

INFORMATION FOR MEMBERS: SUMMARY OF PROPOSED CHANGES TO GOVERNANCE PROCESSES BETWEEN CURRENT AND PROPOSED NEW CONSTITUTION OF HUNTER BUSINESS CHAMBER (HBC) (ACN 083 977 459)

Following the implementation of the revised Related Party Deed in 2016, the Hunter Business Chamber Ltd (HBC) constitution was amended in 2017 to reflect provisions of the Deed and update the document to relevant provisions of the Corporations Act.

In 2024 and following a periodical review of the 2017 constitution, the board of directors proposed that certain provisions be further updated to reflect contemporary Corporations Act and model provisions, update certain governance provisions including the ways directors are appointed, and draft the new constitution for compliance with achieving charitable status. HBC’s Special Member, NSW Business Chamber Limited (ACN 000 014 504) is registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC).

HBC has been working with Sparke Helmore Lawyers to prepare a new constitution consistent with these objectives. The work also entailed an update of the HBC governance processes to reflect best practice for not-for-profit companies limited by guarantee.

The below table summarises the changes between the key clauses and governance processes reflected in HBC’s current constitution and the proposed new constitution prepared by Sparke Helmore Lawyers. This table does not include every single minor change, and instead summarises key changes. To view the proposed changes in full please refer to the HBC’s current constitution and the proposed new constitution, both of which have been circulated with the EGM notice.

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
Clause 3.6 (Member’s Liability) and 11.1 (Winding Up)	Clauses 1 to 4 (Preliminary)	3.6 The liability to the members is limited. 11.1 Every member of the Company undertakes to contribute to the property of the Company, in the event of the same being wound up while they are a member, or within one year after they cease to be a member for payment of the debts and liabilities of the Company contracted before they cease to be a member and of the cost, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding fifty dollars (\$50.00).	Preliminary 1 Name of the Company The name of the company is Hunter Business Chamber. 2 Type of Company The Company is a not for profit public company limited by guarantee. 3 Limited liability of Members The liability of Members is limited to the amount of the guarantee in clause 4. 4 The guarantee Each Member must contribute an amount not more than \$50 to the property of the Company if the Company is wound up while the Member is a Member, or within 12 months after they stop being a Member, and this contribution is required to pay for any: (a) debts and liabilities of the Company incurred before the Member stopped being a Member; and (b) costs of winding up.	These changes provide that clauses relating to Member liability and the Member’s guarantee are kept together. As the Member’s guarantee is an important feature of companies limited by guarantee. It is also helpful to include this clause at the start of the document.
Clause 1.1 (Definitions)	Clause 5 (Definitions)	See current constitution.	New defined terms have been introduced as follows (note only new terms or terms with altered definitions are included here): ACNC Act means the <i>Australian Charities and Not-for-profits Commission Act 2012</i> (Cth).	The following definitions have been removed and/or replaced as indicated: “Affiliates” or “Affiliated Members” (removed as they are not legal members of the Company nor do they have voting rights)

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			Annual General Meeting means the General Meeting held annually pursuant to clause 27.1. Circular Resolution means a resolution of Members or directors passed without a meeting being held in the manner outlined in clause 37 (for Members' resolutions) or clause 67 (for directors' resolutions). Executive means the committee of directors formed in accordance with clause 52. Financial and Voting Member means a Member of the Company that has the right to vote, is required to pay a membership fee and has paid any applicable membership fee due to the Company. General Meeting means a meeting of Members. Honorary Member means a person admitted to the category of membership of the Company referred to at clause 12.1(d) and whom the Board have considered, at their sole discretion, to have provided distinguished services to the Company or whom have otherwise displayed special characteristics warranting such esteemed membership. Hunter First Member means a Member of the Company being a business with a significant presence, interest or stake in the Hunter Region. Immediate Past President means the last director appointed to the role of President by the Company's Board. Initial Member means a person who is named in the Register of Members at the time this constitution is last approved by Special Resolution of Members. Local Chamber Alliance means the alliance established between the Special Member and Local Chambers within the Hunter Region which provide an opportunity for a Local Chamber and its members to have the benefits of membership of the Special Member. Members Present means, in connection with a General Meeting, each Member present in person, by representative, by proxy or via Virtual Meeting Technology at the venue or venues for the meeting.	• "By Laws" (by laws are only referred to once and so are not defined) • "Constitution" (the constitution is referred to in the document as "this constitution") • "Hunter First" (the definition has been simplified noting that any additional detail required can be included in membership documentation which may change from time to time) • "Seal" (only referred to once and therefore does not need to be defined) The following terms have been added as they were missing from the current constitution yet were used as defined terms: • Annual General Meeting • Executive • General Meeting • Immediate Past President • Members Present • President • Senior Vice President • Vice President The following new definitions have been introduced: • ACNC Act (introduced in contemplation of charity registration) • Circular Resolution (new clauses added with regards to passing Members' and directors' resolutions without a meeting) • Financial and Voting Member (added to assist with related clauses which stipulate that directors selected from the membership of the Company shall only be drawn from voting and financial members) • Initial Member (added to ensure that all members who were Members before this constitution was amended are still considered Members following any amendments)

