person to cast a vote only at a particular meeting in a particular way), and/or
- the chairperson to hold the general proxies of multiple members (and therefore enable the chairperson to exercise the proxy in any manner they see fit).

Tip:

See Tool 5 in this Part. Be sure to check the flowchart against your association's Constitution and policies before relying on it. If your Constitution is different, adapt the tool to suit your own circumstances.

What if the donor attends the special general meeting themselves?

If the donor attends an SGM for which they have appointed a proxy then, if the donor votes on an issue, the proxy holder may not vote on their behalf. The proxy holder may continue to act in accordance with the proxy form to vote on subsequent matters (so long as the donor does not vote).

Is the chairperson required to exercise the proxies they may hold?

If the chairperson has been appointed a proxy holder by multiple members, the chairperson may be under no obligation to exercise those proxies unless specifically asked by the individual donors. It will depend on the wording of the document that appoints the chairperson as proxy.

It is good practice for the proxy form to set out whether the chairperson *must* vote in a particular way or whether the chairperson *may* (or may not) vote in a particular way on the resolution. If the chairperson *may* vote but does not have to, this means they have a “discretion” about exercising the proxy. If a donor appoints the chairperson as their proxy to vote on a resolution in a particular way, the chairperson must vote in that way.

Cancelling a proxy

Generally, a donor may cancel (or “revoke”) a proxy before it is exercised by:

- giving both the proxy holder and the association a written notice of revocation (which becomes effective as soon as it is received and which, strictly, must be received by the association before the SGM at which the proxy was to be used)
- granting a subsequent and superseding (overriding) proxy to the same or another person, or
- resigning from the association.
-

If a donor dies, the proxy automatically ends.

Check your association’s Constitution carefully for any provisions about revoking proxies. For example, some associations’ Constitutions require a donor wishing to cancel a proxy to give notice to the association by a certain deadline before the meeting.

If the donor has appointed a proxy for a specific SGM (see discussion of “specific proxies” above), the appointment will only be valid for that meeting.

Powers of attorney

What is a “power of attorney”?

A person can appoint another person (or more than one) to have “power of attorney” for them — that is, to make decisions on their behalf, either indefinitely or for a specified period of time. This must be done in writing, signed and dated. This is another way to enable a person to vote on behalf of a member who is not attending an SGM or does not wish to vote in person.

For more detailed information on powers of attorney see the NSW Trustee and Guardian’s webpage:

<http://www.tag.nsw.gov.au/attorney-faqs.html>

Terminology:

When talking about powers of attorney, it is important to know that:

- the “donor” is the person who appoints another person to make decisions on their behalf
- the “attorney” is the person who is appointed by the donor, and
- the “power of attorney” is both the document by which the attorney is appointed, and the actual grant of power.

The attorney may exercise the powers of the donor, and vote on their behalf at an SGM.

A donor may cancel (revoke) a power of attorney at any time in writing.

If a person says they have power of attorney to act on behalf of a member of your association, it is good practice to:

- ask that person for a written declaration that they have the powers they claim, and
- request to see, and then carefully read, the original or a certified copy of the power of attorney to:
 - confirm that the power exists
 - make a note of the extent of the power granted to the attorney, and
 - make a note of the period of time (if any is specified) that the power operates.

The attorney may sometimes appoint a proxy or be a proxy holder. Sometimes a power of attorney gives a person the power to act on the donor's behalf on all matters (this is a “general” power of attorney). So, in this situation, the attorney would have the authority to appoint a proxy, or to be a proxy holder, if proxies are permitted under an association's Constitution.

Direct voting

What is “direct voting”?

Direct voting is a method of voting which enables members to exercise their voting rights without having to either attend the SGM, or give their right to vote to someone else (ie. a proxy or attorney). With direct voting, if it is permitted under the association's Constitution, members exercise their vote by submitting a binding voting form to the association before the SGM, in the approved manner provided for in the Constitution.

Implementing direct voting

Direct voting is not available to members unless your association's Constitution provides for it.

If your association's Constitution does not currently allow for direct voting, and you would like to adopt a direct voting system, you will need to change the Constitution to implement direct voting. You will need to consider how you want the procedure to work. For example, do you want your Constitution to outline the form and process for direct voting, or leave it to the committee to determine this form and process in the future as it sees fit?

Why may direct voting be considered beneficial?

Direct voting may make it easier for members to vote (and have their vote counted) when they cannot attend an SGM. In contrast to proxy voting (where a person gives another person their power to vote at an SGM – but does not necessarily oblige that person to attend the meeting and vote on their behalf), with direct voting a member can lodge their vote in writing before the SGM. Direct voting can therefore foster greater member participation in decision-making, may speed up the voting process at the SGM and may also avoid the situation where a proxy holder falls ill on the day of an SGM and cannot attend.

Direct voting does not necessarily replace the proxy system. It can sit alongside it. Direct voting simply provides an additional voting option to members who know they cannot attend an SGM.

Remember! Check the voting provisions in your association's Constitution. If your association's Constitution *does not* allow for direct voting (such as the Model Constitution), you will need to change your association's Constitution to implement direct voting procedures.

The Governance Institute of Australia (**GIA**) has released a [Guide to implementing direct voting](#). Although the Guide is designed for companies (and refers to shareholders rather than members), it contains some useful information about direct voting.

For sample wording of a new rule to allow direct voting, see Tool 4 of this Part.

Remember!

