

LGANT LIMITED

(trading as Local Government
Association of the Northern Territory)

Australian Company Number (ACN) 662 805 503

Australian Business Number (ABN) 35 662 805 503

A company limited by guarantee

CONSTITUTION

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LOCAL GOVERNMENT ASSOCIATION OF THE NORTHERN TERRITORY LTD
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PREAMBLE

Strong, responsive, well-governed local governments have an essential role to play as the third sphere of government in building resilient, engaged and sustainable communities.

LGANT's vision is to help local government councils to create the most valued, culturally diverse, sustainable and liveable communities in Australia.

Our purpose is to support and represent Member Councils to drive economic and social development for the Northern Territory.

The Local Government Association of the Northern Territory (LGANT) was established in 1992 as the voice of the local government sector in the Northern Territory to develop policy and to provide advocacy, representation, and support to its member councils.

LGANT's activities are founded on honesty, communication, transparency, accountability, accessibility and responsiveness. Inclusive, participative and fair representation is our reason for being and we are committed to working together with all Traditional Custodians and communities in caring for our country and seas for all of our shared futures.

The LGANT Constitution is a living document setting out provisions that determine the purpose, obligations and authorities of the Local Government Association of the Northern Territory, a contemporary, principled and representative governance agent of, for and with its member councils.

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1. NAME

The name of the Company shall be LGANT Ltd (trading as Local Government Association of the Northern Territory) hereinafter referred to as "the Company".

2. INCORPORATION AS COMPANY LIMITED BY GUARANTEE

- (a) The Company is a public company limited by guarantee.
- (b) Each Member Council must contribute an amount not more than \$10.00 (the Guarantee) to the property of the Company. If the Company is wound up while the Member Council is a member, or within twelve (12) months after ceasing to be a Member Council, this contribution is required to pay for the debts and liabilities of the Company or the costs of the winding up.
- (c) The liability of Member Councils is limited to the amount of the Guarantee.

3. READING THIS CONSTITUTION WITH THE CORPORATIONS ACT

- (a) The replaceable rules set out in the Corporations Act do not apply to the Company.
- (b) The Corporations Act overrides any clauses in this Constitution which are inconsistent with this Act.
- (c) A word or expression that is defined in the Corporations Act or used in that Act and covering the same subject, has the same meaning in this Constitution.

4. DEFINITIONS

In this Constitution the following words and phrases have the following meanings:

"Associate Member" means a body which has been granted associate membership by the Board in accordance with this Constitution.

"Board" means the board of directors of the Company.

"Chief Executive Officer" means the person appointed to that role pursuant to clause 24 of this Constitution.

"Company" means the Local Government Association of the Northern Territory Ltd (ACN 662 805 503).

"Corporations Act" means the *Corporations Act 2001* (Cth).

"Council" means a Municipal Council, a Regional Council or a Shire Council incorporated under the *Local Government Act 2019*.

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“Delegate” means each Delegate of the Local Government Association of the Northern Territory, established under the *Local Government Act 2008* as at the date of incorporation of the Company, and thereafter means each person who is elected and holds the office of Lord Mayor, Mayor, President, Alderman or Councilor of a Member Council who is appointed by virtue of clause 9 of this Constitution.

“Director” means the members individually or collectively of the Board.

“General Meeting” means a meeting of the Delegates of Member Councils of the Company and includes Annual General Meetings and Special General Meetings.

“Governance Charter” means the Governance Charter adopted by the Board from time to time and setting out the roles, responsibilities and authorities of the Board, Chief Executive Officer and staff in determining the direction, management and control of the Company and the conduct of meetings of the Board.

“Member Council” means each Member Council of the Local Government Association of the Northern Territory, established under the *Local Government Act 2008* as at the date of incorporation of the Company, and thereafter means each Council which has been granted membership of the Company by the Board in accordance with this Constitution.

