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NOTICE of Special General Meeting

Notice is hereby given of a Special General Meeting (Meeting):

Time: 7pm

Date: 11th November 2024

Place: Online via Zoom

<https://us06web.zoom.us/j/89244593981?pwd=DuFFGkMfwH9AgxTuklMGan13GvJkTc>.

The Meeting has been called in accordance with Clause 20.2(a) of the RDA NSW Constitution.

Furthermore, the Meeting is being convened by the Requisitioning Members under Clause 20.2(d).

The substantive Resolutions to be put to the Meeting are:

1. That the Centre Members adopt the new Constitution as tabled.
2. That the Centre Members call for nominations for new Directors to be elected under the newly adopted Constitution at the next SGM (i.e. SGM2).
3. That the relevant sections of the RAM, and other Board Policies, relating to the appointment and duties of Board directors are suspended.
4. That memberships of the organisation transition as follows:
 - a. That all existing Centre Members granted membership under Clause 10.2 (a), (b) & (c) will retain their membership under the corresponding classifications under Clause 8.1.1 of the newly adopted Constitution.



- b. That all current Honorary Life Members will forthwith be given the title Honorary Life Volunteers.
- c. That all other memberships granted under the previous Constitution are now extinguished.
- 5. That the current Directors vacate their Board positions effective immediately from the end of this Special General Meeting.
- 6. 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 on 25th November 2024 in accordance with the new Constitution approved at this meeting.
- 7. That the Centre Members endorse the appointment of Mr Bruce Manefield:
 - a. As Company Secretary effective immediately, primarily to administer the ballot necessary to elect new Board Directors under the new Constitution, as well as do other necessary tasks, such as lodge the new Constitution with ACNC/ASIC,
 - b. To chair the second SGM (SGM2).
 - c. To 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.

The attached notes form part of this Notice.

Actions by Members:

For your Centre to have official rights to participate in the Meeting, you must complete the attached **Centre Delegation Form**. Only the appointed Centre Delegate will be able to speak and/or vote at the Meeting.

Your Centre may appoint a Proxy as per the attached **Proxy Appointment Form**. Members of your Centre may observe the meeting but must abstain from voting.



NOTES

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

These Special General Meetings will be held according to the Updated Timeline in the 'Proposed Timeline for Constitutional Review' attached to this Confirmation Notice.

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 have convened 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 have attached the Proposed Constitution for consideration and resolution at the first Special General Meeting.
3. The two names and signatures submitted in the Requisition Letter sent to the Members and the Board on 13 September, 2024 indicate that the Constitutional requirement has been met for the calling of a SGM.
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' under Clause 18.1.
5. We note the Board has not made any substantive response to the Requisition Letter, nor has the Board responded constructively to multiple invitations to sit down with a delegation from the Working Party to discuss on how to cooperatively facilitate a process to 'fix' the RDA NSW Constitution.
6. Given the lack of response from the Board on this matter, and the passage of time since the Requisition Letter, the Members who signed the Requisition Letter will proceed under 20.2(d) to convene the SGMs as outlined herein

Yours sincerely

RDA Tamworth & RDA Tall Timbers

Attachments:

1. Rationale for Motions
2. Proposed Timeline for Constitutional Review
3. Proposed NSW RDA Constitution + supporting documentation



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 to 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 24th 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 24th 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 24th 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 Secunder. 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.
19. There appears to be a lack of due process being followed when the Board has suspended members of centres using the 'exceptional circumstances' protocol contained within Clause 14.5 of the current Constitution. If there was a process, then there was an apparent lack of transparency, as many Centres claim that they were never made aware of that process, and certainly were not made aware of their rights under Clause 14.4 of the current Constitution.



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 on the election of 9 new Directors.
- 12 Oct '24 **Constitutional Review Workshop (CRW)** – Held online via Zoom – Facilitated by Mr Bruce Manefield.
- 18 Oct '24 **Updated Notice of Meetings** sent to Centre Members
Provisional Call for nominations for up to 9 new Directors to be elected under the new Constitution, subject to the new Constitution being accepted by the Members.
- 11 Nov '24 **SGM 1** – See attached SGM Requisition Letter for Proposed Motions
Note the amendments made compared to the initial Motions
- 15 Nov '24 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 to be held at the second SGM (SGM2).
- 21 Nov '24 Nominations for new Directors closes
- 25 Nov '24 **SGM 2** – Endorsement of the election of up to 9 new Directors – see attached Proposed Motions. Note the amendments compared to the original Motions.
- 28 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, DIDs (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.