In order to change your Constitution, a special resolution must be passed in accordance with the requirements of section 39 of the AI Act and NSW Fair Trading must approve any changes before they take effect. See above for more information on the specific requirements for passing a special resolution.

7. What are “minutes”?

The word “minutes” has been used for centuries to mean a summary of the proceedings of an assembly or committee. Today, minutes are a formal written record of the matters discussed and decisions made at a meeting.

One of the main legal tasks of the secretary of an incorporated association is to make sure that:

- minutes are taken of each meeting (including the SGM) of the association
- minutes are confirmed by the association as an accurate record of the meeting, and
- the minutes of all meetings are kept safely by the association for future reference.

The legal requirements for preparing and keeping minutes of SGMs come from section 50 of the AI Act, regulation 14 of the AI Regulation and the association's Constitution. Your association may also have particular policies and practices for taking and keeping minutes.

There are other laws which you should be aware of when preparing and distributing minutes, including defamation and privacy laws. These are discussed briefly in this Part.

AI Act and Regulation requirements

Section 50 of the AI Act requires the association to keep minutes of all committee meetings and general meetings. Regulation 14 of the AI Regulation requires that minutes and records are kept for no less than 5 years, and provides for records and minutes to be kept in written or electronic format. If records and minutes are kept in electronic format, they must be convertible into hard copy so that they can be made available within a reasonable time to a person who is entitled to inspect them.

Your association's Constitution may also make provision for the keeping and inspection of minutes. Refer to your association's Constitution for further information, however it is important to remember that failure to keep minutes can incur a penalty under the AI Act.

In addition, an inspector from NSW Fair Trading may, by issuing a notice in writing, require the association, or any person who is involved in the association's activities (which includes the public officer) to give the inspector specified relevant documents or information of the association or to grant the inspector access to premises of the association (section 85 and 86 of the AI Act). NSW Fair Trading may also apply for a search warrant (section 87 of the AI Act). NSW Fair Trading may choose to use these powers to make sure that the association has complied with the AI Act and Regulations.

It is therefore extremely important that the secretary makes sure that accurate minutes are taken of the association's SGMs, and that they are recorded and kept in a safe place.

Your association's Constitution

Many associations have a rule, similar to rule 16 of the Model Constitution, which requires the secretary to keep minutes of resolutions and proceedings of each SGM.

Rule 16 of the Model Constitution also requires a secretary to keep as part of SGM minutes:

- the names of members attending the meeting, and
- details of any proxy forms to be used at the meeting and given to the Chairperson.

Check your association's Constitution.

- Rule 45 of the Model Constitution requires the organisation to make SGM minutes available to members to inspect and make copies. See [Part 3: Public Officer's Legal Role, Powers and Duties of this Guide](#) for more information about the responsibility to store and provide access to minutes.
- For more information see [Part 1: The Association in a Nutshell](#) in this Guide.

Your association's policies

Check your association's policies and practices about taking and keeping minutes. If you don't have any, your association may choose to create policies, using this Guide for assistance.

8. Preparing and keeping minutes

The form of minutes varies depending on the type of association and the type of activities it undertakes.

Content of the minutes

For detailed information about the usual matters to include in the minutes of meetings, see [Tool 6: Checklist for contents of minutes](#). Importantly, the minutes should record the motions moved and resolutions made at the SGM. For information about “motions” and “resolutions” see [Motions and resolutions](#) in this Guide.

Remember!

Some types of proposed resolutions require written notice to be given before the meeting – see 3: Notice of an SGM of members in this Guide.

Drafting the content - generally

The format and style of minutes vary considerably among associations. Some minutes are very brief and precise, and record the bare minimum of information. Other minutes include “blow by blow” summaries of the debate. In exceptional circumstances, the minutes will include a transcript of everything that was said at an SGM. Check your own association’s Constitution, policies and practices. It is good practice to ensure that a consistent approach is adopted at all meetings.

Despite variety in the form of minutes, there are some commonly accepted drafting conventions – see [Tool 7: Conventions for drafting minutes](#). Minutes need not include everything that was said, but must include adequate details of all formal business (such as motions and voting).

Tip:

The minutes are an official historical record of the association, so it is good practice to record in the minutes the name and position of office bearers (chairperson, secretary, treasurer) as well as names of members and any other people present (such as observers).

Drafting motions and resolutions

The exact wording of the motion should appear in the minutes. If there is a problem with the wording of a resolution (that is, a motion which is passed at the SGM), this will have to be corrected at a later meeting. Once the minutes have been confirmed, the secretary has no power to alter the motion in order to correct the mistake.

Tip:

If a motion is proposed verbally at a meeting, the secretary (or public officer if acting as a secretary) may find it helpful to:

- write the motion down on a board or flip chart and show it to the meeting during the debate, or
- require the motion to be given to them in writing by the member proposing it.

This way, any corrections to the wording of the motion can be made before voting on the matter. It also gives the secretary a chance to draft the motion in a way which can be suitably recorded in the minutes.

The wording of the motion must comply with your association's Constitution, including its purposes — it cannot recommend any action outside the scope of your association's powers and activities. The motion must also be allowed to be made by the SGM, especially if the meeting has been called for a specific purpose.

For each motion, the minutes should record:

- the names of people who move and second the original motion and any amendments
- the method of voting (for information about voting methods, see [5. Voting methods](#) in this Guide), and
- whether the motion was passed (in which case it becomes a resolution), rejected or was adjourned (that is, put off until another meeting).