“Municipal, Shire or Regional Member Council” means the classification as defined in Clause 15 of the Local Government Act 2019 according to their geographical size, the density of their population and their degree of urbanization.

“Population” means the latest population figures provided by the Australian Bureau of Statistics and accepted by the Northern Territory Grants Commission for funding purposes.

“President” means the person elected to that office pursuant to clause 16, and includes any person acting in that position from time to time pursuant to this Constitution.

“Register” means the register of Member Councils of the Company maintained in accordance with the Corporations Act.

“Secretary” means the LGANT CEO who is appointed to perform the duties of secretary of the Company.

“Vice President” means each of the persons elected to that office pursuant to clause 16, and includes any person acting in that position from time to time pursuant to this Constitution.

5. OBJECTIVES

The objectives of the Company are to:

- (a) encourage Member Councils to work together and collaborate in order to develop strong, effective local government throughout the Territory;
- (b) represent, promote, and protect the interests of local government generally;
- (c) act as an advocate for Member Councils and local government generally;
- (d) develop and coordinate responses for legislation enacted or proposed by governments;
- (e) provide information and advice to Member Councils on matters affecting local government;

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- (f) provide services to Member Councils as agreed to by resolution of Member Councils and/or the Board;
- (g) support the Australian Local Government Association and other Territory and State Local Government Associations and any other organisation committed to objectives similar to those of the Company; and
- (h) formulate policy that applies to local government generally in the Northern Territory.

6. POWERS

The Company has all of the powers of an individual and those of a company limited by guarantee under the Corporations Act and, in particular is empowered to:

- (a) acquire or dispose of any real or personal property by lawful means and any interest therein and rights or privileges relating to property;
- (b) enter into arrangements intended to advance the objectives of the Company with any person or organisation;
- (c) cooperate with Territory, State and National governments on any issues which may directly or indirectly advance Company objectives;
- (d) take necessary steps to oppose any action by government which may prejudice the achievement of Company objectives;
- (e) construct, maintain and manage any buildings and other authorised works;
- (f) draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange and other negotiable or transferable instruments;
- (g) expend money for the purposes of the Company and invest or deposit money of the Company;
- (h) borrow money and mortgage, charge or otherwise encumber any of the assets of the Company;
- (i) sell, improve, manage, develop, exchange, lease and dispose of all or any part of the property and rights of the Company;
- (j) provide an industrial relations service to Member Councils including:
 - (i) representing the interests of Member Councils and industrial matters before courts and tribunals;
 - (ii) assisting in negotiations relating to the settlement of disputes between Member Councils and their employees;
 - (iii) representing the interests of Member Councils and negotiating the establishment and/or variation of industrial awards and agreements; and
 - (iv) promoting training programs aimed at enhancing the performance of local government; and
- (k) do all things which are incidental or conducive to the attainment of the objectives contained in this Constitution and to further the interests of the Company.

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7. MEMBERSHIP

- (a) Any Council in the Northern Territory shall be eligible for membership of the Company.
- (b) Applications for membership shall be in the form prescribed by the Board and shall be in writing directed to the Chief Executive Officer.
- (c) The Company shall decide to accept, reject or defer any applications for membership submitted under clause 7(b) in accordance with the established policy of the Company at the first Board meeting following receipt of the application.
- (d) The Company may admit as an Associate Member any other organisation or body which performs substantially the functions of a Council and has members elected from the community. Associate Members shall be admitted on such terms and conditions as the Board determines pursuant to Company policy.
- (e) Associate Members will not have voting rights at General Meetings.
- (f) Associate Members will not be eligible to nominate persons for election to positions on the Board.
- (g) The annual fees for Associate Members shall be as determined by the Board.

8. REGISTER OF MEMBER COUNCILS

- (a) The Company must establish and maintain a register of Member Councils. The register of Member Councils must be kept by the Chief Executive Officer.
- (b) The Company must give current Member Councils access to the register of Member Councils.
- (c) Information that is accessed from the register of Member Councils must only be used in a manner relevant to the interests or rights of Member Councils.

