



Information for Delegates to the 2017 Annual General Meeting of the Association of Independent Retirees (A.I.R.) Limited

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Financial Statements for A.I.R. for 2016-17 will be circulated separately.

NOTICE OF 2017 ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Association of Independent Retirees (A.I.R.) Limited will be held at the Best Western Airport Motel and Convention Centre, 33 Ardlie Street, Attwood Vic 3049 on Thursday 16 November 2017 commencing at 10.00am

AGENDA

1. Opening and Welcome; Apologies
2. Roll Call and Registration of Proxies
3. Adoption of Standing Orders
4. Appointment of Returning Officer, Timekeeper and Parliamentarian
5. Confirmation of the Minutes of the Annual General Meeting held on Tuesday, 15 November 2016
6. President's Report
7. Consideration of Annual Financial Report, including Directors' Report and Auditor's Report
8. Appointment of Auditor and Auditor's Remuneration for 2017-18
9. Motions Proposing Changes to the Constitution (Special Resolutions) *Note: The Constitution may be changed only by Special Resolution which requires at least a 75% majority of those entitled to vote.*
10. Motions of General Business (of which 45 days' notice has been given in accordance with Clause 13.2(e))
11. Election of National President
Two nominations were received by the closing date of 15 September 2017 for the position of National President of A.I.R. for a period of two years:
 - Don Keene - Peel Region Branch
 - Ken Moffitt - Darwin Branch
12. Meeting Close

Agenda Item 3

STANDING ORDERS FOR THE COMPANY ANNUAL GENERAL MEETING

1. Only financial members are entitled to participate in the Annual General Meeting.

Rights of Delegates and Members:

2. (a) All delegates or their proxies shall have the right to move, second, speak to and vote on any matter before the meeting. Any other financial member may speak during the debate but may not vote. All members when rising to speak shall state their name and the Branch to which they belong,
(b) Eligibility to vote: Each Director of the Company and each registered delegate or his/her proxy can exercise only one vote. (Constitution 12.4.2, subject to 9.2)
(c) The ordinary term of office for Office Bearers is for two years. (Constitution 5.2.3).

Order of Business:

3. The order of business shall be according to the agenda for the meeting unless determined otherwise by the Chairperson.

Chairperson:

4. The President of the Board shall be Chairperson of the meeting.
5. The Chairperson may enter into debate but, before doing so, shall vacate the chair and shall not resume the chair, until the question has been decided.
6. When the Chairperson rises to address the meeting, all others must remain seated. All members wishing to speak must be acknowledged by the Chairperson.

Motions and amendments:

7. All motions and amendments must be moved and seconded. If no seconder is forthcoming, the motion or amendment lapses.
8. The mover of a motion shall be allowed five (5) minutes to present the case and subsequent speakers shall be allowed three (3) minutes. The meeting may, by resolution, grant an extension of time to any speaker.
9. A motion or amendment may be seconded pro-forma to allow discussion to take place, but the seconder need not support or vote for the proposal.
10. The seconder of a motion or amendment may reserve the right to speak at a later stage of the debate, but such right shall be void, if there is no speaker against the motion or amendment.
11. When an amendment is moved to an original motion, no further amendment shall be discussed until the amendment is disposed of, but further amendment may be foreshadowed without discussion.
12. A member who has moved a substantive motion shall be allowed five (5) minutes to introduce the motion and at the end of the discussion, even though the original motion may have been

amended, be allowed a further three (3) minutes for reply to wind up the debate. There shall be no right of reply attached to the moving of an amendment.

13. An amendment must be relevant to the question and so framed that it forms a sensible and consistent proposal. It must not be a direct negation of the original motion.

14. No person may move or second more than one amendment to an original motion, but the mover and the seconder of the motion or amendment may speak to subsequent amendments.

15. An amendment may not be moved or seconded by any person who has already spoken to the original motion or to a previous amendment.

16. No motion or amendment, which has been moved and seconded, may be withdrawn without the unanimous consent of the meeting.

17. The mover of the motion, which is opposed, may reply to the arguments raised before the motion is put.

Closure:

18. At any time during the debate, any delegate, except one who has spoken to the motion or amendment, may move: "That the motion (or amendment) be now put."

The closure motion, duly seconded, shall be put to the vote without discussion and, if carried, the mover of the original motion shall have the right of reply and the motion or amendment shall then be put.