See [Tool 7: conventions for drafting minutes](#).

Tip:

It is useful for the secretary to circulate draft minutes with an “action list” to the people or sub-committees who have been given specific tasks at the SGM.

Drafting minutes of difficult meetings

Sometimes meetings can get heated and the participants resort to personal attacks, walk-outs, threats and inappropriate remarks. In many instances, the chairperson may require such remarks to be withdrawn (therefore the remarks are not recorded). In other cases, it is sufficient to record that “a robust discussion ensued” rather than a blow-by-blow account in the minutes. See [Tool 7: conventions for drafting minutes](#).

Tip:

For difficult meetings, the secretary could consider:

- asking the chairperson for specific help to draft the minutes (in any case, it is good practice for the secretary to always check the minutes they have drafted with the chairperson before distributing them to others), and
- unless a motion was made and/or resolution passed, not including the controversial material altogether. The minutes will have to be approved at the next meeting and, if it is considered

Generally a “defamatory statement” about a person is one that:

- exposes the person to hatred, contempt or ridicule
- tends to lower them in the opinion of other people
- harms their reputation (for example in their profession), or
- causes them to be shunned or avoided by others.

Remember!

The law of defamation is complex. If a secretary is concerned about any potential defamatory matters when drafting the minutes, they should seek legal advice before finalising and distributing the minutes to anyone.

Storing minutes

Tip:

Experience shows that it is best to write up the first draft of minutes as soon as possible after the SGM. Memory is fresh and the task can be done more quickly and efficiently than leaving it until just before the next meeting!

Minute books

Finalised minutes are often entered into a “minute book”. Until recently a minute book was a securely bound book with sequentially numbered pages. The minutes were handwritten into the book to guard against fraud or tampering. While some small associations still use handwritten minute books, many associations create and store minutes electronically and distribute them by email.

However it can be difficult to keep track of the “official” version of the minutes when they are created and stored electronically. It is also relatively easy for someone to tamper with the minutes (or replace them with substitute minutes) if they are stored in a loose-leaf binder. For these reasons you should take precautions to make sure the official minutes of meetings are secure, and easily identifiable.

9. Confirming and verifying minutes

It is good practice for the secretary of an incorporated association to:

- make sure the accuracy of the minutes is “confirmed” at the next meeting, and
- make sure the chairperson of the SGM (or the chairperson of the next meeting) has “verified” the accuracy of the confirmed minutes, for example by signing them.

See [Tool 8: Flowchart for confirming and verifying minutes](#). Check the Constitution of your own association for any special provisions about confirming and verifying minutes.

Tip:

Your association can take the following steps to keep the minutes more secure:

- lock the minutes document from editing and/or add a password to the document
- distribute the minutes electronically in PDF form rather than in an editable form
- print the minutes out and paste them into an official minute book (and number each page of the minute book consecutively)
- get the chairperson to sign each page of the minute book to confirm official minutes, and
- number each meeting sequentially (for example, “The Minutes of 2012 Annual General Meeting of XYZ Club Inc”).

Further information

Not-for-profit Law resources

The Not-for-profit Law Information Hub at www.nfplaw.org.au contains a variety of resources and fact sheets for community associations:

- See Running the organisation at www.nfplaw.org.au/runningtheorg for more information about positions in an incorporated association, governance, changes to rules or constitution, holding meetings, and documents and records.
- See Changing or ending your organization at www.nfplaw.org.au/changingorending for information about changing your legal structure and winding up.

Legislation

The *Associations Incorporation Act 2009* (NSW) is the legislation that regulates incorporated associations in New South Wales.

The *Associations Incorporation Regulation 2016* (NSW) contain additional requirements for incorporated associations in New South Wales, including the Model Constitution.

Government

The NSW Fair Trading website contains a variety of online resources, including online access for incorporated associations. See www.fairtrading.nsw.gov.au/ftw/Cooperatives_and_associations/About_associations.page.

Other links

© 2017 Justice Connect

You may download, display, print and reproduce this material for your **personal use**, or **non-commercial use within your not-for-profit association**, so long as you attribute Justice Connect as author and retain this and other copyright notices. You may not modify the Guide. Apart from any use permitted under the *Copyright Act 1968* (Cth), all other rights are reserved.

To request permission from Justice Connect to use this material contact Justice Connect at GPO Box 436, Darlinghurst NSW 1300, or email nfplaw@justiceconnect.org.au.

Tool 1: Checklist for notice of special general meeting

Order	Description	Done
1	Check your association’s Constitution, resolutions and policies for specific requirements, such as how much notice to give, what information should be included, and who it should be given to.	<input type="checkbox"/>
2	Content of notice:	
	<ul style="list-style-type: none"> as its heading, the word “notice of special general meeting” 	<input type="checkbox"/>
	<ul style="list-style-type: none"> name and registration number of the association 	<input type="checkbox"/>
	<ul style="list-style-type: none"> type of meeting (that is, a general meeting of the association’s members) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> date, time and place of meeting 	<input type="checkbox"/>
	<ul style="list-style-type: none"> nature of business to be discussed at meeting 	<input type="checkbox"/>
	<ul style="list-style-type: none"> any business that a member has requested (to the secretary in writing - including by fax or email) to be discussed at meeting (a notice of motion) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> date of notice 	<input type="checkbox"/>
	<ul style="list-style-type: none"> directions to the meeting venue and disability access (optional) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> the secretary’s contact details (optional) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> notice “authorised by xx” (optional) 	<input type="checkbox"/>
3	If relevant, the notice of special general meeting may also include:	
	<ul style="list-style-type: none"> the text of motions or resolutions to be considered at meeting (if a special resolution is proposed, include the <i>exact</i> wording of the resolution) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> any comments by the committee on the business to be dealt with at the meeting 	<input type="checkbox"/>
	<ul style="list-style-type: none"> disclosure of the interest of any management committee member in the business to be dealt with at meeting (for example, a potential conflict of interest – see Part 3: Public Officer’s Legal Role, Power and Duties in this Guide) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> if the Constitution allows proxy voting, an explanation of how / when to appoint a proxy, and attach a proxy form 	<input type="checkbox"/>