9. REPRESENTATION OF MEMBER COUNCILS

- (a) Each Member Council may appoint up to two (2) Delegates as their representatives at General Meetings and may at any time revoke such appointments and appoint other Delegates in their place, in accordance with their own policies or procedures.
- (b) Each Member Council shall give notice in writing to the Chief Executive Officer of the persons appointed to act as its Delegates.
- (c) In the event that a Delegate is unable to attend a meeting of the Company, the Member Council may, by giving written notice to the Chief Executive Officer prior to the commencement of the meeting, appoint another Delegate to act as a substitute at the meeting. The appointment will only be valid for the meeting specified in the notice.

10. ANNUAL GENERAL MEETING OF MEMBER COUNCILS

- (a) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Corporations Act and must be held between 1 July and 15 December each year at a time and place determined by the Board.
- (b) Not less than twenty-eight (28) days notice of the Annual General Meeting must be given to all Member Councils by the Chief Executive Officer.

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- (c) At the Annual General Meeting the order of business will be determined by the Board.

11. GENERAL MEETINGS OF MEMBER COUNCILS

- (a) The Company shall conduct two (2) or more General Meetings each calendar year on dates determined by the Board with the order of business being in accordance with the Company's Governance Charter.
- (b) The Chief Executive Officer shall be responsible for convening meetings and shall ensure that not less than twenty-eight (28) days notice of each meeting is given to all Member Councils along with the business to be conducted.
- (c) The quorum for a General Meeting shall be fifty percent (50%) plus one (1) of the financial Member Councils of the Company.
- (d) All matters arising at any General Meeting shall be decided by a simple majority of votes cast. If the votes cast on any issue are equal, the Chair of the meeting shall declare the motion lost.
- (e) The President of the Company shall chair all General Meetings at which the President is present. If the President is absent then a Vice President shall chair the meeting. If neither the President nor a Vice President are present then the Delegates present at the meeting will choose from amongst themselves a Delegate to act as Chair for that meeting.
- (f) Draft minutes of General Meetings shall be maintained and forwarded to all Member Councils as soon as possible after each meeting.
- (g) General Meetings may resolve to appoint committees, sub-committee or working party reference groups as necessary to achieve Company objectives and can by resolution delegate to such bodies any powers or functions necessary.
- (h) Recommendations arising from any committee, sub-committee or working party reference group meeting shall be determined by the Board at one of its meetings and such determination may also include referring committee or reference group recommendations to Member Councils at a General Meeting.
- (i) If at the expiration of thirty (30) minutes from the time of commencement of a General meeting a quorum is not present, the Chair shall determine that the meeting be deferred to a specified time, date and place. The Chief Executive Officer must give notice of the deferred meeting to all Member Councils.

12. SPECIAL GENERAL MEETING OF MEMBER COUNCILS

- (a) The Chief Executive Officer shall convene a Special General Meeting of the Company if:
- (i) the President or three (3) or more Member Councils request the Chief Executive Officer in writing to convene the meeting; or
 - (ii) the Board resolves that a Special General Meeting shall be convened.
- (b) The Chief Executive Officer shall give not less than twenty-eight (28) days notice of a Special General Meeting and the business to be conducted.
- (c) The only business which may be conducted at a Special General Meeting is the business of which notice has been given.
- (d) The quorum for a Special General Meeting shall be fifty percent (50%) of the financial Member

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Councils of the Company, plus one (1).

(e) The conduct of a Special General Meeting shall comply with clauses 10(c), (d), (e) and (i).

13. CHANGING THE NOTICE PROCEDURE FOR GENERAL MEETINGS

(a) A meeting may be convened in a way other than and on shorter notice than clause 11(b) as long as all Member Councils entitled to vote at the meeting consent to the change beforehand and the notice and shorter notice period comply with the Corporations Act.

