

**‘THE COMPANIES ACT 1961’
COMPANY LIMITED BY GUARANTEE AND WITHOUT A SHARE CAPITAL ARTICLES OF ASSOCIATION of
AUSTRALIAN APPALOOSA ASSOCIATION LTD**

Definitions

1. In these presents, unless there by something in the subject of context inconsistent therewith:

‘The Act’ means the ‘Companies NSW Code’.

‘The Association’ means ‘Australian Appaloosa Association Ltd’.

‘The Board’ means the Board of Directors constituted pursuant to Article 12.

‘Director’ means a member of the Board of Directors constituted pursuant to Article 12.

‘Financial Member’ shall be a member who is not more than twenty eight days in arrears in the payment of his annual subscription.

‘Financial Year’ means the period commencing on the first day of August in any year and ending on the thirty first day of July in the following year or such other yearly period as the Board may from time to time determine.

‘The Office’ means the office for the time being of the Association in New South Wales.

‘The Register’ means the register of members to be kept pursuant to the Act.

‘Month’ means calendar month.

‘In writing’ means written or printed, or partly written and partly printed.

Word importing the singular number, shall where applicable, include the plural and vice versa.

Words importing the masculine gender, where applicable, mean and include the feminine gender.

Words importing persons, include corporations.

Purpose

2. The Association is established for the purpose set out in the Memorandum of Association.

Numbers

3. The number of members of the Association is to be not more than two thousand and five hundred (2500) but the Board may from time to time by simple resolution at a Board meeting increase or decrease the number of members.

Membership

4. The subscribers to the Memorandum of Association and such other persons as the Board shall admit to membership in accordance with the regulations shall be members of the Association.
5. Subject to these Articles of Association membership of the Association is available only to a person, corporation, firm, partnership, institution, executor and trustee who is the owner of an Appaloosa Horse eligible for registration by the Association or any person, corporation, firm, partnership, institution, executor and trustee who proves to the satisfaction of the Board, his interest in an Appaloosa horse provided that:
 - a. Any financial member of the unincorporated Association known as the 'Australian Appaloosa Association' shall be entitled to membership of the Association as from the date of its incorporation under the Act without being proposed and elected in terms of Article six (6) hereof and every such member who agrees in writing to become a member of the Association shall be admitted to membership of the Association and the Secretary shall forthwith enter the name, address and description of each such member in the Register of Members required to be kept in terms of the Act; and
 - b. Any then financial member of the said unincorporated Association shall not be bound to pay any subscription to the Association for the financial year in which the Association is incorporated as aforesaid; and
 - c. Any person who on payment of his subscription for the relevant year to the unincorporated Association would be a financial member thereof, shall be entitled to membership of the Association and on prepayment of such subscription to the Association shall be deemed entitled to membership and registration as if Article 5 (a) applied to him.
 - d. Any Life Member of the said unincorporated Association shall be and be deemed to be a Life Member of the Association.

Candidates for Membership

6. a. Subject to Article 5 every application for Membership shall be made in writing signed by the applicant and shall be in such form and shall contain such information as the Board may, from time to time or in any particular case, prescribe. Every such application shall be lodged with the Secretary and shall be accompanied by payment to the Association of the prescribed entrance fee, if any, and annual subscription for the current year. At the next meeting of the Board after receipt of any application for membership the Board shall, by a simple majority of the members present at that meeting, elect or reject the applicant as a member of the Association or shall adjourn its consideration of any application until the next meeting of the Board and in no case shall the Board be obliged to give any reasons for rejecting any applicant or adjourning its consideration of any application. Upon the election by the Board of any applicant for membership the Secretary shall forthwith send to the applicant written notice of his election and the applicant shall become a member of the Association bound by its Memorandum and Articles of Association and the Secretary shall forthwith enter the name, address and description of such applicant in the Register of Members required to be kept in terms of the Act. In the event of any application being withdrawn by an applicant or rejected by the Board, the entrance fee, if any and annual subscription fee paid by the applicant shall be refunded to him.
- b. The membership of the Association shall be classified as follows:
 - i. **Honorary Life Members** – being those members who have been admitted to Honorary Life Membership in accordance with these Articles of Association.
 - ii. **Life Members** – being those members who have been admitted to Life Membership in accordance with these Articles of Association.
 - iii. **Full Members** – being those members, eighteen (18) years of age or older, other than Honorary Life Members, Life Members or Constituent Members.
 - iv. **Junior Members** – being those members, eighteen (18) years and under other than Constituent members.
 - v. **Constituent Members** – being members who are Companies, Firms, Executors, Institutions, Trustees, Societies or Studs who are interested in the promotion of the Appaloosa in Australia on the basis that this category of membership is entitled to one (1) nominee, details of whom must be provided to the Secretary upon application and the nominee is to be responsible for all bookwork, signatures and voting on behalf of such constituent membership and shall be the only person eligible to vote show and/or sign on behalf of this membership provide that such nominee may be altered by notice from such constituent member and provided that such new nominee is approved by the Executive Board and on the basis that all persons or Companies, Firms,