Order	Description	Done
	<ul style="list-style-type: none"> if the Constitution allows direct voting, an explanation of how / when to vote directly before the meeting, and attach a direct voting form 	<input type="checkbox"/>
4	The notice should also attach background information and documents (as appropriate), such as:	
	<ul style="list-style-type: none"> minutes of the last general meeting (if relevant) 	<input type="checkbox"/>
	<ul style="list-style-type: none"> where appropriate, relevant background correspondence 	<input type="checkbox"/>
5	Time for giving notice	
	<ul style="list-style-type: none"> check your association's Constitution, resolutions and policies for specific requirements (for example, 14 days before the meeting date). 	<input type="checkbox"/>
	<ul style="list-style-type: none"> if a special resolution is proposed, you must give 21 days' notice before the meeting date (section 39 of the AI Act) 	<input type="checkbox"/>
6	How to give notice	
	<ul style="list-style-type: none"> usually by post, but can be in person or by email or fax – check your association's Constitution, resolutions and policies for specific requirements (for example, notice in local paper) 	<input type="checkbox"/>
7	Who to give notice to	
	<ul style="list-style-type: none"> usually all members of the association (check the members register) 	<input type="checkbox"/>

Tool 2: Sample notice for special general meeting

Note:

SGMs are referred to in this Part as all general meetings other than the AGM. A SGM is usually convened for a particular purpose – in the example below, to consider and vote on a special resolution to change the association’s name.

XYZ Club Inc (Registration No A00003333)

Notice of Special General Meeting

Notice is given that a Special General Meeting of the members of XYZ Club Inc will be held on [date], at [time] at [address].

The meeting will be for the purpose of considering and, if thought appropriate, passing the following special resolution:

That the name of XYZ CLUB INC. be changed to ZYX CLUB INC.

Note: This is proposed as a special resolution and must be passed by three quarters of the members who are present at the meeting and entitled to vote on the resolution, and who do vote, in accordance with section 39 of the *Associations Incorporation Act 2009* (NSW).

Comment by Management Committee: The Management Committee unanimously believes that a change of the club’s name is in the best interests of all members. This is to prevent the club from being mistaken for another well known club in the eyes of the public.

T. Bag, Secretary, [date of notice]

by authority of the Management Committee

Proxies (if applicable)

A member entitled to attend and vote at the special general meeting may appoint a person to attend and vote at the meeting as the member’s proxy. A proxy must be a member of XYZ Club Inc.

A proxy may be appointed by returning the proxy form (attached) to the secretary at the club’s registered office at [address], at least 24 hours before the commencement of the meeting.

Inquiries

All inquiries should be directed to the Secretary, Ms T Bag, XYZ Club Inc, 123 Frank Street, Sydney, telephone (02) 3333 0000, fax (02) 3300 3300, email t.bag@xyz.org.au

Attached

- Proxy Form

Special General Meetings

NOT-FOR-PROFIT LAW | 6.30

Tool 3: Table of voting methods

This table sets out a number of methods for voting. However the most common methods are:

- voting by show of hands
- voting by voice, and
- voting by ballot (in person, electronic or postal).

Method	How to conduct vote	How to count votes	Comments
Voting by show of hands	Chairperson requests those voting in favour of the motion to raise a hand. The procedure is repeated for those voting against the motion.	<p>Usually, chairperson (perhaps with help from the secretary) counts the hands. The chairperson states whether or not the motion has been passed and the secretary records the result in the minutes.</p> <p>If the outcome of the vote is clear, it is unnecessary to count the hands. However, it is good practice to count the hands if the result of the vote will be close, and/or the result is likely to be challenged. It may also be necessary to count the hands if:</p> <ul style="list-style-type: none"> • the association's Constitution requires a specific percentage majority for a motion to be carried, or • an issue must be determined by a certain minimum proportion of the members (for example, a special resolution). 	<p>Voting by show of hands is difficult to administer if there are a large number of people voting at the meeting. In these circumstances, the chairperson may ask for help (usually from the secretary) to count the votes. The chairperson may also appoint "tellers" (usually one from each voting "side" or perspective) and use those people (independently of each other) to determine the count on each vote. The tellers will help the chairperson ensure that no person raises two hands or votes for both "sides" of the motion.</p> <p>If necessary (that is, if a record is required), the chairperson can make a list of the names of people voting.</p>