14. USE OF TECHNOLOGY IN MEETINGS

(a) The President may (with the approval of the meeting) confer with Member Councils by radio, telephone, facsimile, computer, Internet, closed circuit television or other electronic means of audio or audio-visual communication.

(b) Any resolution passed using such a system is to be treated as having been passed at a meeting of the Member Councils held on the day and at the time the meeting was held, even if the Member Councils were not present together in one place at the time. This clause does not limit the discretion of the Member Councils to regulate their meetings.

15. VOTING AT ANNUAL, GENERAL AND SPECIAL GENERAL MEETINGS BY MEMBER COUNCILS

(a) Each Member Council shall be entitled to the following votes at meetings of the Company based on the population within its Local Government Area:

- (i)
- | | |
|--|-----------|
| a Member Council with a Population up to and including 3 000 | - 1 Vote |
| a Member Council with a Population between 3 001 - 25 000 | - 2 Votes |
| a Member Council with a Population of 25 001 and above | - 3 Votes |
| a Member Council, being the Capital City, the City of Darwin | - 5 Votes |

(b) Voting shall be by the Member Council Delegate or Delegates using the appropriate number of voting cards outlined in 15(a) issued by the Chief Executive Officer.

(c) Proxy votes are not permitted at any Company meeting.

(d) The rules of debate for Company meetings shall be set out from time to time in the Governance Charter.

16. THE BOARD

(a) Each member of the Board will be a Director of the Company, and no person that is ineligible for appointment as a director of a company may be a member of the Board.

(b) The Board shall be comprised of nine (9) Directors, including:

- (i) The President;
- (ii) two (2) Vice Presidents; and
- (iii) six (6) Directors.

(c) The Board shall be elected at the Annual General Meeting every second year (**Election Year**)

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and, subject to this Constitution, shall be entitled to hold office for a period of two (2) years from that Annual General Meeting.

- (d) The LGANT Chief Executive Officer shall call for nominations for the positions on the Board, including for the positions of President and Vice Presidents, on or before the second Tuesday in September of each Election Year, and nominations shall close on the first Tuesday in October of each Election Year.
- (e) Each Member Council may nominate one (1) or more of its elected members to stand for positions on the Board, and must clearly state the position or positions for which the nomination/s are made (President, Vice President or ordinary Board member).
- (f) Each Director of the Board must be an elected member of a Member Council and their nomination be endorsed by way of resolution at a Council meeting, but does not necessarily need to be a Delegate of that Member Council.
- (g) The LGANT Chief Executive Officer shall advise Member Councils of all nominations received within seven (7) days after the closing of nominations pursuant to clause 16(c).

17. VOTING OF BOARD NOMINATIONS

- (a) Order of voting will be:
 - (i) President;
 - (ii) Vice Presidents (one municipal and one regional/shire);
 - (iii) Guaranteed regional/shire ordinary Director; and
 - (iv) Four remaining ordinary Directors (two municipal and two regional/shire),
- (b) The President shall be an elected member of any Member Council, elected by Member Councils to be the leader and official spokesperson of the Company whose roles and responsibilities shall be defined in the Governance Charter.
- (c) The two (2) Vice Presidents, shall be:
 - (i) One (1) elected member of a Municipal Member Council, elected by all the Delegates of Municipal Member Councils; and
 - (ii) One (1) elected member of a Regional or shire Member Council, elected by all Delegates of Regional and shire Member Councils.
- (d) The City of Darwin, as the capital city, must have at least one (1) elected member on the Board as a Director, endorsed by way of resolution at a Council meeting of the City of Darwin (nominated position).
- (e) One (1) ordinary Board Director shall be an elected member of a regional or shire Member Council elected by all regional and shire Member Councils present and voting at the Annual General Meeting.
- (f) The election of the remaining four (4) ordinary Director positions on the Board, shall be split between two (2) municipal Member Councils, and two (2) regional and shire Member Councils.
- (g) Only one elected member from each Member Council can be elected as a Director of the

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Board, and all others must be withdrawn from the election to any other positions, with the exception of City of Darwin which may have up to two positions on the Board (e.g. their nominated Director and an ordinary Director).