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			Members' Resolution has the meaning given to that term in clause 35.1(a). Members' Statement has the meaning given to that term in clause 35.1(b) . Not-For-Profit means an organisation that does not operate for the profit or gain of its individual members, whether these gains would have been direct or indirect. This applies both while the organisation is operating and when it winds up. President means a director appointed to the role of President in accordance with clause 52.1. Senior Vice President means a director appointed to the role of Senior Vice President in accordance with clause 52.1. Surplus Assets means any assets of the Company that remain after paying all debts and other liabilities of the Company, including the costs of winding up. Vice President means a director appointed to the role of Vice President in accordance with clause 52.1. Virtual Meeting Technology means a form of virtual technology that is reasonable and allows Members who are entitled to attend and do attend General Meetings, as a whole, to vote and to exercise orally and in writing any rights of those Members to ask questions and make comments.	- Local Chamber Alliance (added to assist with related clauses referencing the local chamber alliance) - Members' Resolution and Members' Statement (new clauses added to reflect Corporations Act provisions regarding the same) - Not-For-Profit (added to clarify references to not-for-profit used throughout the constitution) - Surplus Assets (added to assist with related clauses referencing surplus assets, particularly in relation to winding up) - Virtual Meeting Technology (reflects the definition of a special resolution in accordance with the Corporations Act)
Clauses 2.1(a) to (k) (Objects)	Clause 8 (Objects)	2.1 The objects for which the Company is established are: Mission (a) to champion development, capability and prosperity of the Hunter Region's business for the continued prosperity of the Hunter Region; (b) to be the independent representative body in the Hunter Region for the development thereof; (c) to foster knowledge of the Hunter Region nationally and internationally; (d) to engage in other business activities as opportunities present themselves and as decided by the Board.	8 Objects 8.1 The primary object of the Company is to pursue charitable purposes, specifically, the promotion of the development of business, industry, trade and commerce in the Hunter Region. 8.2 In carrying out the Company's principal purpose, the Company shall: (a) act as an independent representative body in the Hunter Region for the development thereof; (b) foster knowledge of the Hunter Region nationally and internationally; (c) engage in other activities as opportunities present themselves and as decided by the Board;	The objects largely reflect HBC's current objects with minor tweaks in anticipation for charity registration status. New clause 8.2(c) reflects current clause 2.1(d) however the word 'business' has been omitted to address charity registration. Guidance has been provided to the Board with regards to charities conducting 'business' or 'profit generating' activities. This is generally allowable provided the activity is in pursuit of a charitable purpose (for example, profits are re-invested back to the Company in pursuit of its charitable purpose). Guidance has been to avoid using the word 'business' in this clause is intended to refer to the charitable purpose not the activities of the Company.

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		Affiliations (e) to promote and maintain co-operation, collaboration and close relations with other like-minded organisations, and with other groups representing business interests within the Hunter Region; (f) to offer unified representation for business in the Hunter Region. Member Services (g) to create opportunities for members to share knowledge, expertise and resources, and to develop productive business relationships to achieve the objects; (h) to provide a full range of business orientated services and provide facilities to that end; (i) to provide such services as deemed appropriate to facilitate business; (j) to promote, develop and protect business of the Hunter Region;. (k) to continue to maintain and grow the Hunter First membership category and branding. Other (l) to raise money by subscription and by levy and to grant any rights and privileges to subscribers; (m) to engage professional assistance of any kind, and to remunerate any person for services rendered or to be rendered in or about the formation or promotion of the Company, or the conduct of its affairs; (n) to appoint, employ, remove or suspend such managers, clerks, secretaries, workman and other persons as may be necessary or convenient for the purpose of the Company; (o) to borrow or raise money by the issue of, or upon bonds, debentures, bills of exchange, promissory notes or other obligations or securities of the Company, or by mortgage or charge of all or any part of the property of the Company; (p) to invest and deal with the monies of the Company in such manner as may from time to time be determined;	(d) promote and maintain cooperation, collaboration and close relations with other like-minded organisations, and with other groups representing business interests within the Hunter Region; (e) offer unified representation for business in the Hunter Region; (f) create opportunities for Members to share knowledge, expertise and resources, and to develop productive business relationships to achieve the Company's primary object at clause 8.1; (g) provide such services as deemed appropriate to facilitate business; (h) continue to maintain and grow the Hunter First membership category and branding; and (i) do anything else necessary or incidental to achieve the Company's primary object as outlined at clause 8.1.	

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		(q) to enter into any arrangements with any Government or authority, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights, privileges and concessions which the Company may think it desirable to obtain; and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (r) in furtherance of the objects of the Company to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, institutions, societies or associations with which the Company is authorised to amalgamate; (s) to do all such acts and things in furtherance of these objects.		
Clauses 2.1(l) to (s) (Objects)	Clause 9 (Powers)	Other (l) to raise money by subscription and by levy and to grant any rights and privileges to subscribers; (m) to engage professional assistance of any kind, and to remunerate any person for services rendered or to be rendered in or about the formation or promotion of the Company, or the conduct of its affairs; (n) to appoint, employ, remove or suspend such managers, clerks, secretaries, workman and other persons as may be necessary or convenient for the purpose of the Company; (o) to borrow or raise money by the issue of, or upon bonds, debentures, bills of exchange, promissory notes or other obligations or securities of the Company, or by mortgage or charge of all or any part of the property of the Company; (p) to invest and deal with the monies of the Company in such manner as may from time to time be determined; (q) to enter into any arrangements with any Government or authority, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights, privileges and	9 Subject to clause 10, the Company has the following legal capacity and powers, which may only be used to carry out its object(s) set out in clause 8: (a) the powers of an individual; and (b) all the powers of a company limited by guarantee under section 124 of the Corporations Act.	Clauses 2.1(l) to (s) under the subheading 'other' have been omitted as these are more like 'powers' of the Company than objects (for example, the power to raise and borrow money, enter into arrangements with Government, invest money etc.). The proposed new constitution gives broad powers to the Company under clause 9 and therefore these specific powers do not need to be called out.