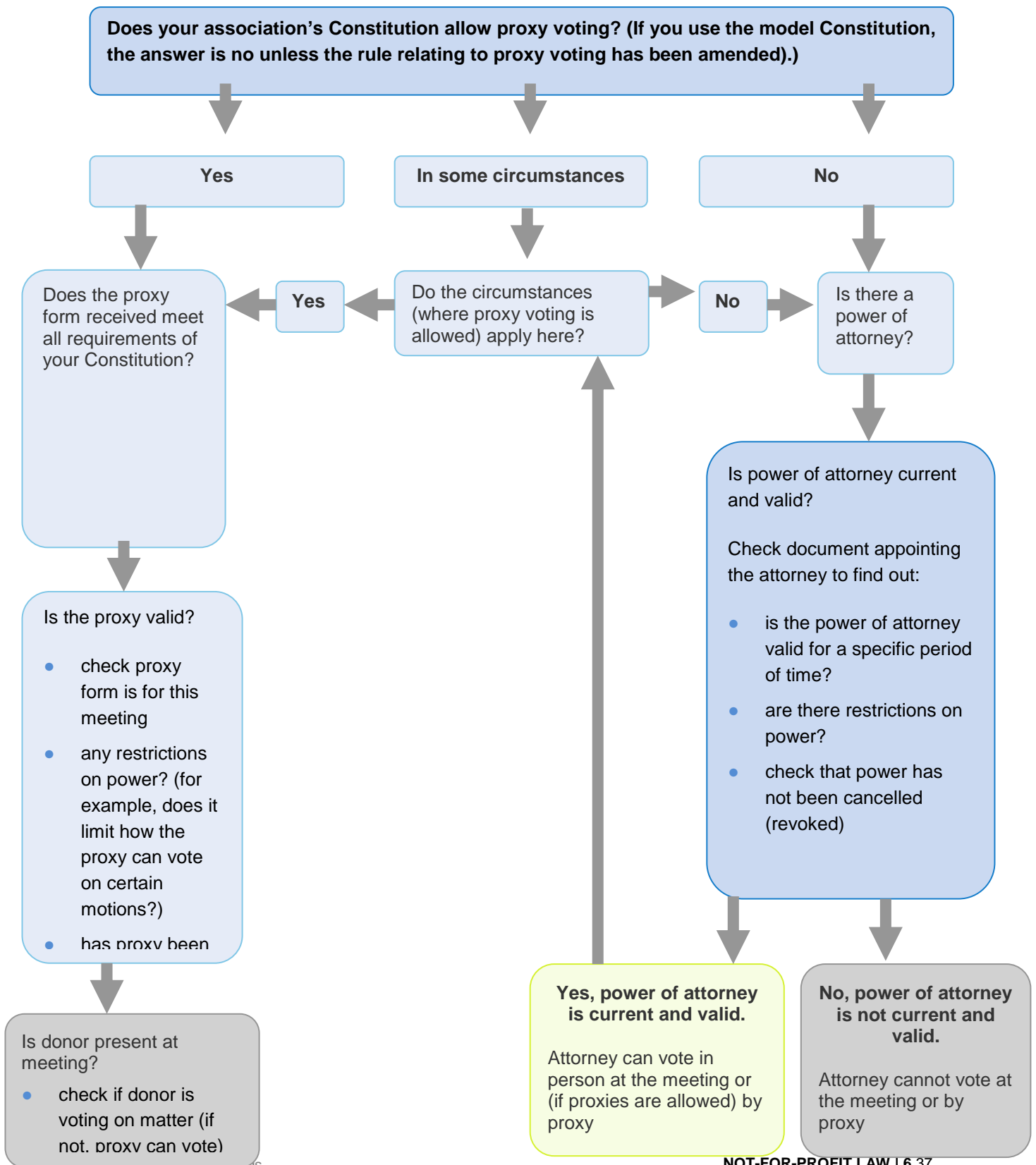
Method	How to conduct vote	How to count votes	Comments
Voting by standing	A similar method to voting by show of hands. The members stand for the motion that they favour.	Usually, chairperson (perhaps with help of secretary) counts the people standing. Chairperson states whether or not the motion has been passed. Secretary records the result in the minutes.	Voting by standing can make the counting process easier and reduces the possibility of a vote being counted twice. If necessary, the chairperson can make a list of the names of people voting.
Voting by voice (or by applause)	<p>Chairperson says, "All those in favour of the motion say 'Aye'" (or 'Yes'). After noting the volume of sound, chairperson continues "Those against say 'No'."</p> <p>Voting by applause is similar, except that members clap instead of saying "Aye" or "No."</p> <p>Voting by applause is usually for a vote of thanks.</p>	Chairperson determines which of the "Ayes" or the "Nos" (or claps) made the more noise and states the conclusion by saying, "The 'Ayes' (or the 'Nos') have it". Secretary records the result in the minutes.	<p>A problem with voting by voice or applause is a lack of documentation of individual votes. A written record of votes is useful if the decision is later disputed or if (as in the case of a special resolution) a three-quarters majority is required.</p> <p>So, if the particular matter to be voted on is contentious or if a special resolution is required, it is better to conduct a vote by show of hands, standing, or better still, by division or a ballot (see below).</p>
Voting by division	Chairperson places the motion before the meeting, saying "All those in favour, the 'Ayes', will pass to the right of the chairperson; those against, the 'No's', will pass to the left of the chairperson."	To record votes, members stand and walk past one side or other of chairperson, depending upon their vote. As each person passes, chairperson (or secretary) records their name.	Voting by division takes longer than the methods discussed above. However, it has the advantage of being accurate and straightforward to administer, as well as involving a more objective written record.
Voting by ballot (in person)	Secretary prepares voting paper containing all relevant details of the matter being voted on (for example, if the ballot is to change the Constitution of the association, the text of the proposed	<p>Chairperson checks that all voting papers distributed have now been collected.</p> <p>Tellers and scrutineers count votes and inform chairperson of the result</p>	Voting by ballot takes longer to administer than other methods, but the precautions that form part of the procedure are necessary to ensure a