18. THE BOARD, COMPANY DIRECTORS AND REPRESENTATION

- (a) The Board is authorised to perform all functions and duties for the proper control and governance of the Company in between General Meetings in accordance with its Governance Charter.
- (b) Meetings of the Board are to be held in accordance with the Company's Governance Charter.
- (c) The President, Vice Presidents and Directors shall be entitled to one (1) deliberative vote each at Board meetings.
- (d) The quorum for a Board meeting is:
 - (i) at least five (5) members of the Board; or
 - (ii) during any period where one (1) or more Directors of the Board are casual vacancies (clause 18) or have been removed (clause 19), at least 50% of the remaining Directors of the Board.

19. THE BOARD - CASUAL VACANCIES

- (a) A casual vacancy in an office of the Board occurs when the holder of that office:
 - (i) becomes, for any reason, ineligible to be a director of the Company;
 - (ii) dies;
 - (iii) resigns the position by notice in writing delivered or sent by post to the Chief Executive Officer and such resignation is accepted;
 - (iv) is absent (except upon leave granted by the Board) from three (3) consecutive meetings without apology satisfactory to the Board;
 - (v) is found mentally ill, or becomes of unsound mind, or is incapable of performing the duties of the relevant office;
 - (vi) ceases to hold office as a member of a Council excluding any period of cessation between that office and re-nomination and re-election to Council from a general election; or
 - (vii) is removed from office in the manner provided for in clause 19(a).
- (b) A casual vacancy in an office of the Board also occurs when one (1) or more members of the Board resign from the Board pursuant to clause 21, but the vacancy shall cease if and when the relevant member is reinstated pursuant to clause 21(c)(ii).
- (c) If a casual vacancy occurs on the Board for a position other than the President or a Vice President, the Chief Executive Officer shall advise Member Councils and invite nominations to be forwarded for consideration at the next Board Meeting.
- (d) If a casual vacancy occurs in the office of President or Vice President, the Board shall appoint one (1) of the remaining Board Directors to the position to:

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- (i) serve out the remainder of the term of office; or
 - (ii) serve during the period of the vacancy where the vacancy occurs only because of a resignation of the President or Vice President pursuant to clause 22.
- (e) If a casual vacancy occurs on the Board for other positions:
- (i) Less than six (6) months before the next Annual General Meeting, the Board may by vote of existing Directors:
 - A. appoint an eligible person to fill the vacancy until the next Annual General Meeting at which an election of Board members is to occur; or
 - B. leave the position vacant; or
 - (ii) More than six (6) months before the next Annual General Meeting, the Board may by vote of existing Directors appoint an eligible person to fill the vacancy until the next Annual General Meeting at which an election of Directors is to occur.
- (f) The casual vacancy must not be filled by a Member Council that already has a Director on the Board.

20. THE BOARD - TERMINATION OF OFFICE

- (a) The Board may remove from office any Board member if the person has:
- (i) misappropriated funds or other property or assets of the Company;
 - (ii) substantially breached the Governance Charter;
 - (iii) been guilty of gross misbehaviour or gross neglect of duty; or
 - (iv) has ceased to be eligible to hold office; or
 - (v) becomes prohibited from being a director of the Company by reason of any order made under the Corporations Act.
- (b) Before removing any Board member from office pursuant to clause 19(a) the Board shall call on such person to appear before the next meeting of the Board to show cause why that person should not be expelled from the position as an office holder of the Board.
- (c) The Board member called to show cause pursuant to subclause 17(b) shall be given at least fourteen (14) days notice of the time and place of the meeting to which that member is called. The notice calling such person shall also specify the ground or grounds upon which it is proposed to consider such removal.
- (d) The Board may proceed to hear and determine the matter under this clause 17 notwithstanding the absence of the person called if due notice of the hearing has been given in accordance with this Constitution.