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		concessions which the Company may think it desirable to obtain; and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (r) in furtherance of the objects of the Company to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, institutions, societies or associations with which the Company is authorised to amalgamate; (s) to do all such acts and things in furtherance of these objects.		
Clause 2.2 (Objects)	Clause 10 (Not-For-Profit)	2.2 The income and property of the Company shall be applied solely towards the promotion of the objects of the Company. No portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise to the members of the Company. This shall not prevent the payment in good faith: (a) of remuneration to any officers of the Company; (b) to any member of the Company in return for any services actually rendered to the Company; (c) for goods supplied in the ordinary course of business; (d) of interest at commercial rates on money borrowed; (e) reasonable and proper rent from premises demised or let by any members of the Company; and (f) out of pocket expenses lost, but no remuneration or other benefit in money or money's worth shall be paid or given by the Company to any member of the Board except as is herein provided and then only when approved by the Board.	10.1 The Company must not distribute any income or assets directly or indirectly to its Members, except as provided in clauses 10.2 and 81. 10.2 Clause 10.1 does not stop the Company from doing the following things, provided they are done in good faith: (a) paying a Member for goods or services they have provided or expenses they have properly incurred at fair and reasonable rates or rates more favourable to the Company; or (b) making a payment to a Member in carrying out the Company's object(s).	New clause 10.1 generally reflects current clause 2.2 and outlines the requirements to ensure HBC continues to operate as a Not-for-Profit, which is important for charity registration. New clause 10.2 sets out the circumstances where a member might receive a payment from the Company and which are allowable despite the Company's not-for-profit status. This is phrased more generally than in current clauses 2.2(a) to (f). Current clause 2.2(a), which states that HBC may in good faith, remunerate its officers has deliberately been left out as HBC's governance handbook prevents directors from receiving a fee. This restriction has also been added at new clause 49.
N/A	Clause 11 (Amending the constitution)	N/A	11.1 Subject to clause 11.4, the Members may amend this constitution by passing a Special Resolution. 11.2 If the Company is not a charity and the Company adopts, amends or repeals any part of this constitution, the Company must lodge the Special Resolution which adopts, amends or repeals the constitution with ASIC within 14 days of the resolution being passed. The Company must also lodge with ASIC within that period:	New clause 11.1 sets out the requirements for updating the constitution in accordance with section 136 of the Corporations Act. New clauses 11.2 and 11.3 reflect various legislative requirements to lodge the constitution with the relevant regulatory authorities. New clause 11.4 is suggested by the ACNC to ensure that while HBC is registered as a charity, its constitution

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			(a) if the Company adopts a constitution, a copy of that constitution; or (b) if the Company modifies its constitution, a copy of that modification, 11.3 A Special Resolution making material alteration to clauses 3, 4, 8, 10, 80 or 81, of this constitution has no effect unless approved or accepted by the Australian Tax office, ASIC, ACNC or other applicable regulatory authority, where required. 11.4 Where the Company is a charity registered with the ACNC, the Members must not pass a Special Resolution that amends this constitution if passing it causes the Company to no longer be a charity.	cannot be amended in a way which would cause it to no longer be a charity (for example, by altering the objects to pursue non charitable activities).
Clause 3 (Membership)	Clause 12 (Categories of membership)	3.1 Membership shall be comprised of: (a) individuals, firms, corporations or associations who are financial members of the Company; (b) the Special Member, which is also a financial member of the Company; (c) Affiliated Members; and (d) Honorary Members, being such persons as the Board shall admit to membership in accordance with this Constitution and shall be entered in the register of members accordingly from time to time.	12.1 Membership shall be comprised of the following categories: (a) the Special Member; (b) Hunter First Members; (c) NSWBC Members who, in accordance with any current or future agreements between the Company and the Special Member, are entitled to become Members of the Company; and (d) Honorary Members, being such persons (as defined in clause 7(a)) the Board allows to be a Member, in accordance with this constitution.	The membership categories have been revised to reflect current practice. The new clause removes 'affiliated members' which are not technically legal members of the Company, as well as the broad category of membership as reflected at current clause 3.1(a) allowing any person, corporation or association to be a member. 'Hunter First Members' and 'NSWBC Members' reflect the individuals / organisations who have historically been eligible to apply for membership under current clause 3.1(a).
Clauses 3.10 to 3.12 (Honorary Members)	Clause 12.2 (Members) (Honorary Members)	3.10 Any person may for services rendered to the Company or any person whether or not otherwise eligible for membership and for special reasons considered in the absolute discretion of the Board to be sufficient be appointed an honorary member of the Company for life or any lesser period. 3.11 The Board may at any time and notwithstanding that the period for which the appointment of any honorary member was made has not expired terminate the appointment of such honorary member. 3.12 Honorary members shall during the period of their appointment as such be exempt from the payment of any membership fees.	12.2 Honorary Members can be appointed for life or for a lesser period determined by the Board and the Board may terminate the appointment of an Honorary Member notwithstanding the period of appointment at any time. They shall not be required to pay a membership fee. They have the right to vote and to propose or second any motions/ Member resolutions brought to a General Meeting of the Company.	New clause 12.2 largely reflects current clauses 3.10 to 3.12, however, clarifies that Honorary Members have the right to vote and to propose or second any motions / Member resolutions brought to a General Meeting of the Company. Clauses with regards to an Honorary Member's right to vote were inconsistent in the current constitution (in particular, current clause 5.20).