Point of Order:

19. A point of order may be raised while the speaker has the floor. The member then 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 Chairperson, without discussion, shall give a ruling.

20. The Chairperson's ruling on all points of order and procedure shall be final unless a motion is moved, seconded and carried, "That the Chairperson's ruling be disagreed with." The mover shall have three (3) minutes to speak in support of the motion and the Chairperson shall have three (3) minutes to explain the ruling. The motion of dissent shall then be put.

General:

21. Resignations, elections and other changes to the National Board of Directors shall become effective at the completion of the Company Annual General Meeting.

22. All matters not covered by these Standing Orders shall be subject to the Chairperson's ruling.

**Agenda Item 5 Confirmation of the Minutes of the Annual General Meeting held on
Tuesday, 15 November 2016**

2016 ANNUAL GENERAL MEETING

Tuesday, 15 November 2016
Best Western Airport Motel and Convention Centre, 33 Ardlie Street, Attwood Vic 3049

MINUTES

1. Opening and Welcome, Apologies Welcome:

National President, Charles O'Donnell, opened the Annual General Meeting at 10.25am, and welcomed all delegates and members. He noted that every Branch would be represented at the meeting by a delegate or proxy.

2. Roll Call and Registration of Proxies

There were seven Board members, one Alternate Board Member and 26 delegates registered for the AGM; 21 proxies were appointed. In addition, a number of members were in attendance as observers.

Attendance:

Board Members:

Office Bearers: C O'Donnell (National President), B Lloyd (Vice President), R Cleary (Treasurer)

Division Representatives: M Bourke (NSW), J Fountain (Qld), J Yard (SA), Terry O'Callaghan (VSD), M Walsh (WA)

Apology: R Curley (NSW Director)

Branch Representatives and Proxies held:

Division	Name	Delegate	Proxy
NSW	W Page	Blue Mountains	
	G Knight	Dubbo Orana	Illawarra Maitland Nowra Sydney Eastern Suburbs
	R Manyweathers OAM	Far North Coast	
	W Strandquist	Sydney Hills District	
	M Bourke (<i>Director</i>)	Sydney St George	Sydney Northern Beaches Tamworth
QLD	P Southgate	Brisbane North	
	S Howard	Cairns	
	R Grover	Gold Coast	Morton Bay Region
	B Treston	Noosa	Bundaberg
	H Sava	Sunshine Coast and District	Brisbane South Capricorn
	R Walsh	Townsville	
	C Sava	Queensland Regional Branch	

SA	D Overall	Holdfast Bay	Fleurieu Peninsula
	Terry O' Brien	Whyalla and Districts	
TAS	C Iles	Hobart	
	S Shea	Northern Tasmania	
VIC	J Harris	Albury Wodonga	
	P Haywood	Barwon	
	G Buswell	Goulburn Valley	
	P Hewitt	Melbourne Bayside-Glen Eira	
	L Forbes	Melbourne Eastern	
	G Hammond	Melbourne South East	
	L McRae	Swan Hill	
	R Carter		Warrnambool
	G Rogers		Wimmera
WA	J Ricks		Albany Bunbury and Districts Busselton Dunsborough North Central Districts
	W Standing	Perth Southern Districts	Midland and District Peel Region Perth Northern Suburbs
	M Walsh (<i>Director</i>)	Perth	
NMAL	E Grant		
Directors	R Cleary (<i>Director</i>)		
	J Fountain (<i>Director</i>)		
	B Lloyd (<i>Director</i>)		
	T O'Callaghan (<i>Director</i>)		
	C O'Donnell (<i>Director</i>)		
	J Yard (<i>Director</i>)		

Motion 01/16: Resolved that the roll call and registration of proxies be taken as read and accepted. (*Moved S Howard; Seconded G Knight*)

Quorum: It was confirmed that a quorum was present for the meeting.