21. THE BOARD – ALLOWANCES, TRAVEL AND REMUNERATION

- (a) The Company shall pay an allowance to the President in accordance with the amount set in an annual budget of the Company.

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- (b) The Company may pay an allowance or fee to Board Directors (other than the President) for participation in Board meetings, other than Annual, General and Special Meetings, or Committee meetings of the Board
- (c) The Company may pay an allowance or fee to Board Directors (other than the President) for attendance at the annual strategic planning meeting..
- (d) If the company does not pay allowances or fees to Board Directors, these costs shall be met from Member council budgets.
- (e) All travel and subsistence expenses of Board Directors associated with attendance at Board Meetings and Annual and General Meetings of the Company (other than for the President), shall be met from Member Council budgets.
- (f) Where Board Directors are required to travel to the annual strategic planning meeting, the reasonable cost of travel and subsistence shall be met by the Company.
- (g) The Company may pay a Director a sum determined by the Board if a Director is required to perform services for the Company which in the opinion of the Board are on reasonable commercial terms and are outside the scope of the ordinary duties of a Director.

22. THE BOARD - ELECTION TO TERRITORY OR FEDERAL PARLIAMENTS

- (a) A person who is a member of the Board and who is, or is to be, nominated for election to the Legislative Assembly, the Commonwealth House of Representatives or the Senate must give notice in writing to the Chief Executive Officer of the Company of the person's resignation from the Board under this clause 19.
- (b) When a member gives notice of resignation under clause 19(a) the office of the member becomes vacant, but the vacancy cannot be filled until the expiry of the period within which the person may apply under this section to be reinstated to the office.
- (c) A person who has given notice of resignation under clause 19(a) may apply in writing to the Chief Executive Officer of the Company to be reinstated to the office from which that person resigned:
 - (i) before the election in relation to which the resignation was tendered – if the person withdraws consent to act as a member of the Legislative Assembly, House of Representatives or Senate (as the case may be) if elected or ceases to be qualified to be a candidate for election; or
 - (ii) if the person was not successful in the election in relation to which the resignation was tendered – before the expiry of the seventh day after the declaration of the poll for the election,

and the Board must reinstate the person to the office from which the person resigned, effective on and from the day of the application for reinstatement was received by the Chief Executive Officer.

- (d) A person reinstated to office under this section is not entitled to any remuneration allowance or fee as a Board Director during the period in which the resignation had effect.

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23. SUBSCRIPTIONS

- (a) The Board shall recommend a General Meeting to be held prior to the end of each financial year, the annual subscription payable for the following financial year by Member Councils.
- (b) The annual subscription shall be determined by a General Meeting and will be payable by Member Councils on 01 July of each year.
- (c) A Member Council whose subscription remains unpaid for more than sixty (60) days from 01 July in each year or other dates as determined by the Board shall become an unfinancial Member Council and shall forfeit all rights to attend and vote at any General Meetings and shall not be entitled to membership of any committee or reference groups so long as the Member Council remains unfinancial.
- (d) A Member Council shall not be entitled to any services of the Company so long as it remains unfinancial.
- (e) Member Councils may with the approval of the Board enter into an arrangement for periodic payment of subscriptions to the Company.
- (f) The Chief Executive Officer shall advise the General Meeting following the Annual General Meeting of the names of unfinancial Member Councils.
- (g) Any subscription outstanding can be recovered by the Company as a debt due and payable.

24. LEVIES

- (a) The Company may by resolution passed at a General Meeting or Special General Meeting impose a levy on Member Councils to establish a fund or funds to defray any extraordinary expenditure incurred or to be incurred in carrying out the objectives of the Company. Funds raised by a levy shall only be expended for the purposes of the levy. Any surplus remaining from the levy shall be refunded to Member Councils after the objective of the levy has been met.
- (b) Written notice of any proposed levy must be forwarded to all Member Councils no less than twenty-eight (28) days prior to the meeting which will consider the levy.
- (c) Any levy declared shall be payable within sixty (60) days of the declaration. Any levy unpaid shall become a debt due by the Member Council to the Company.
- (d) At the Annual General Meeting a statement shall be tabled setting out the state of any fund for which a levy has been made. The Company may exempt a Member Council or group of Member Councils from liability to pay a levy where it is satisfied that it is reasonable to do so.