Executors, Institutions, Trustees, Societies or Studs who are on the application form for Constituent membership shall be liable for the actions of the nominee from time to time.

- vi. **Couple Members** – being those members, eighteen (18) years of age or older, who are married or defacto and must be living at the same address, other than Honorary Life members, Life members, Full members or Constituent members, both persons noted as part of the Couple membership will have the same showing and voting rights as a Full member.
- c.
 - i. Any Full Member of the Association shall be admitted as a Life member of the Association upon paying to the Association such Life membership fee as the Association in General Meeting may from time to time prescribe.
 - i. In each year, on the recommendation of the Board, the Association in Annual General Meeting may elect not more than two persons to be Honorary Life members of the Association and upon such election the persons concerned shall be admitted as Honorary Life members of the Association without payment for such memberships.
 - ii. An admitted Life member or Honorary Life members shall be entitled to all the privileges of a Full member for the remainder of his life unless he resigns or is suspended or expelled from the Association.
 - iii. The provisions of these articles of Association relating to the payment of annual subscriptions shall not apply to Life members or Honorary Life members of the Association.
 - iv. Any person who has served for a period of six (6) consecutive years, or two (2) consecutive full terms of three (3) years, as a Director of the Association shall at the Annual General Meeting held after such period be automatically admitted as an Honorary Member of the Association.
7. The annual membership fee payable by the members of the Association shall include a subscription to the "National Appaloosa Journal" and shall be such as the Board shall from time to time prescribe.
8. All annual subscriptions shall become due and payable in advance on the first day of August every year.
9. If the subscription of any member shall remain unpaid for a period of twenty eight (28) days after it has become due then the member may, by resolution of the Board, be suspended from the Association and/ or have his name removed by the Board from the Register of Members provided that the Board may, in its absolute opinion and if it deems fit, reinstate the member and restore his name to the Register upon payment of all arrears.
10. A member may at any time by giving notice in writing to the Secretary, resign his membership of the Association but shall continue to be liable for any annual subscription and all arrears due and unpaid at the date of his resignation and for all other monies due by him to the Association and in addition for any sum not exceeding twenty dollars (\$20.00) for which he is liable as a member of the Association under Clause 5 of the Memorandum of Association of the Association.

11. If any member shall wilfully refuse or neglect to comply with the provisions of the Memorandum and Articles of Association or shall be guilty of any conduct which in the absolute opinion of the Board is unbecoming of a member or prejudicial to the interests of the Association the Board shall have the power to expel or suspend on any conditions whatsoever the member from the Association and remove his name from the Register of Members provided that at least twenty eight (28) days before the meeting of the Board at which such conduct or action of the member is to be considered the member shall have had notice of such meeting and of what is alleged against him and of the powers vested in the Board and he shall at such meeting before the passing of any resolution have an opportunity of giving orally or in writing any explanation or defence he may think fit either by himself or by any person representing him provided that if the Board passed a resolution to expel such member then such expulsion shall become effective from the passing of such resolution and similar provision shall apply in respect of any suspension or imposition of any conditions relating to a suspension and provided further that if a member is expelled or suspended he may by notice in writing to the Secretary to be served not more than fourteen (14) days after the Board's resolution request the Board's decision be reviewed by the Association at the next Annual General Meeting of the Association and the decision of the Association at such subsequent Annual General Meeting shall be final and binding.

12. a. As from the Annual General Meeting of the Australian Appaloosa Association Limited held in 1997 the Board of Directors shall consist of seven (7) members elected in accordance with these Articles.
- b. The Board of Directors will be made up of seven (7) Board members who reside anywhere in Australia provided that no more than three (3) Board members may reside in the same State. If there is a vacancy on the Board as per Article 12 (a) and the only nominations received exceed the limit of no more than three (3) in the same State, then those persons will fill these positions and their place of residence is not taken into account.