Method	How to conduct vote	How to count votes	Comments
	<p>special resolution). Secretary distributes the papers to all the people entitled to vote. (If direct, postal or electronic voting is allowed, voting forms will be distributed to members before the meeting takes place, eg. with notice of meeting.) Secretary keeps a written record of:</p> <ul style="list-style-type: none"> names of the people to whom they distributed the voting papers, and how many voting papers were distributed to each person. <p>(This is because, for example, a proxy holder may vote on behalf of several people.)</p> <p>Chairperson explains to those voting the manner of voting required by the voting paper (for example, the ballot may call for a “Yes” or “No” vote).</p> <p>People entitled to vote record their votes in writing on the voting paper and usually also record their name.</p> <p>Tellers (people who count the votes) collect the papers. Scrutineers (people who examine the papers) generally supervise the process. (Tellers and scrutineers can be the same people and may be appointed by resolution at the meeting or by the secretary.)</p> <p>If any votes are doubtful scrutineer consults with the chairperson, who makes a ruling.</p>	<p>(usually in writing) as soon as it has been determined. Chairperson announces the result to the meeting.</p> <p>If a large number of people are voting (and therefore the counting could take some time), chairperson can usually adjourn the business to after voting papers have been collected and checked.</p>	<p>correct count.</p> <p>The advantages of ballot voting are that:</p> <ul style="list-style-type: none"> the votes are made in writing all people entitled to vote have an opportunity to do so, (because, if the Constitution allows for proxies and/or direct, postal or electronic voting, proxies are issued additional ballot voting papers and ‘direct, postal or electronic votes’ are counted), and members with more than one vote each (that is, differential voting rights) have a say in proportion to their voting entitlement (which may help prevent an overbearing or noisy minority from influencing the vote).

Method	How to conduct vote	How to count votes	Comments
<p>Voting by postal or electronic ballot</p> <p>Note: Regulation 13 and Schedule 3 of the AI Regulation set out the full requirements for conducting a postal or electronic ballot.</p>	<p>The committee:</p> <ul style="list-style-type: none"> decides on the wording of the matter to be voted on fixes the dates for sending or giving access to ballot papers and for closing the ballot, and appoints a returning officer (who need not be a member of the association but must not be a committee member). <p>The returning officer prepares:</p> <ul style="list-style-type: none"> the roll of name and addresses for those entitled to vote, and the ballot paper containing instructions for completing and returning the paper, the closing date of the ballot and the question to be determined (for example, if the ballot is to change the Constitution of the association, the text of the proposed special resolution). <p>The returning officer distributes the ballot paper to those on the voting roll within the required notice period (14 days before the closing date of the ballot, or 21 day before if a special resolution is proposed, or a longer period as determined by the association's Constitution).</p> <p>A clear record should be kept of names of the people to whom they distributed the voting papers, and how many voting papers were distributed to each person (this is because, for example, a proxy holder may vote on behalf of</p>	<p>Once the ballot is closed, the returning officer counts the valid votes (rejecting any 'informal' votes) and prepares and signs a statement of the results of the ballot to be provided to the committee.</p> <p>The committee enters the results of the ballot in the minute book and the chairperson announces the results of the ballot at the next general meeting of members.</p> <p>If the ballot was for a special resolution, the committee must notify the members of the ballot results in writing as soon as possible.</p> <p>The returning officer is to keep all ballot papers, rolls and other records relating to the ballot for at least 8 weeks, or for a longer period as determined by the committee or the association's Constitution.</p>	<p>Electronic voting includes voting by email, accessing a voting website or other electronic means.</p> <p>A returning officer may appoint a person (who would also be eligible to be a returning officer) to assist them in their duties.</p> <p>If a ballot paper is not completed in accordance with the instructions set out in the paper, the vote may be 'informal' and may be rejected by the returning officer.</p> <p>Voting by ballot takes longer to administer than other methods, but the precautions that form part of the procedure are necessary to ensure a correct count.</p> <p>The advantages of ballot voting are that:</p> <ul style="list-style-type: none"> the votes are made in writing all people entitled to vote have an opportunity to do so, (because, if the Constitution allows for proxies and/or direct, postal or electronic voting, proxies are issued additional ballot voting papers and 'direct, postal or electronic votes' are counted), and members with more than one vote each (that is, differential

Method	How to conduct vote	How to count votes	Comments
	several people).		voting rights) have a say in proportion to their voting entitlement (which may help prevent an overbearing or noisy minority from influencing the vote).

Tool 4: Flowchart for reviewing proxies



Tool 5: Sample wording for allowing direct voting in your Constitution

Below is a sample clause which could be included in an association's Constitution to allow "direct voting" by members of the association. Read the wording carefully. Consider whether this procedure is suitable for your association. Note that the wording gives the committee of management a *discretion* to allow direct voting at a general meeting – in other words, members do not have an *automatic* right to direct voting at every meeting.

You may like this wording, or you may need to adapt the clause or use different wording altogether - it depends on your association's needs. If necessary, seek legal advice about changes to your Constitution.

"The committee may determine that, at any general meeting of the Association, a member who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution.