25. THE CHIEF EXECUTIVE OFFICER

- (a) The Board shall appoint an employee of the Company to be known as the Chief Executive Officer who shall:
 - (i) be appointed as Company Secretary;
 - (ii) be appointed to perform and fulfil the responsibilities stated in a position description, which shall include being responsible for the day-to-day management and administration of the Company; and

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- (iii) be responsible to the Board for the management and administration of the Company and for the execution of Company decisions.
- (b) The Board shall review the performance of the Chief Executive Officer in accordance with the Company's Governance Charter.
- (c) The Chief Executive Officer may appoint staff in accordance with an organisational structure and with resources approved by the Board.
- (d) The Chief Executive Officer may direct, and if necessary, dismiss employees of the Company.
- (e) The Chief Executive Officer may, by instrument in writing, delegate to an employee of the Company, whether by name or by reference to an office, designation or position, any of the Chief Executive Officer's powers and functions by or under this Constitution that are within the instrument.

26. COMPANY FINANCES AND ANNUAL REPORT

- (a) The financial year for the Company is from 01 July to 30 June.
- (b) The Chief Executive Officer shall be responsible for the safekeeping of all assets of the Company and shall cause accounting records to be kept in accordance with relevant accounting standards and prepare financial statements and reports in accordance with the requirements of the Corporations Act.
- (c) The Annual Report and audited financial statements of the Company shall be presented to each Annual General Meeting by the Chief Executive Officer.

27. ACCOUNTS

- (a) The Board must arrange for the Company to keep proper books of account that record true and complete accounts of the affairs and transactions of the Company and give a true and fair view of the state of the Company's affairs and explain its transactions.
- (b) The Board must arrange for the books of account to be kept at the Registered Office and to be open to the inspection of the Directors during usual business hours.

28. THE AUDITOR

- (a) The Company shall appoint an auditor by resolution at the Annual General Meeting at which elections for the Board are held.
- (b) The auditor is responsible for auditing the accounts of the Company and providing a report to Member Councils on the state of the accounts for the preceding financial year in accordance with relevant audit standards.

29. NOTICES

- (a) The Company may serve a notice to any Member Council by serving it in person, or by sending it by post, email, facsimile, or other electronic transmission, at its address shown in the Register or the address supplied by it to the Company for the giving of notices to it.
- (b) Where a notice is sent by e-mail, facsimile or other electronic transmission, service of the notice is deemed to be effected by properly addressing the e-mail, facsimile or other electronic transmission and sending it, and the notice is deemed to have been served on the day following its dispatch.

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- (c) Notice of every general meeting must be given in accordance with provision 11(b).

30. THE COMMON SEAL AND EXECUTION OF DOCUMENTS

- (a) The common seal of the Company shall be kept under the custody and control of the Chief Executive Officer.
- (b) The common seal shall be affixed to documents and instruments pursuant to a resolution of the Board and in the presence of:
- (i) Two (2) Board members; or
 - (ii) One (1) Board member and the Chief Executive Officer.
- (c) The Company may execute documents without using a common seal if the document is signed by:
- (i) Two (2) directors of the Company; or
 - (ii) One (1) director and the Chief Executive Officer.