(Change to 12 (b) Voted in at AGM 26.03.2011)

- c. The Directors when elected shall hold Office, subject to these Articles, until the third Annual General Meeting after their election. All Directors shall be eligible for re-election after each term of office.

13. No person shall be elected to the Board unless he is at the time of his nomination

- a. Full financial member or a Life member or Honorary Life member or individual who is part of a Couple membership.
- b. A member of the Association for one or more years standing.
- c. A nominee of a Constituent membership that also holds a valid membership as per clause 13 (a) being a Full financial, Life member, Honorary life member or be an individual who is part of a Couple membership.
- d. Does not meet the requirements to hold a Junior membership under clause 6(b)iv

(Inclusion of Clauses 13(c) & (d) Voted in at AGM 21.3.10)

14. a. At least sixty (60) days before the Annual General Meeting the Secretary shall send to all financial members of the Association a Notice specifying the date, place and time of the proposed Annual General Meeting together with the names of the Board Members who are retiring. Any two (2) financial members of the Association shall be entitled to nominate candidates for election to the Board. All nominations must be in writing signed by the nominating members and by the person nominated as a consent to his nomination and all nominations must be lodged with the Secretary not less than forty five (45) days prior to the Annual General Meeting.
- b. Not less than twenty one (21) days prior to the Annual General Meeting the Secretary shall prepare and forward to each financial member of the Association a ballot paper. The ballot paper shall specify the number of vacancies to be filled and in alphabetical order, the names of all candidates nominated. Each financial member shall be entitled to vote for all vacancies that are to be filled by marking the ballot paper with either a number 1 in the box of their preferred candidate or by placing a number in ascending order in each box of all available candidates so as to notify the members order of preference for the listed candidates. Completed ballot papers shall be returned to the Returning Officer designated by the Secretary to be received by the Returning Officer by 5.00 pm not less than seven (7) days prior to the Annual General Meeting provided that if such seven (7) days period falls on a Saturday or Sunday or Holiday, then such period shall expire at 3.00 pm on the last working day immediately prior to such seven (7) day period. In addition to the ballot paper the Secretary shall send notices of any special resolutions which are to be put to the Annual General Meeting for consideration.
- c. Those members shall elect from the candidates nominated as many candidates as may be required to bring the total number of members of the Board to the number specified in Article 12.
- d. In the event of insufficient candidates being nominated to fill the vacancies on the Board in accordance with Article 12, the Chairman of the Annual General Meeting shall declare the candidate so nominated duly elected and shall thereupon call for nomination of further candidates to fill the remaining vacancies on the Board in accordance with Article 12, and in the event further candidates may be nominated by any two financial members of the Association present at that meeting. A ballot shall then be held at the Annual General Meeting, all financial members present at the meeting are entitled to vote for as many candidates as there are vacancies to be filled, and no more.
- e. In the case of two or more candidates nominated receiving an equal number of votes, whether on a postal ballot or on a ballot held at an Annual General Meeting, as the case may be, the Chairman of the Annual General Meeting shall have a second or casting vote.