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Clause 3.2(b) (new categories of membership)	Clause 12.3 (new categories of membership)	3.2 (b) The Board may resolve to establish more than one class or category of membership and determine the rights and privileges associated with that class or category of membership (including such classes or categories of membership in which the members may elect, at their discretion that the combinations of rights and privileges associated with their membership). The Board shall determine the duration of membership and the amount of membership fees if any, for each class or category of membership including flexible membership fee arrangements in respect of classes or categories of membership in which the members may elect, at their discretion, the combination of rights and privileges associated with their membership.	12.3 The Board may establish new categories of membership from time to time and may assign rights to such new categories of Members, including the right to vote at General Meetings. 12.4 The Board must not remove categories of membership or alter the rights of Members once admitted to membership without approval from Members at a General Meeting.	New clause 12.3 reflects current clause 3.2(b) in more simplified language. It provides for the Board's power to establish new categories of Members from time to time, subject to new clause 12.4 which requires Member approval to remove categories of membership or change the rights of Members. The new clauses do not reference membership fees as the Board has a broad power to implement membership fees at new clause 17.
N/A	Clause 14 (Who can be a Member)	N/A	14.1 A person who supports the objects of the Company, and where applicable, meets the eligibility criteria for the relevant category of membership they wish to apply for and is a bona fide employer of labour or engaged in Australian industry, trade and commerce with a registered business or company number is eligible to apply to be a Member of the Company under clause 15.	This clause wording has been recommended by NSWBC to clarify that members must be a bona fide employer of labour or engaged in Australian industry, trade and commerce.
Clauses 3.2(a) (application for membership)	Clause 15 (How to apply to become a Member) and clause 16 (Board decides whether to approve membership)	3.2 (a) Except for members admitted as a result of affiliation arrangements entered into pursuant to clause 3.9 of this Constitution, all applications for membership, other than for honorary membership, shall be submitted to a meeting of the Board or the Membership Committee, if the Membership Committee has delegated authority from the Board to consider applications for membership. The Board or the Membership Committee, as the case may be, may accept or reject the same or adjourn, from time to time, consideration of the same or may reject any such application without being required to give any reason for so doing. If an application for membership is rejected by the Board or the Membership Committee, the Board or the Membership Committee shall, within a reasonable time notify the applicant of the decision and refund to the applicant any monies paid by the applicant to the company in relation to the membership application.	15 How to apply to become a Member 15.1 A person (as defined in clause 7(a)) may apply to become a Member of the Company by writing to the Secretary stating that they: (a) want to become a Member; (b) support the object(s) of the Company; and (c) agree to comply with the Company's constitution, including paying the guarantee under clause 4 if required. 15.2 The Board may require an application for membership to be in a particular form. 16 Board decides whether to approve membership 16.1 The Board must consider an application for membership within a reasonable time after the Secretary receives the application. 16.2 If the Board approves an application, the Secretary must as soon as possible:	New clauses 15 and 16 generally reflect the process for applying for membership as recommended in the ACNC's template constitution for charitable companies. They set out what should be included in an application form, including an acceptance to comply with the constitution and pay the member's guarantee. New clause 16.2 reflects the current practice for admittance to membership, in particular, that Members are to pay their membership fee before being admitted as a Member. Note that the new clauses omit reference to the Membership Committee (though a membership committee can continue to operate or be established in accordance with new clause 55).

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			(a) send an invoice for the applicable membership fee (if required and provided payment has not already been received); (b) once payment of the applicable membership fee has been made by the applicant (if required), enter the new Member on the register of Members; and (c) write to the applicant to tell them that their application was approved, and the date that their membership started (see clause 19). 16.3 If the Board rejects an application, the Secretary must write to the applicant as soon as possible to tell them that their application has been rejected, but does not have to give reasons. The Secretary must also refund any membership fees received in good faith within a reasonable period of time. 16.4 For the avoidance of doubt, the Board may approve an application even if the application does not state the matters listed in clauses 15.1(a), 15.1(b) or 15.1(c). In that case, by applying to be a Member, the applicant agrees to those three matters.	
Clause 3.3 (membership fees)	Clause 17 (Membership fees)	3.3 Each member shall pay the membership fee appropriate to each particular class of membership as determined by the Board, provided that the membership fee for the Special Member shall at all times be the same as the fee for members other than Affiliated Members.	17.1 The Board may determine from time to time: (a) the application fee (if any) payable by an applicant for membership; (b) the amount of the annual subscription fee (if any) payable by each Member, which may differ according to the category of membership; and (c) the payment method and due date for payment of each amount payable by a Member. 17.2 Each Member must pay to the Company the amounts determined under this clause in accordance with clause 17.1(c) above.	New clause 17 is broader than current clause 3.3 and does not specifically reference the requirement that the Special Members' fee is to be the same as the fee for other Members of the Company. This detail may be contained in other documents external to the constitution.
Clauses 3.7 and 3.8 (Representatives of Members)	Clause 21 (Representatives of Members that are incorporated or unincorporated bodies)	3.7 Members being firms, corporations or associations incorporated or otherwise shall appoint a person(s) being a partner, director or employee of such firm, corporation or association or such other person(s) approved by the Board to represent such member in all matters incidental to the business of the Company involving the presence in person of a member being an individual or requiring the exercise of any vote under these regulations or otherwise and any such appointment	21.1 A Member that is an incorporated or unincorporated body (for example, partnerships, associations, corporations, companies unincorporated and incorporated whether by act of Parliament) may appoint one individual to represent the Member and exercise all rights that apply to the Member. 21.2 The appointment of a representative by a Member must:	New clause 21 mostly reflects current clauses 3.7 and 3.8, however, the current clauses require representatives to be a 'partner, director, employee or such other person approved by the Board to represent such member'. New clause 21 does not have such qualifications for the Members' representative – instead, the decision as to who will represent the member is left to the Member.