If the committee determines that votes may be cast by direct vote, the committee may specify the form, method and manner of casting a direct vote and the time by which a direct vote must be received by the Association in order for the vote to be valid."

Tool 6: Checklist for content of minutes

It is good practice to include the following in the minutes of a meeting:

Order	Description	Done
1	Name of your association and heading, ie, "Special General Meeting"	<input type="checkbox"/>
2	Date, place and opening time	<input type="checkbox"/>
3	Name of chairperson	<input type="checkbox"/>
4	Names of members present (and their status if office holders) and other people present, such as observers (or reference to separate attendance register)	<input type="checkbox"/>
5	Names of non-members who are attending (if any)	<input type="checkbox"/>
6	Names of those people who have sent apologies (for not attending)	<input type="checkbox"/>
7	Confirmation of previous meeting minutes	<input type="checkbox"/>
8	Record of motions, resolutions and amendments	<input type="checkbox"/>
9	Names of the people who move and second motions	<input type="checkbox"/>
10	Short summaries of the debates on motions	<input type="checkbox"/>
11	The method of voting on motions etc (for example, show of hands, ballot) and the numbers of votes for, against and abstaining	<input type="checkbox"/>
12	The details of any proxy voting or direct voting	<input type="checkbox"/>
13	Results of voting (for example, passed, rejected or adjourned, etc)	<input type="checkbox"/>
14	Titles (and any relevant details) of documents or reports tabled	<input type="checkbox"/>
15	(If relevant) cross references to previous minutes or policies of the association	<input type="checkbox"/>
16	Management committee minutes should approve or ratify all the association's expenditure	<input type="checkbox"/>
17	Details of next meeting	<input type="checkbox"/>
18	Closing time	<input type="checkbox"/>
19	List of tasks arising from the minutes and name of person responsible for each	<input type="checkbox"/>
20	After minutes have been confirmed at the next meeting, signature of chairperson	<input type="checkbox"/>

Tool 7: Conventions for drafting minutes

Note: The table below is in two parts. The first deals with drafting minutes of *discussion* at meetings, the second deals with drafting *motions* discussed at meetings.

Drafting minutes of discussions in meetings

Convention	Explanation	Example
Use simple sentences and simple words	This helps people understand what was discussed (especially if they were not at the meeting).	<p>Do not write:</p> <p>“Mr UB Sporty extrapolated that this fine sporting institution’s solar watt 500 water heating appliance with the white duco slimline control panel was performing consistently below its engineered benchmarks.”</p> <p>Do write:</p> <p>“Mr UB Sporty reported that the club’s hot water system needed urgent repairs.”</p>
Use active, rather than passive, voice	In the “active” voice, the subject of the sentence performs the action stated by the verb. In the “passive” voice, the subject of the sentence is acted upon. Generally, the passive voice can be more difficult for a reader to understand.	<p>Do not write (passive voice):</p> <p>“A computer was used by the secretary to write these minutes.”</p> <p>Do write (active voice):</p> <p>“The secretary used a computer to write the minutes.”</p>
	<p>However, it is acceptable to use the passive voice if:</p> <ul style="list-style-type: none"> • you want to soften an unpleasant message • you don’t know who did a particular thing recorded in the minutes, or • you want to shift the reader’s attention away from the person who did something to other information. 	<p>Do write (passive voice) in some circumstances:</p> <p>“Complaints were put in the suggestion box.”</p> <p>(That is, you do not want to specify who actually made the complaints.)</p>
Use only one tense	It is usually best to use the past tense in minutes.	<p>Do write:</p> <ul style="list-style-type: none"> • “Ms L Little <i>reported</i> that she had” • The committee <i>considered</i> that the hot water system <i>was</i>”