- f. A member of the Board will be deemed to reside at the address given at the time of his nomination for his term of office as a Director.
- 15.
- a. At the first Board meeting following each Annual General Meeting the members of the Board shall elect from amongst its members persons to fill the following offices: President, Vice President, Treasurer and such persons shall constitute the Executive of the Association provided that if one (1) person holds two (2) of the above positions, then a further Board member shall be elected to make up the numbers on the Executive.
 - b. Each of such office bearers, when elected, shall be entitled to hold office until the conclusion of the next Annual General Meeting when each such office bearer shall retire, or until such office bearer ceases to be a member of the Board, whichever occurs the sooner.
 - c. All retiring office bearers shall, provided they are still members of the Board, be eligible for re-election, with the exception to the office of President. The occupant of the position of President will not hold the office for a period of more than three (3) consecutive years and must retire from the position after the third consecutive year or in accordance with Article 15(a). The stand down period must be for at least one (1) year or in accordance with Article 15(a).
 - d. The Board shall have the power at any time and from time to time to appoint a member of the Board to fill any casual vacancy occurring among the office bearers.
 - e. The Board may, by a resolution passed by a majority of not less than one half of the members of the Board for the time being, remove any office bearer before the expiration of his period of office and appoint another member of the board in his stead.
16. The Association from time to time by ordinary resolution passed at a General Meeting increase or reduce the number of members of the Board.
17. The Board shall have power at any time and from time to time to appoint any Financial Full member, Honorary Life member, or individual who is part of a Couple membership or Life member of the Association to fill any casual vacancy occurring in the Board but so that the total number of members of the Board does not exceed the number of Board Members pursuant with Article 12. Any person appointed as a member of the Board pursuant to this Article shall hold office only until the commencement of the next following Annual General Meeting and shall, if duly nominated, be eligible for re-election.
18. Subject to the provisions of the Act the Association may by special resolution, remove any member of the Board before the expiration of his period of office and in that event the Association shall by ordinary resolution appoint in his stead another person. Any person appointed as a member of the Board pursuant to this Article shall be subject to retirement at the same time as if he had become a member of the Board on the day on which the member in whose place he is appointed was last elected a member of the Board.

19. The office of a member of the Board shall become vacant if the member:
 - a. Cease to be a member of the Board by virtue of the Act;
 - b. Becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - c. Becomes prohibited from being a director of a company by reason of any order made under the Act;
 - d. Becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - e. Resigns his office by notice in writing to the Association;
 - f. Shall fail to attend three consecutive meetings of the Board without leave of the Board;
 - g. Ceases to be a member of the Association;
 - h. Is suspended from this Association in accordance with these Articles. Provided always that nothing in this Article shall affect the operation of Clause 3 of the Memorandum of Association.

Powers and duties of the Board

20. The business of the Association shall be managed by the Board who may pay all expenses incurred in promoting and registering the Association and may exercise all such powers of the Association as are not, by the Act or by these regulations, required to be exercised by the Association in General Meeting, subject, nevertheless to any of these regulations, to the provisions of the Act and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Association in General Meeting; provided that any rule regulations or by-law of the Association made by the Board may be disallowed by the Association in General Meeting and provided further that no resolution of or regulations made by the Association in General Meeting shall invalidate any prior Act of the Board which would have been valid if that resolution or regulation had not been passed or made.
21. The Board may exercise all the powers of the Association to borrow money and to mortgage or charge its property, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability, or obligation of the Association and the Board may on behalf of the Association enter into Contracts to purchase or take up freehold land or enter into any lease or contract deemed necessary to protect or further the interests of the Association but any contract to purchase or take up freehold and shall be subject to confirmation by the Association in General Meeting and the Board shall cause an Extraordinary General Meeting to be held, when necessary, for the purpose of securing such confirmation.
22. All cheques, promissory notes, drafts, bill of exchange and other negotiable instruments, and all receipts for money paid to the Association, shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be, by any two (2) members of the Board or in such manner as the Board from time to

time determine.

23. The Board shall cause minutes to be made:
 - a. Of all appointments of officers and servants;
 - b. Of names of members of the Board present at all meetings of the Association and of the Board, and
 - c. Of all proceedings at all meetings of the Association and of the Board. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

Proceedings of the Board

24. The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Members of the Board may at any time, and the Secretary shall on the requisition of five (5) members of the Board summon a meeting of the Board.
25. Subject to these regulations questions arising at any meeting of the Board shall be decided by a majority of votes and a determination by a majority of the members of the Board shall for all purposes be deemed a determination of the Board. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote.
26. A member of the Board shall not vote in respect of any contract or proposed contract with the Association in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted.
27. The quorum necessary for the transaction of the business of the Board shall be greater than 50% of the existing number of the board members.
28. The continuing members of the Board may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the number fixed by or pursuant to these regulations as the necessary quorum of the Board the continuing member or members may act for the purpose of increasing the number of members of the Board to that number of summoning a General Meeting of the Association, but for no other purposes.
29. The President shall preside as Chairman at every meeting of the Board or if there is no President or if at any meeting he is not present within ten minutes after the time appointed for holding the meeting, the Vice-President shall be Chairman or if the Vice-President is not present at the meeting then the members present may choose one of their number to be Chairman of the Meeting.
30. The Board may delegate any of its powers to sub-Boards consisting of such member or members of the Boards as they think fit; any sub-Board so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
31. A sub-Board may elect a Chairman of its meetings; if no such Chairman is elected, or if at any meeting

the Chairman is not present within ten minutes after the time appointed for holding the meeting, the members present may choose one of their numbers to be Chairman of the Meeting.

