



## Requisition to hold two (2) Special General Meetings

We, the undersigned, make this Requisition, in accordance with Clause 20.2 (a) of the RDA NSW Constitution, for two Special General Meetings of RDA NSW.

These meetings are to be held according to the Timeline in the 'Proposed Timeline for Constitutional Review' attached to this Requisition.

1. The key purposes of the two Special General Meetings are to implement a new, more effective organisational structure, under a new Constitution, that better serves the objectives of RDA NSW. With the adoption of a new Constitution, the current Board will all retire to allow fresh Board elections, with updated terms, under the new Constitution.
2. We are informing the Board that the Members are convening an open Constitutional Review Workshop to understand the current Constitutional structure and to explore a more effective model that would better support the objectives of RDA NSW. We welcome the participation of all stakeholders, including Directors of the Board.
3. We note that a minimum of two Member Centres calling for Special General Meetings, meets the requirement under Clause 20.2 (a) of being the 5% of eligible Members needed to cause the Board to call and arrange Special General Meetings. The two names and signatures below, representing their Member Centre, indicate that the Constitutional requirement has been met.
4. We note that all the Motions that have been proposed for the two Special General Meetings meet the requirements of Clause 18.1 (a) for classification as General Business. As such, there is no requirement for 45 days notice (Clause 19), as none of the proposed Motions meet the definition of 'Special Business'.
5. We note the Board can support this necessary process within the proposed Timeline by using its powers under Clause 20.1 of the Constitution to, "whenever it thinks fit, convene a Special General Meeting of the Company"
6. We call for the SGM requisitioned by the Ballina Centre, and the matters to be dealt with under that requisition, to be added to the beginning of the Agenda of SGM1 that this requisition calls for.

Centre Name	Centre representative	Signature	Date
Tall Timbers	Karen O'Neill, Secretary	<i>Karen O'Neill</i>	13/09/2024
Tamworth	Hannah Colb Hon. Secretary	<i>H Colb</i>	13/09/2024

### Attachments:

1. Proposed Motions
2. Rationale for Motions
3. Proposed Timeline for Constitutional Review



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## Proposed Motions

### Special General Meeting One (SGM 1)

1. That the Centre Members endorse in principle the new Constitution generated by the Constitutional Review Workshop (CRW).
2. That the Centre Members endorse the call for nominations for new Directors made at the CRW.
3. That the relevant sections of the RAM, and other Board Policies, relating to the appointment and duties of Board directors are suspended pending the adoption of the new Constitution and modifications proposed by the CRW to the RAM.
4. That the Centre Members endorse the procedure for the election of new Directors outlined in the new Constitution.
5. That the Centre Members endorse the inclusion/listing of the existing Centre Members as Members of RDA NSW under the new Constitution.
6. That the current Directors vacate their Board positions effective at the end of the **next** Special General Meeting i.e. SGM 2.
7. That the Centre Members endorse the timing and content of the remaining activities on the Proposed Timeline for Constitutional Review, and specifically confirm that next SGM (SGM 2), including the election of Directors, will be held in accordance with the new Constitution approved at this meeting.
8. That the Centre Members endorse the appointment of Mr Bruce Manefield FAICD to:
  - a. Facilitate the Constitutional Review Workshop (CRW).
  - b. Administer the online ballots necessary to elect new Board Directors under the new Constitution (which will be determined through the CRW).
  - c. Chair the two SGMs.
  - d. Supervise the drafting of the new Constitution to take into account the outputs from the CRW.
  - e. Support the new Board of Directors at their first few meetings to ensure that they can rapidly apply best practice governance to the administration of the organisation.

### Special General Meeting Two (SGM 2)

1. That the Members endorse the re-registration of the Centre Members of the organisation.
2. That the Members note and endorse the removal of the current Directors effective from the end of this SGM.
3. That the Members endorse and announce the election of the new Directors effective from the end of this SGM.
4. That the Members call on the new Board to meet as soon as possible to elect a new Chair and put in place a series of review activities that will lead to the effective and efficient management of RDA NSW.