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		may from time to time by notice in writing to the Secretary be revoked and the appointment of another similarly qualified person as such representative substituted. The representative is eligible to be nominated to the Board. 3.8 Any member being a firm, corporation or association shall be bound by its representative appointed under this Constitution in all matters and things wherein such representative is by this Constitution authorised or deemed to be authorised to act and the opinion of the Board on the scope of the authority of such representative shall be final and conclusive.	(a) be in writing; (b) include the name of the representative; (c) be signed on behalf of the Member; and (d) be given to the Company. 21.3 A representative has all the rights of the Member that appointed them, including the right to be nominated as a director of the Company.	
Clauses 3.20 to 3.22 (Cessation of Membership)	Clauses 23 (Dispute resolution) and 24 (Disciplining Members)	3.20 If in the opinion of the Board: (a) a member, other than the Special Member, infringes the Constitution or by-Laws of the Company; (b) a member, other than the Special Member, is guilty of any act proceeding or practice which is dishonourable or inconsistent with membership of the Company or is calculated to bring discredit on the Company or otherwise prejudicial or inimical to its interests; or (c) the interests of the Company require that any member thereof shall cease to be a member; the Board may if it thinks fit by notice in writing request the member, other than the Special Member, to resign from membership of the Company within a time specified in such notice. In default of the receipt of such resignation within the time specified for that purpose the Board shall submit the question of the cancellation of the membership of the member so called upon to resign to a subsequent meeting of the Board and upon the passing of a resolution by the Board for the cancellation of their membership such member shall thereupon cease to be a member of the Company provided that such member shall have first have been given the opportunity of showing cause, in person or in writing, to such meeting of the Board why their membership should not be cancelled. 3.21 Notwithstanding that the member ceases to be a member of the Company, they shall still continue to be liable for:	23 Dispute resolution 23.1 The dispute resolution procedure in this clause applies to disputes under this constitution between a Member (other than the Special Member) or director and: (a) one or more Members (excluding the Special Member); (b) one or more directors; or (c) the Company. 23.2 A Member must not start a dispute resolution procedure in relation to a matter which is the subject of a disciplinary procedure under clause 24 until the disciplinary procedure is completed. 23.3 Those involved in the dispute must try to resolve it between themselves within 14 days of knowing about it. 23.4 If those involved in the dispute do not resolve it under clause 23.3, they must within 10 days: (a) tell the Board about the dispute in writing; (b) agree or request that a mediator be appointed; and (c) attempt in good faith to settle the dispute by mediation. 23.5 The mediator must be chosen: (a) by agreement of those involved; or (b) by the following, where those involved do not agree: (i) for disputes between Members, the Board; or	New clauses 23 (Dispute resolution) and 24 (Disciplining members) contain provisions regarding how the Company will manage disputes between Members, directors and the Company and also provides a procedure affording natural justice with respect to Members who have breached the constitution or acted in a way that could cause harm to the Company. These largely reflect current clauses 3.20 and 3.22, however are reframed to reflect best governance practice and the ACNC's recommended clauses for charitable companies. The Special Member is excluded from these clauses as the dispute resolution provisions as between HBC and NSWBC (as the Special Member) are set out in cl 9 of the Related Party Deed.

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		(a) all membership fees or other amounts owing by them to the Company which are due and unpaid as at the date that the member ceases to be a member; and (b) amounts which that member is or may become liable to pay the Company under clause 11.2 3.22 The Special Member shall not be removed as a member of the Company unless and until the Board shall convene a general meeting of members in accordance with this Constitution and at which general meeting not less than seventy five per cent (75%) of the members present, in person or by proxy, and entitled to vote, shall vote in favour of a special resolution to remove the Special Member as a member. For the sake of clarity, the Special Member shall not be entitled to vote on such a resolution.	(ii) for all other disputes, the president of the law institute or society in the state or territory in which the Company has its registered office. 23.6 A mediator chosen by the Board under clause 23.5(b)(i) (a) may be a Member or former Member of the Company; (b) must not have a personal interest in the dispute; and (c) must not be biased towards or against anyone involved in the dispute. 23.7 When conducting the mediation, the mediator must: (a) allow those involved a reasonable chance to be heard; (b) allow those involved a reasonable chance to review any written statements; (c) ensure that those involved are given natural justice; and (d) not make a decision on the dispute. 24 Disciplining Members 24.1 In accordance with this clause, the Board may resolve to warn, suspend or expel a Member (other than the Special Member) from the Company if the Board consider that: (a) the Member has breached this constitution; or (b) the Member's behaviour is causing, has caused, or is likely to cause harm to the Company. 24.2 At least 14 days before the directors' meeting at which a resolution under clause 24.1 will be considered, the Secretary must notify the Member in writing: (a) that the Board are considering a resolution to warn, suspend or expel the Member; (b) that this resolution will be considered at a directors' meeting and the date of that meeting; (c) what the Member is said to have done or not done;	

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			(d) the nature of the resolution that has been proposed; and (e) that the Member may provide an explanation to the Board, and details of how to do so. 24.3 Before the Board pass any resolution under clause 24.1, the Member must be given a chance to explain or defend themselves by: (a) sending the Board a written explanation before that directors' meeting; and/or (b) speaking at the meeting. 24.4 After considering any explanation under clause 24.3, the Board may: (a) take no further action; (b) warn the Member; (c) suspend the Member's rights as a Member for a period of no more than 12 months; (d) expel the Member;; (e) refer the decision to an unbiased, independent person on conditions that the Board consider appropriate (however, the person can only make a decision that the Board could have made under this clause); or (f) require the matter to be determined at a General Meeting. 24.5 The Board cannot fine a Member. 24.6 The Secretary must give written notice to the Member of the decision under clause 24.4 as soon as possible. 24.7 Disciplinary procedures must be completed as soon as reasonably practical. 24.8 There will be no liability for any loss or injury suffered by the Member as a result of any decision made in good faith under this clause.	
N/A	Clause 35 (Members' resolutions and statements) and clause 36	N/A	35 Members' resolutions and statements 35.1 Members with at least 5% of the votes that may be cast on a resolution or at least 100 Members who are entitled to vote at a general meeting may give:	These new clauses reflect sections 249N to 249P of the Corporations Act and allow Members to put forward resolutions or statements at a General Meeting.