32. A sub-Board may, subject to any regulation imposed on it by the Board, meet and adjourn as it thinks fit. Questions arising at any meeting of a sub-Board shall be determined by a majority of votes of members present. The Chairman of a sub-Board shall have a deliberative vote only and shall not have a second or casting vote. Any member of the Association who feels aggrieved by any decision of a sub-Board may by notice in writing, lodge with the Secretary within one (1) month of the date of the decision being published in the next "National Appaloosa Journal" appeal against the decision of the Board.
33. All acts done by any meeting of the Board or of a sub-Board or by any person acting as a member of the Board shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such member of the Board or person acting as aforesaid, or that the members of the Board or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a member of the Board.
34. A resolution in writing signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it has been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or members of the Board.
35. Subject to the provisions of the Act the Board shall be the sole authority for the interpretation of any part or parts of these Articles of Association and any Rules, By-laws or Regulations made thereunder and the decision of the Board upon any interpretation or upon any matter affecting the Association and not provided for by these Articles of Association or by any Rules, By-laws or Regulations made hereunder shall be final and binding on members.

General Meetings

36. An Annual General Meeting of the Association shall be held in accordance with the provisions of the Act at such time and place as the Board shall appoint. All General Meetings other than Annual General Meetings shall be "Extraordinary General Meetings". Only Full Financial members, Couple members, Honorary Life members, Life members and nominee of Constituent members shall be entitled to attend and vote at General Meetings.
37. The following business shall be transacted at such Annual General Meeting:
 - a. The approval of the Minutes of the previous Annual General Meeting and a consideration of any matters arising therefrom.
 - b. Consideration of the President's Annual Report, Financial Statements and Auditor's Report.
 - c. Consideration of any notices of motion duly lodged with the Secretary. Provided that if such notices of motion require a special resolution then such notices shall have been lodged with the Secretary at least thirty eight (38) days before the Annual General Meeting and if such notices require special notice on

the basis that such notices have been given to the Secretary at least forty five (45) days before the Annual General Meeting.

- d. Election of the Board in accordance with these Articles.
 - e. Election of Auditors.
38. All business shall be special that is transacted at an Extraordinary General Meeting and also all that is transacted at an Annual General Meeting with the exception of the consideration of the Accounts, Balance Sheets, the Report of the President, Secretary, Directors and Auditors, the election of members of the Board in the place of those retiring and the appointment and the fixing of the remuneration of the Auditors.
39. The Board may, whenever it thinks fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisition, as provided by the Act.
40. Subject to the provisions of the Act relating to special resolutions and agreements for shorter notice and subject to the provisions of clause 37(c) hereof the Secretary shall serve notice of any special resolutions which are to be considered by an Annual General Meeting or Extraordinary General Meeting specifying the special business and general nature of that business to be considered at such meeting.

Procedures at General Meetings

41. a. Quorum No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as is herein otherwise provided, fifty (50) financial members personally present shall be a quorum. If within half an hour of the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to such day and place as the Chairman of the meeting may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting those members who are present and entitled to vote shall be a quorum.
- b. Adjournment The Chairman, may with the consent of any Meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- c. Chairman The President shall preside as Chairman at every General Meeting of the Association, or if there is no President, or if he is not present within half an hour of the time appointed for the holding of the meeting or is unwilling to act, the Vice-President shall preside as Chairman or if the Vice-President is not present or is unwilling to act, then the members present shall elect any other member of the Board to be Chairman, or if no member of the Board is present or willing to act, then the members shall

elect one of their number to be Chairman of the meeting. In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

- d. Proxies A member may vote in person or by a proxy provided that such proxy shall be a Full Financial member, Couple member, Honorary Life member, Life member, or Constituent member of the Association and subject to the provisions of these Articles on a show of hands every person present who is a Full Financial member, Couple member, Constituent member, Honorary Life member, or Life member shall have one (1) vote and on a poll or ballot every Full financial member, Couple member Honorary Life member, Life member or Constituent member who is present in person or by proxy shall have one (1) vote.