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## Rationale for Motions

1. It is the view of many Centre Members that a fresh Constitution, with a fresh Board, would be in the best interests of the organisation.
2. Most NFPs (Not-For-Profits) have humans as their Members.
3. Quite correctly, most NFP Constitutions insist that money and benefits should not flow to (human) Members as a general principle.
4. The obvious exception to this would be, of course, where benefits/services are provided to Members in course of implementing the charitable objectives of the organisation.
5. RDA NSW has affiliated Centres as Members whose sole purpose is to provide services in line with the charitable objectives of the organisation.
6. It is, therefore, quite ridiculous that benefits cannot (or should not) flow to the Centres, who are the primary unit for the delivery of RDA NSW services.
7. The Board should be well aware of its duties and obligation to the Members of the Organisation under the relevant legislation.
8. The Board does not seem appreciate that it serves at the pleasure of the Centre Members.
9. The Centre Members appreciate the genuine desire of the current Board to serve the organisation. However, it appears that the current Board does not seem to understand its responsibilities to the Member Centres, and therefore appears to continue to struggle with the execution of its obligations and fiduciary duties.
10. The Board of Directors has failed to meet the requirement of the Members in the Special General Meeting held on the 24<sup>th</sup> June 2024 to provide copies of the legal advice to Members in relation to whether Honorary Life Members can vote at General Meetings.
11. The lodgement of financial reports to ACNC are incomplete and inaccurate. For example, the Financial Reports for both 2021 & 2022 are the same Financial Report for 2021. This means that the extraordinary jump in income from 2021 (\$380K) to 2022 (\$3.3M), as shown in the AIS on the ACNC website, is not explained by a supporting detailed Financial Report. The 2023 Financial Report approved at the SGM held 24<sup>th</sup> June 2024 still does not appear on the ACNC website.
12. There is a feeling from Members that management of the distribution of the Golden Eagle funds was treated by the Board as 'a problem with no solution'. This is particularly disappointing given that the solution was clearly laid out in Clause 6.5 (a) of the Constitution. There was a feeling within the Members that there was a 'malicious compliance' by the Board with Clause 6.2, instead of looking at how the problem could be solved.
13. Failure to fix simple, yet fundamental, problems with the RDA NSW Constitution. For example, the changes to the Constitution to allow Honorary Life Members to vote. This was supposed to be a part of the Constitutional reform that occurred in 2017/2018. Yet the result was a confusing mix of clauses that in the end made



it clear that HLMs could NOT vote in General Meetings.

Another example of an unresolved problem with the Constitution is around Special Resolutions. Clause 7 says that amendments to the Constitution can only be made by Special Resolution. However, Clause 18 (specifically 18.1 (a) (iv)) explicitly states that amendments to the Constitution are NOT considered to be Special Business.

14. The development of an 'us and them' culture between the Board and the Member Centres. There is a strong perception that the Board does not understand that its role and accountability is to support and advance the interests of the Centres.
15. There is a perception that the Board abuses its powers. Many Centre Committees have spent significant amounts of time discussing whether they should take a certain action, but then do not move forward with what they think is right. This is due to a perception that when Centres don't agree with a Board decision, they are 'punished' by being put into administration, despite there being no evidence of the 'exceptional circumstances' as described by Clause 14.5
16. There is a strong perception that the Board Directors do not understand the principles of good governance. For example, there was the unconstitutional decision of the Board that allowed Honorary Life Members to vote at General Meetings. This decision was made, despite having received advice from the organisation's lawyers that such a decision was in contradiction with the Constitution. Then when the decision was challenged at the Special General Meeting on 24<sup>th</sup> June 2024, the Board attempted to validate their decision by asking for two more lawyers to provide opinions. This has resulted in further unnecessary expenditure on legal advice, which we, as Members, see as a waste of funds that should have been spent on furthering the objectives of RDA NSW.
17. Another example of a lack of understanding of good governance, is that the Board seems to think that a Special General Meeting is deemed to be called when a motion is sent to the Board with a Mover and a Seconder. This is not how a Special General Meeting is called. The method that we have used to call for these Special General Meetings is in accordance with the Constitution. Furthermore, Motions dealt with at the SGMs can be moved and seconded at that SGM. There is no Constitutional requirement that the Motions be moved and seconded at the time of lodging the Requisition of a Special General Meeting, another fact that the current Board appears to be unaware of.
18. It is concerning that written advice has been sent to Centres by some Board Directors that Centres should adopt an unincorporated association entity structure. This is concerning, given that it is generally well known that an unincorporated association structure generates a significantly higher level of personal financial risk for the members of the Committees of those Centres.



## Proposed Timeline for Constitutional Review

- 13 Sep '24 Request sent to Board to Call for **two** Special General Meetings.  
**SGM 1** will vote on a series of motions to dismiss the Board and start the Constitutional Review Process, which will include a call for nominations for up to 9 new Directors  
**SGM 2** will vote to adopt the preferred new Constitution and endorse the election of 9 new Directors held via an online ballot prior to SGM 2.
- 30 Sep '24 **Constitutional Review Workshop (CRW)** – Held online via Zoom – Facilitated by Mr Bruce Manfield FAICD.  
**Preliminary call for nominations** for up to 9 new Directors to be elected under the new Constitution, subject to endorsement by the CRW.
- 9 Oct '24 **SGM 1** – See attached SGM Requisition Letter for Proposed Motions
- 16 Oct '24 Nominations for new Directors close.  
Voting registration forms are sent to ALL Centre Members to asking them to nominate an email address for the Centre's Voting delegate.  
All registered delegates are sent unique voting code to vote in online election for new Directors  
Online Ballot for new RDA NSW Directors opens
- 26 Oct '24 Ballot for new Directors closes – results disclosed to all voters automatically by the online ballot
- 1 Nov '24 **SGM 2** – Adoption of new Constitution and endorsement of the election of up to 9 new Directors – see attached Proposed Motions
- 2 Nov '24 New Board meets and appoints new Chair. Board calls on the Company Secretary to ensure that the following actions (as well as any other actions determined to be necessary) are taken to update the Public Record:
- New Constitution lodged with ACNC
  - Ensure that all office holders have signed the necessary 'Consent to Act' letters.
  - Ensure that all new Directors have, or have applied for, DID's (Director IDs') from ASIC.
  - Relevant forms lodged with ASIC to update the record with respect to the removal of previous Directors and the appointment of the new Directors.