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
	(Company to distribute Members' Resolution or Members' Statement)		(a) written notice to the Company of a resolution they propose to move at a General Meeting (Members' Resolution); and/or (b) a written request to the Company that the Company give all of its Members a statement about a proposed resolution or any other matter that may properly be considered at a General Meeting (Members' Statement). 35.2 A notice of a Members' Resolution must set out the wording of the proposed resolution and be signed by the Members proposing the resolution. 35.3 A request to distribute a Members' Statement must set out the statement to be distributed, be signed by the Members making the request and be given to the Company. 35.4 A notice or request under this clause 35 must be given at least seven days before the General Meeting it is to be considered at. 35.5 Separate copies of a document setting out a notice or a request may be signed by Members if the wording is the same in each copy. 35.6 The percentage of votes that Members have (as described in clause 35.1) is to be calculated as at midnight before the request or notice is given to the Company. 35.7 If the Company has been given notice of a Members' Resolution under clause 35.1(a), the resolution must be considered at the next General Meeting held no more than two months after the notice is given. 35.8 This clause does not limit any other right that a Member has to propose a resolution at a General Meeting. 36 Company to distribute Members' Resolution or Members' Statement 36.1 If the Company has been given a notice or request under clause 35: (a) in time to send the notice of Members' Resolution or a copy of the Members' Statement to Members with a notice of General Meeting, it must do so at the Company's cost; or	

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
			(b) too late to send the notice of Members' Resolution or a copy of the Members' Statement to Members with a notice of General Meeting, then the Members that proposed the Members' Resolution or made the Members' Statement must pay the expenses reasonably incurred by the Company in giving Members notice of the Members' Resolution or a copy of the Members' Statement. However, the Members may subsequently pass a resolution at a General Meeting for the Company to pay these expenses. 36.2 The Company does not need to send the notice of Members' Resolution or a copy of the Members' Statement to Members if: (a) it is more than 1,000 words long; (b) the Board consider it may be defamatory; (c) clause 36.1(b) applies, and the Members that proposed the Members' Resolution or made the Members' Statement have not paid the Company enough money to cover the expenses reasonably incurred by the Company in giving Members notice of the Members' Resolution or a copy of the Members' Statement; or (d) in the case of a Members' Resolution, the resolution does not relate to a matter that may be properly considered at a General Meeting or is otherwise not a valid resolution able to be put to the Members.	
N/A	Clause 42.2 (Appointment of Proxy)	N/A	42.2 The chairperson of a General Meeting may be appointed as a proxy in accordance with this clause by an unlimited number of Members. Any other person may only be appointed as a proxy in accordance with this clause by one Member.	This new clause has been included to avoid a scenario whereby one person attends a General Meeting to vote on behalf of a large portion of the membership and to ensure diversity in voting rights.
Clause 6.1(a) and (e) and clause 6.2 (Board)	Clause 44 (Number of Directors)	6.1 A director is either elected by the members or is Board appointed: (a) the number of directors shall not exceed ten (10) nor be less than eight (8), one of whom shall be a nominee of the Special Member whilst ever it remains a member of the Company;	44.1 The Company must have at least ten and no more than twelve directors (not including alternate directors), made up of: (a) eight directors who are selected from the Financial and Voting Members of the Company including at	Under the new clauses, the maximum number of directors has increased from ten to twelve. The new clause also separates director composition from director eligibility, election and appointment processes, and director terms (each of which are reflected at later

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
		(e) the composition of the Board shall be made up as follows; (i) three (3) directors who are representatives of a Hunter First category member, (ii) five (5) directors who are a member of the Company or the representative of a member of the Company, (iii) one (1) director who is appointed by the Board and who is a representative of Local Chambers of Commerce within the Hunter Region who have entered into an affiliation agreement with the Company, and (iv) one (1) director who is a nominee of the Special Member whilst ever it remains a member of the Company. The Board must promptly approve the appointment of the director subject to receiving a consent to act form from the nominee and provided the nominee is otherwise eligible to serve as a director of the Company. 6.2 Subject to the clause 6.1(a) and (d), the Board at its discretion may appoint additional directors as it sees fit one of whom may be the Chief Executive Officer.	least three directors selected from the Hunter First Members; (b) up to two directors appointed by the Board; (c) whilst the Special Member is a Member of the Company, one director nominated by the Special Member; and (d) one director nominated by the Local Chamber Alliance. 44.2 At least two of the Company's directors must ordinarily reside in Australia. 44.3 Subject to any resignations, the initial directors are the people who have consented to act as directors and who are named as directors in the application for registration of the Company and directors appointed at the time this constitution was last approved by Special Resolution of Members (Initial Directors).	clauses). These clauses were combined in current clause 6. New clause 44.1(a) combines the directors elected from the Membership and stipulates that at least three of those directors be selected from the Hunter First Members (i.e., there may be more than three selected from this membership category). New clause 44.2 reflects Corporations Act requirements. New clause 44.3 ensures any director that was a director prior to the new constitution taking effect shall continue to be directors, despite not being appointed in accordance with the new provisions.
Clause 6.4 (Election of Board Directors)	Clause 46 (Election and appointment of directors selected from the Financial and Voting Members of the Company)	6.4 The election of members of the Board shall take place in the following manner: (a) all nominations for the office of Director shall be in writing and signed by two members and the written consent of the members so nominated shall be subscribed thereunder; (b) the nomination shall be lodged with the Secretary at least twenty eight (28) days before the Annual General Meeting; (c) no such nomination shall be valid unless the candidate is a financial member, or a representative of such a member of the Company for the then current year and has paid all membership fees and any other money (if any owing) to the Company; (d) a list of the candidates' names in alphabetical order, with the proposers' and seconders' names, shall be posted in a conspicuous place in the registered	46 Election and appointment of directors selected from the Financial and Voting Members of the Company 46.1 All nominations for directors selected from the Financial and Voting Members of the Company referred to at clause 44.1(a) shall be in writing and signed by two Members or representatives of Members entitled to vote at General Meetings of the Company and must be lodged with the Secretary at least 28 days before the Annual General Meeting. 46.2 The Board may implement additional requirements with respect to the form of a nomination for office of director from time to time, which may include for example the requirement to outline the candidate's qualifications and suitability for the role of director. 46.3 Apart from: (a) the Initial Directors; and	The nomination and election process for directors has been simplified, however, new clause 46.2 references the Board's ability to implement additional requirements for the nomination of a person as a director from time to time. New clause 46.7 also provides for the Board's ability to appoint a casual vacancy in the office of a director selected from the Financial and Voting Members of the Company.