Proxy Instrument The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

Form of Proxy Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

Australian Appaloosa Association

I, of , being a member of the abovenamed Association, hereby appoint, of, or failing him of....., as my proxy to vote for me on my behalf at the (Annual or Extraordinary as the case may be) General Meeting of the Association, to be held on the day of, 20....., and at adjournment thereof.

Signed this day of....., 20.....

This form is to be used in favour of the resolutions numbered *

This form is to be used against the resolutions numbered **

* Complete by inserting the numbers of the resolutions in favour of which you require your proxy vote.

** Complete by inserting the numbers of the resolutions you require your proxy to vote against. (Unless otherwise instructed, the proxy may vote as he thinks fit).

Deposit of Proxy

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Association, or a such other place within Australia as is specified for that purpose in the notice convening the meeting, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before

the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Proxy Vote

A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, if no intimation in writing of such death, unsoundness of mind, or revocation as aforesaid has been received by the Association at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used. Provided further that no person shall be entitled to vote either personally or by proxy if at the time of any such meeting such person is not a Full Financial member, Couple member, of the Association or a Life member, Honorary Life member or Constituent member notwithstanding that at the time a proxy has been given the person was at that time a Full Financial member, Couple member, Honorary Life member, Life member or financial Constituent member.

e. Voting Except as otherwise specified in these Articles, voting at all meetings shall be by a show of hands or if demanded by any three members either by actual division or by secret ballot. For the avoidance of doubt it is acknowledged that the proxy for a member entitled to vote on any motion shall be entitled to vote in the stead of such member regardless of whether the vote be taken on a show of hands, a poll, a division, a ballot or otherwise.

f. Rules of Debate

The following rules of debates shall apply:

- i. Members shall stand while speaking and shall address the Chair. During the time a members is speaking all others members shall remain seated. When the chairman rises to speak no one shall continue standing nor anyone rise until the Chair has been resumed.
- ii. No members shall speak except to a motion before the Chair.
- iii. No member shall speak for more than five minutes on any motion, but with the consent of the Chairman of the meeting, may continue to speak for a further period not exceeding five minutes, but no member except the mover of the motion shall speak more than once on any one motion.
- iv. The mover and seconder shall address the meeting after, and not before the motion is seconded, but with the consent of the Chairman the mover may address the meeting before his motion is seconded.
- v. A member who formally seconds a motion or amendment without making a speech may speak in support at a subsequent stage of the debate.
- vi. The mover of an original motion, but not of an amendment (unless it becomes the motion) shall

have a general right of reply and after his reply no further discussion shall be allowed. When exercising his right of reply the mover shall not introduce therein any new matter, but shall confine himself strictly to answering arguments against the motion.

- vii. Any member, upon request by Chairman, may reply to the question.
- viii. Any member may address the Chair a question upon the matter before the meeting.
- ix. Any member during the debate may raise a point of order when the member speaking shall sit down until the point of order has been decided. The member rising to order shall state concisely the point of order, and the Chairman without further discussion shall give his ruling.
- x. It shall be competent for any member to move a motion of dissent from the Chairman's ruling. The mover of the motion of dissent shall concisely state his point. The seconder and the Chairman only shall speak to the motion.
- xi. The speaker shall not digress from the subject under discussion and imputations of improper motives, and all personal reflections on members shall be deemed disorderly.
- xii. No member shall interrupt another while speaking except on a point of order.
- xiii. At any time during the debate, any member may, without notice, move "That the question be now put" and such motion being duly seconded, shall then be put without debate. If carried, the question shall be put to vote; if lost the debate shall proceed.
- xiv. At any time after a motion has been moved and seconded any member may move an amendment thereto which shall not be discussed until it has been seconded.
- xv. Any speaker shall have the right to indicate his intention to propose a further amendment to the subject under discussion.
- xvi. No second amendment shall be taken into consideration until the previous amendment has been disposed of.
- xvii. The Chairman shall put the amendment to the meeting first, and if carried it shall be deemed to have quashed the original motion, and for all purposes of discussion the amendment so carried shall be acted upon as the original motion. When the amendment has been decided a further amendment may be moved, which if carried shall in turn supersede the motion. If there be no amendment, the original motion shall be put after the mover has replied.
- xviii. The Chairman shall refuse to receive any amendment which is a direct negative or which does not preserve the substance of the original motion.
- xix. When two speakers have spoken in favour of a motion under discussion, there shall not be any further discussion unless the next speaker speaks to the contrary.
- xx. No resolution passed at any meeting of the Association shall be rescinded or amended at any subsequent meeting of the Association unless notice of such intended rescision or amendment is given in the notice convening the meeting at which such rescision or amendment is proposed.