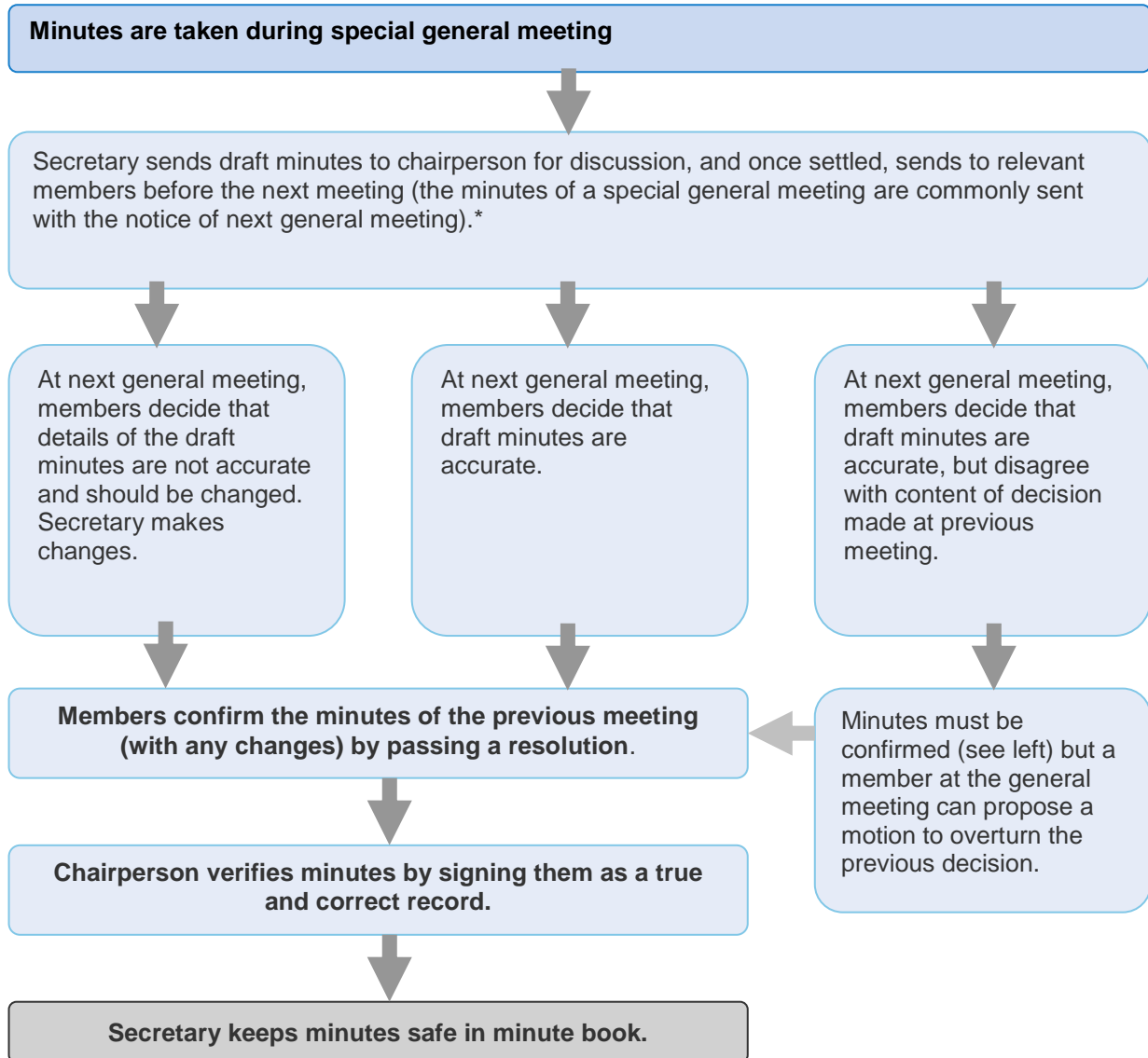
Convention	Explanation	Example
		•
Avoid terms such as “he said” or “she stated” unless you quote their actual words	This is to avoid “putting words into a person’s mouth.”	<p>Do not write:</p> <p>“Mr S Fry said: ‘I got a letter from the Council about this. I reckon the Council is being stupid.’”</p> <p>Do write:</p> <p>“Mr S Fry reported that he had received a letter from the Council. He spoke critically of the Council’s position on this issue.”</p>
Avoid personal descriptions or attributes	This is to make sure the minutes are as “objective” or “impartial” as possible – the minutes should not include the minute-writer’s own personal opinions or reflections.	<p>Do not write:</p> <ul style="list-style-type: none"> • “The chairman announced <i>happily</i>...” • “The treasurer <i>meanly</i> said...” • “The club representative <i>slammed</i> the report.”
Be very careful not to defame anyone when recording matters that include confidential details	See discussion of “Defamation” and “Confidential matters” in this Part of the Guide .	<p>Do not write:</p> <p>“Ms L Little reported that the builder engaged to renovate the club house has a history of stealing from associations and said he was a disgrace to his profession.”</p> <p>Do write:</p> <p>“Concern was expressed about the suitability of the builder for the task of renovating the club house.”</p>

Drafting motions

Convention	Explanation	Example
Commence the motion with the word “that”	<p>This is so all resolutions of the meeting are in the same format.</p> <p>Before the word “that”, imagine inserting the words, “The meeting passed a resolution...”</p>	<p>Do write:</p> <p>“<i>That</i> the treasurer’s recommendation be adopted.”</p>
Use the verb “be” rather than the word “is”	This is to be grammatically correct when the motion commences with the word “that” (see above).	<p>Do not write:</p> <p>“That the newspaper release <i>is</i> adopted.”</p> <p>Do write:</p> <p>“That the newspaper release <i>be</i> adopted.”</p>

Convention	Explanation	Example
Express the motion in the positive	This means that a “yes” vote from the members results in the proposal being approved or supported.	<p>Do not write:</p> <p>"That the doors <i>be not shut</i> during the meeting."</p> <p>Do write:</p> <p>"That the doors <i>be open</i> during the meeting."</p>
If you cannot express the motion in one sentence, split it up into carefully written parts	Carefully construct a composite motion (one with a number of separate parts) so that the chairperson can split it up to enable the meeting to deal with each of its parts separately.	<p>Do not write:</p> <p>“That in addition to any other motions proposed this meeting resolve to thank the members of the Town Hall including Ms T Bag for providing the refreshments and Mr B Room for making the accommodation available and instruct the secretary to send letters of thanks to Ms T Bag and Mr B Room with a copy to Mr S Visor.”</p> <p>Do write:</p> <p>“That the meeting register its appreciation for Town Hall members generally, and specifically ask the secretary to:</p> <p>(a) send a letter of thanks to:</p> <p>(i) Ms T Bag for providing the refreshments, and</p> <p>(ii) Mr B Room for making the accommodation available, and</p> <p>(b) send a copy of these letters to Mr S Visor.”</p>

Tool 8: Flowchart for confirming and verifying minutes



* **Note:** If minutes were not sent out before the next meeting, allow time for people to read them or the secretary should read them aloud at the meeting.