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
		office of the Company for a least fourteen (14) days immediately preceding the Annual General Meeting; (e) if the number of candidates nominated is not greater than the number candidates required to be elected the Chairperson of the Annual General Meeting shall declare the candidates nominated duly elected; (f) if more candidates are nominated than the number required to fill vacancies, the election shall be by ballot of the members; (g) any such ballot shall be conducted under the sole control and supervision of an Election Committee, of three (3) members, comprising 2 honorary members (life) and a member of the company auditors none of whom may be a Director or a candidate for election to that office; (h) the Election Committee shall be appointed by the Board, which shall also appoint one of the members of such committee to be the Presiding Officer thereof; (i) balloting lists shall be prepared (if necessary) containing the names of the candidates only in alphabetical order. Each member shall be entitled to vote for any number of such candidates not exceeding the number of vacancies. If directed by the Board all continuing candidates' attendance records at Board and committee meetings shall be circulated to members; (j) each candidate shall be entitled to provide a business profile not exceeding one hundred (100) words which may be edited by the Presiding Officer; (k) the Election Committee shall as soon as practicable issue by post, electronic means or otherwise to each member whose subscription fee for the then current financial year of the Company shall have been paid, the ballot paper (and candidate's information) initialled by the Presiding Officer, together with an envelope (if required) addressed to the Election Committee; (l) a member shall vote by placing a mark in the square opposite the names of the candidates for whom the member desires to vote, and shall vote for no more or less than the number of candidates required to fill	(b) directors appointed to fill a casual vacancy or as an additional director in accordance with clause 46.6(b), the Members are responsible for electing a director by participating in the ballot process outlined in clause 46.4 (where required) and/or confirming the elected directors by passing a resolution in a General Meeting in accordance with clauses 46.5 and 46.6. 46.4 If the number of nominations received by the Secretary in accordance with clause 46.1 exceeds the vacancies, the Secretary must issue a ballot to Members entitled to vote at General Meetings of the Company listing the nominees. The ballot shall be conducted in a manner directed by the Board. 46.5 If the number of nominations is not greater than the vacancies, then the chairperson of the General Meeting shall propose resolutions to confirm the nominees as elected directors in accordance with clause 46.6 and any positions not filled shall be considered a casual vacancy to be filled in accordance with clause 46.7. 46.6 Each director must be confirmed by a separate resolution, unless: (a) the Members Present have first passed a resolution that the appointments may be voted on together; and (b) no votes were cast against that resolution. 46.7 The Board may appoint a person as a director to fill a casual vacancy in the office of a director selected from the Financial and Voting Members of the Company if that person: (a) is a Member of the Company, or a representative of a Member of the Company (appointed under clause 21); (b) gives the Company their signed consent to act as a director of the Company; and (c) is not ineligible to be a director under the Corporations Act or the ACNC Act.	

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
		the vacancies, otherwise the vote shall be informal and shall be rejected. For the sake of clarity, each member has one vote with respect to each candidate; (m) the ballot paper so marked shall be enclosed in the envelope so issued, sealed, and deposited with or posted to the Election Committee in time to be placed in a sealed ballot box to be placed for that purpose in a conspicuous position in the registered office of the Company; (n) the ballot shall close 12 midday two (2) days preceding the day of the Annual General Meeting; (o) the Election Committee, together with such other scrutineers as may be appointed by the Board shall thereupon proceed to count the votes and shall report the result to the President who shall at the Annual General Meeting declare the candidates who have received the largest number of votes duly elected Directors of the Company, such candidates so declared as elected not to exceed in number the Directors to be elected at such general meeting. The three (3) highest polling candidates representing Hunter First category members will be declared as being the candidates to fill the positions in clause 6.1(e)(i). The five (5) highest polling candidates after excluding the candidates declared as being the candidates to fill the positions in clause 6.1(e)(i) will be declared as being the candidates to fill the positions in clause 6.1(e)(ii); (p) as between candidates who receive an equal number of votes the Returning officer shall determine which candidate is elected by lot;		
N/A	Clause 47 (Election and appointment of directors appointed by the Board), clause 48 (Election and appointment of the director nominated by the Special Member)	N/A	47 Election and appointment of directors appointed by the Board The Board may, at any time, appoint a person to fill the position of a director appointed by the Board referred at clause 44.1(b) and such appointments shall be declared at the next Annual General Meeting. 48 Election and appointment of the director nominated by the Special Member	These new clauses clarify the process for nomination and election of directors appointed by the Board, nominated by the Special Member and nominated by the Local Chamber Alliance, which differ from other director appointments in that these directors are confirmed by the Board rather than the Members.