31. INDEMNITY

- (a) To the extent permitted by law, the Company indemnifies every person who is or has been an officer of the Company against any liability incurred by that person as an officer of the Company unless the liability arises out of conduct on the part of the officer which involves a lack of good faith or is contrary to the Company's express instructions.
- (b) The Company indemnifies every officer of the Company against any liability for costs and expenses incurred by the person in his or her capacity as an officer of the Company:
- (i) in defending any proceedings, whether civil or criminal, in which judgement is given in favour of the person or in which the person is acquitted; or
 - (ii) in connection with an application, in relation to such proceedings, in which the Court grants relief to the person under the Corporations Act.
- (c) For the purposes of this clause, 'officer' means a member of the Board as defined in this Constitution or an executive officer as defined by the Corporations Act.

32. NOT FOR PROFIT

- (a) The Company's income and property must be applied solely towards promoting the Company's objectives.
- (b) No part of the income or property may be paid, transferred or distributed, directly or indirectly, by way of dividend, bonus or other profit distribution to any Member Council.

33. CONFLICT OF INTEREST

- (a) A Delegate shall disclose to any General Meeting and any Board member shall disclose to any Board meeting, any interest which the relevant Member Council or Delegate has or may have in a matter before the meeting. The Delegate must, unless agreed unanimously by the remaining Delegates then present, then leave the meeting and not vote on the issue subject to the conflict of interest.

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- (b) All disclosures of interest shall be recorded in the minutes of the meeting at which the disclosure was made.

34. RESIGNATION OF MEMBER COUNCILS

- (a) A Member Council may resign from the Company by written notice to the Chief Executive Officer and such resignation shall take effect on the day of the next General Meeting after the notice is received.
- (b) All subscriptions or levies due to the Company at the date of resignation must be paid by the Member Council.
- (c) Any outstanding subscription or levy can be recovered by the Company as a debt due and payable.

35. AMENDING THE CONSTITUTION

- (a) This Constitution can only be amended by a resolution carried by a fifty percent (50%) plus one (1) majority of Member Councils present and voting at a General Meeting or Special General Meeting.
- (b) The Chief Executive Officer must give all Member Councils not less than six (6) weeks written notice of any proposal to amend this Constitution.

36. WINDING UP OF THE COMPANY

- (a) The Company may only be wound up by a resolution passed by a fifty percent (50%) plus one (1) majority of financial Member Councils present and voting at a General Meeting or Special General Meeting.
- (b) If the Company is wound up, and the assets of the Company is more than sufficient, the Company shall pay:
 - (i) all of the debts and liabilities of the Company; and
 - (ii) the costs charges and expenses of the winding up.
- (c) Any surplus assets must be distributed proportionately to each Member Council based on the subscription formula.
- (d) The decision as to the surplus assets must be made by a special resolution of Member Councils at or before the time of winding up. If the Member Councils do not make this decision, the Company may apply to the Supreme Court to make this decision.

37. NOTICE OF DISPUTE

- (a) In the event of any disagreement or dispute arising between any or all of the Member Councils as to the interpretation, implementation or enforcement of any term of this Constitution, any Member Council may send a notice to all of the Member Councils setting out the details of that dispute ("Notice of Dispute").
- (b) A Member Council which serves a Notice of Dispute may withdraw it by giving written notice to all Member Councils.

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38. DISPUTE RESOLUTION

- (a) Following receipt of a Notice of Dispute each Member Council must enter into good faith discussions with the other Member Councils with a view to resolving the dispute.
- (b) Where the Member Councils have not resolved the dispute within 14 days after the date of service of the Notice of Dispute to the Member Councils, those Member Councils must appoint an arbitrator agreed by those Member Councils to determine the dispute.
- (c) If the Member Councils do not agree on the appointment of an expert within 7 days after the need to appoint an arbitrator arises, then any Member Council may request the President of the Institute of Arbitrators of Australia (or such other body as carries on the functions of the Institute) or his or her nominee to appoint an arbitrator to determine the dispute. Such arbitrator shall be a person who, by virtue of his or her qualifications and/or experience, has an appropriate familiarity with and understanding of the nature of the matters in dispute.
- (d) The arbitration process will be conducted in accordance with the Commercial Arbitration (National Uniform Legislation) Act 2011.