Secretary

42. The Board shall appoint a Secretary who may be either Honorary or paid a salary from the funds of the Association as determined from time to time by the Board. He shall hold office at the pleasure of the Board and shall perform all such duties as the Board may from time to time direct. He shall keep full and correct Minutes of all proceedings at meetings of the Association and of the Board or any sub-Board and he shall keep the records of all competitions conducted by the Association. He shall be in charge of the office and responsible for the clerical administration of the said office and office staff.

Complaints

43. If any member wishes to make any complaint he shall make such complaint in writing signed by him to the Secretary, who, if he shall be unable to deal with any such complaint, shall submit it to the Board whose decision thereon shall be final unless varied or reversed on motion made under these Articles at an Annual General Meeting of the Association.

Accounts and Funds

44. a. The Board shall cause true accounts to be kept of all sums of money received and expended by the Association and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of the Association.
- b. The Books of Account shall be kept at the office of the Association or at such other place or places as the Board thinks fit.
- c. The Board shall from time to time determine in accordance with Clause 7, of the Memorandum of Association at what times and places, and under what conditions or regulations the accounts and books of the Association or any of them shall be open to the inspection by the members and no member or any other person shall have the right to inspect any account or book or documents of the Association except as conferred by statute or by Clause 7 of the Memorandum of Association or as authorised by the Council or by the Association in General Meeting, however, the books and accounts shall at all times be open to inspection by the Members of the Board and Auditor.
- d. All moneys of the Association, unless otherwise authorised by the Board shall lodge in the name of the Association with the Association's bankers for the time being.
- e. All accounts due by the Association shall be paid by cheque to be signed by the Secretary and the President and/ or Vice-President or by such other person authorised by the Board.
- f. A receipt on the Association's printed form shall be issued by the Secretary for all moneys received

- on behalf of the Association.
- g. All accounts must be passed for payment by the Board or insofar as authority has been delegated to it, by the Finance sub-Board, if any.
 - h. The Secretary shall submit to the Board every two (2) months, unless otherwise instructed, a statement of receipts and expenditure and outstanding accounts.
 - i. The Annual Financial Statements and Balance Sheet before being presented to the Annual Meeting shall be audited by the Association's Auditor.

Audit

- 45.
 - a. The Annual General Meeting of the Association each year shall appoint an Auditor to hold office until the next Annual General Meeting. The retiring Auditor shall be eligible for reappointment.
 - b. No member of the Board is eligible for appointment as Auditor.
 - c. No person shall be competent to be appointed to act as Auditor who is or becomes indebted to the Association. If any person after being appointed Auditor shall become indebted to the Association, his office shall thereupon be vacated.
 - d. The Board may fill any casual vacancy in the office of Auditor until next Annual General Meeting.
 - e. The Auditor shall have a right of access at all times to the books and accounts and vouchers of the Association, and shall be entitled to require from the Board and offices such information and explanation as may be necessary for the performance of his duties.

Seal

- 46. The Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of the Board and in the presence of the President or of some person to be appointed by the President who shall sign every instrument to which the Seal is affixed and every such instrument shall be countersigned by the Secretary or some other person appointed by the President.

Indemnity

- 47. Every member of the Board Auditor, Secretary and other officer for the time being of the Association shall be indemnified out of the assets of the Association against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the Court in respect of any negligence, default breach of duty or breach of trust.

Control of Competitions

- 48. At any practice or competition conducted by the Association the members of the Board then present shall

have the authority of the full Board for the conduct of that day's practice or competition subject to the Board's right to appoint a special sub-Board to control any particular competition.