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
	and clause 49 (Election and appointment of the director nominated by the Local Chamber Alliance)		48.1 The Special Member may nominate a person to be elected to the office of director referred to at clause 44.1(c) in writing to the Company in a form determined by the Board from time to time. 48.2 The Board shall approve the appointment of a director nominated by the Special Member by passing a resolution at the next directors' meeting and the appointment shall be declared at the next Annual General Meeting. 49 Election and appointment of the director nominated by the Local Chamber Alliance 49.1 Nominations for the office of director nominated by the Local Chamber Alliance referred to in clause 44.1(d) shall be made in writing to the Company in a form determined by the Board from time to time. 49.2 The Board shall consider the nominations at the next directors' meeting and shall have sole discretion in appointing a person nominated in accordance with clause 49.1 and the appointment shall be declared at the next Annual General Meeting.	
Clause 6.1(b) and (d) and clause 6.3 (Board)	Clause 51 (Term of office)	6.1 (b) subject to the Act and the remaining provisions of this clause, Directors are elected for a Term of approximately two (2) years, being from the conclusion of the Annual General Meeting at which the Director's election is declared, and ending at the conclusion of the second Annual General Meeting after the Annual General Meeting at which the Director's election is declared; (d) a person is not eligible for election or appointment to the Board if they will have served for three (3) consecutive Terms up to the time of the election or appointment (but they are eligible if they are a President or Vice President and have only been so for less than a Term but in any case they cannot be an elected director for more than ten (10) consecutive years); 6.3 6.3 Subject to this Constitution the elected members of the Board shall be elected for a term of two (2) years to a maximum of three (3) consecutive terms.	51 Term of office 51.1 Subject to clauses 51.2 to 51.5 and clause 53, all directors shall hold office for two year terms, commencing at the directors' meeting or General Meeting at which they are appointed (as applicable) and may be appointed for an additional two consecutive two year terms, not exceeding six consecutive years (subject to clause 51.5). 51.2 A director appointed to the office of director nominated by the Special Member in accordance with clause 48 shall remain in office until: (a) the Special Member nominates another person to fulfil the office of Special Member nominated director; (b) the Special Member is removed as a Member of the Company; or (c) the director otherwise stops being a director in accordance with clause 53. 51.3 Any director (other than the director nominated by the Special Member) elected to the Executive in	The term of office of directors remains unchanged between the current and new constitution, however the new clause wording has been simplified. New clause 51.2 clarifies that the director nominated by the Special Member remains in office until replaced. New clause 51.5 allows a director to continue in office for more than six consecutive years if approved by a Special Resolution. New clause 51.6 reflects the Company's requirement to notify ASIC of changes to director appointments while it is not a charity.

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
			accordance with clause 52 may be appointed for an additional term of four years following completion of their term under 51.1, however shall not hold office for a continuous period of more than ten years (subject to clause 51.5). 51.4 Any director appointed by the Board to fill a casual vacancy in accordance with clause 46.7 must retire at the next Annual General Meeting, however shall be entitled to be re-elected as a director in accordance with this constitution. 51.5 A director (other than the director nominated by the Special Member) who has held office for a continuous period of six or more years, or in the case of directors appointed to the Executive, ten or more years, may only be re-appointed or re elected by a Special Resolution. 51.6 If required under the Corporations Act, the Company must notify ASIC within 28 days if a person is appointed as a director or as an alternate director.	
7.1 (Chief Executive Officer)	Clause 69 (Appointment and role of Secretary)	7.1 The Chief Executive Officer or any other appointed person shall be the Secretary of the Company unless the Board otherwise decides.	69 Appointment and role of Secretary 69.1 The Company must have at least one Secretary, who may also be a director or the Chief Executive Officer of the Company. 69.2 The Secretary must ordinarily reside in Australia and be at least 18 years of age. 69.3 A Secretary must be appointed by the Board (after giving the Company their signed consent to act as Secretary of the Company) and may be removed by the Board. 69.4 The Company must notify ASIC of the appointment of the Secretary within 28 days of the Secretary's appointment. 69.5 The Board cannot appoint a person who is disqualified from managing corporations under Part 2D.6 of the Corporations Act unless permission is granted by ASIC or leave is granted by the Court. 69.6 The Board must decide the terms and conditions under which the Secretary is appointed, including any remuneration. 69.7 The role of the Secretary includes (but is not limited to):	Whilst current clause 7.1 states that the CEO shall be the Secretary unless the Board otherwise decides, this new clause simply says that the Company must have a Secretary who may be a director or the CEO. The Company can continue with the practice of appointing the CEO as the Secretary, though this will not happen by default any longer.

Clause number (current constitution)	Clause number (proposed new constitution)	Relevant clause wording (current constitution)	Relevant clause wording (proposed new constitution)	Summary explanation of proposed changes
			(a) maintaining a register of the Company's Members; and (b) maintaining the minutes and other records of General Meetings (including notices of meetings), directors' meetings and Circular Resolutions.	
Clause 11 (Winding up)	Clause 81 (Surplus Assets not to be distributed to Members) and clause 82 (Distribution of Surplus Assets)	11.1 Every member of the Company undertakes to contribute to the property of the Company, in the event of the same being wound up while they are a member, or within one year after they cease to be a member for payment of the debts and liabilities of the Company contracted before they cease to be a member and of the cost, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding fifty dollars (\$50.00). 11.2 If upon the winding up or dissolution of the Company there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the company but shall be given or transferred to some other institution or institutions having objects compatible with the objects of the Company and whose constitutions shall prevent the distribution of income and property amongst members to an extent at least as great as is imposed on the Company, such institution to be determined by the members of the Company at General Meeting at or before the time of the dissolution of the Company.	81 Surplus Assets not to be distributed to Members If the Company is wound up, any Surplus Assets must not be distributed to a Member or a former Member of the Company, unless that Member or former Member is a charity described in clause 81.1. 82 Distribution of Surplus Assets 82.1 Subject to the Corporations Act, any other applicable legislation and any court order, any Surplus Assets that remain after the Company is wound up must be distributed to one or more charities: (a) domicile in the Hunter Region; (b) with charitable purpose(s) similar to, or inclusive of, the purpose(s) in clause 8; and (c) which also prohibit the distribution of any Surplus Assets to its Members to at least the same extent as the Company 82.2 The decision as to the charity or charities to be given the Surplus Assets must be made by a Special Resolution of Members at or before the time of winding up. If the Members do not make this decision, the Company may apply to the Supreme Court to make this decision.	Changes to the winding up provisions reflect the requirements for registered charities and will assist the Company with the charity registration process.