Profits

49. a. It is hereby expressly declared that the Association is not carried on for profit and any income of the Association shall be applied in promotion of its objects as set out in the Memorandum and these Articles of Association and dividends shall not be paid to nor shall profits or income or property of the Association be distributed amongst the members otherwise than by way of prizes and trophies offered for competition and won in such competition held in furtherance of the said objects or in repayment of debts or liabilities incurred to any member for the benefit of the Association and in furtherance of such objects.
- b. If at any General Meeting a resolution for the winding up or dissolution of the Association shall be passed by a majority of the members present and voting and such resolution shall at a special General Meeting held not less than one month thereafter be confirmed by a resolution passed by a majority of three-quarters of the members present and voting thereon or if the Association be otherwise wound up or dissolved in accordance with any provisions of the Act or other legislative authority or enactment, the Board shall thereupon or at such future date as shall be specified in such resolution proceed to realise the property of the Association at the best price obtainable in its opinion whether by public auction or private treaty and discharge all the debts and liabilities of the Association to the extent to which such moneys are available. If after the discharge of all such debts and liabilities there remains any money or property whatsoever the same shall not be paid or distributed amongst the members of the Association but shall be given or transferred to such other association, club or institution having objects similar to the objects of the Association and which shall prohibit the distribution of its or their dividends, profits, income or property amongst its or their members to an extent at least as great as is imposed on the Association by virtue of its Memorandum and Articles of Association or to such charitable object or objects as the members of the Association may at or prior to the time of dissolution or winding up determine and in default of any such determination or if any other such association, club or institution be not readily available as a Judge of the Supreme Court of New South Wales may decide. If the debts or liabilities of the Association exceed the proceeds of such realisation such deficiency shall to the extent of the moneys available be met by an equal levy of such amount as may be required not exceeding twenty dollars (\$20.00) on all members financial at the date of such winding-up or dissolution together with all members who during the twelve months preceding that date have either resigned or left their subscriptions unpaid.

Protection to persons who have advanced money

50. In order to protect those members or other persons who have advanced moneys to the unincorporated association for various purposes for its activities , the amounts of money necessary from time to time to pay the interest on such advances as it falls due and to provide a fund for the repayment within the two (2) years from the making of any such advance shall be a first charge on all revenues of the Association after payment of the charges and expenses incurred in wages, in conducting any type of competition and in reasonably necessary upkeep of the Association's property, and no expenditure of the Association's money shall be made for further extension of or additions to the present assets or property owned or used by the Association prior to the payment of interest as it falls due and the establishment and maintenance of such a fund at a reasonable rate of growth without the consent in writing of all the aforesaid members or other persons or their representatives until such principal moneys and interest have been paid in full; Provided further that the Board shall not permit any other association or club to have the use of the said assets or property or any part thereof belonging to the said unincorporated association for the purpose of conducting the meeting of any other association or club except upon the condition that each such association or club shall indemnify the Association against any damage howsoever caused to the said assets or property during such use and pay to the Association a sum of money at least equal to the average of the amounts by which the income of the Association derived from the twelve (12) meetings (not being mere practice competitions) held by the Association or the unincorporated association or partly by one and the other prior to such use exceeds the charges and expenses incurred in conducting such twelve meetings; Provided further that notwithstanding anything hereinbefore contained the Association may make any alteration or additions to the assets or property owned or used by it at any time by the use of money subscribed for any such purpose by way of gift or in any other exceptional way that does not entail any obligation or liability to repay such money either at any time or before the whole of the principal moneys and interest mentioned in the first paragraph of this Article have been repaid.

Winding-up

51. The provisions of Clause 6 of the Memorandum of Association relating to the winding-up or dissolution of the Association shall have effect and be observed as if the same were repeated in these regulations.

Registers

52. The Association shall keep a register of all Appaloosa Horses registered with the Association which

register shall be under the control of the Board.

53. The requirements for the registration shall be as determined by the Board from time to time.
54. The Board shall have printed its requirements for registration and shall make same available to any person who desires to register an Appaloosa Horse with the Association upon that person paying to the Association such fee as is prescribed by the Board from time to time for such publication.
55. The certificate of registration shall be signed by the President or person appointed in writing by the President and shall bear the Seal of the Association.
56. Should the owner of a registered Appaloosa Horse not be a financial member of the Association or if the owner ceases to be a financial member of the Association for a period exceeding three (3) calendar months, then no transaction regarding any horse registered in that persons name shall take place with the exception of transfers until such time as the horse owner is a financial member of the Association and the official transfer registered with the Association.

Directors Expenses

57. The members of the Board shall be paid expenses as deemed necessary by the Board from time to time.

Junior Members

58. Notwithstanding any of the provisions of these Articles of Association no Junior Member shall be entitled to vote at General Meeting of the Association or in the election of any members of the Board if such election is carried out by postal vote.