3. Adoption of Standing Orders

Motion 02/16: Resolved that Standing Orders as circulated to delegates be adopted. (*Moved W Page; Seconded B Lloyd*)

4. Appointment of Returning Officer and Timekeeper

Motion 03/16: Resolved that Elizabeth Grant be appointed as Returning Officer; and Margaret Walsh be appointed as Timekeeper. (*Moved G Knight; Seconded M Bourke*)

5. Confirmation of the Minutes of the Annual General Meeting held on Tuesday, 17 November 2015

Motion 04/16 Resolved that the Minutes of the Annual General Meeting held on 17 November 2015 in Brisbane be confirmed as a true and correct record of that meeting. (*Moved G Knight; Seconded H Sava*)

6. President's Report

The President spoke to the Annual Report and Supplementary Annual Report which had been previously circulated. Mr O'Donnell expressed his appreciation to his fellow Directors for their considerable efforts over the last 12 months. He commended the work undertaken by the Divisions and Branches at the local level to support the National policy and advocacy initiatives. Other matters highlighted included:

- the work of the Policy & Advocacy Committee under the leadership of Robert Curley and the significant amount of work done by the Committee in advocacy at the National level;
- the work of the Marketing Committee under the leadership of Jim Fountain and in particular his efforts to secure sponsorship as an additional revenue stream;
- the production of the financial information presentation *How Long will my Super Last*, which unfortunately has not been well taken up by Divisions and Branches to date;
- the appointment of the Executive Officer following agreement at the 2015 AGM to alleviate workload at the Board level and increase the professionalism of the Association.

Mr O'Donnell expressed concern that for the second consecutive year there has been no nomination for the position of National President despite a few members seeking change in the direction of the Board.

Supplementary Annual Report

The detailed reports in the Supplementary Annual Report were taken as read.

Motion 05/16: Resolved that the President's Report be accepted. (*Moved E Grant: Seconded M Bourke*)

7. Consideration of Annual Financial Report, including Directors' Report and Auditor's Report

The Finance Director Robert Cleary spoke to the circulated audited financial report and his report for the 2015-16 Financial Year. He acknowledged the late circulation of the financial statement which was due to the Auditor's difficulties again this year in obtaining the required financial information from some Branches. This resulted in the audit not yet being completed and a qualified report being given to the interim Audit Report at this meeting.

Mr Cleary advised that it is not anticipated that the outstanding information will have a material impact on the final outcome. The Audit will be finalised as soon as the outstanding information is received and then made available to members.

Overall the Association is in a sound financial position with the interim audited financial statements reporting a surplus of \$11,839 and total Company assets of \$533,400 – comprising Board net assets of \$207,029 and combined Division/Branch assets of \$326,371.

Membership continues to be a matter of significant concern, with losses during the year increasing from 18% in previous years to 21% and a number of Branches closures.

Motion 06/16: Resolved that the interim Annual Financial Report, including Directors' Report and Auditor's Report as circulated be received, pending later distribution of the final audited financial statements. (*Moved R Cleary: Seconded B Lloyd*)

8. Determination of the Auditor's remuneration for 2016-17

This item was discussed following consideration of the Special Resolutions.

The Treasurer read a letter from the Auditor, Hardwicke's, proposing an audit fee of \$15,000 plus GST for the 2016-17 audit.

Motion 07/16: Resolved that the quote from Hardwicke's of \$15,000 plus GST, for the 2016-17 audit be accepted. (*Moved Rob Cleary; seconded H Sava*)
(Total votes cast: 42; For 37 votes; Against 5 Votes)

9. Resolutions Proposing Changes to the Constitution

Note: The Constitution may be changed only by a Special Resolution. The following Items 9.1 to 9.5 are Special Resolutions that require a 75% majority of those entitled to vote (42 votes).

9.1 Association accounts be reviewed by a prescribed practising certificate holder

Submitted by Gold Coast Branch. Moved Bill Kendall; seconded by Joyce Kendall.

Motion:

That 13.2 c) – the appointment of the Auditor if required

To be replaced by

13.2 c) the appointment of a prescribed practising certificate holder

AND

13.2 d) the fixing of the Auditors remuneration

To be cancelled

AND

13.2 e) to be renumbered as 13.2 d)

Outcome: MOTION LOST (Total votes cast: 55; For 6 votes; Against 49 Votes)

9.2 An auditor be appointed on winding up

Submitted by Gold Coast Branch. Moved Bill Kendall; seconded by Joyce Kendall.

Motion: If the Review Resolution is passed there is a need to elaborate on the requirement for an Auditor as required in the Constitution - 2. Company Details.

That item 2.5 in the Constitution be changed

FROM

2.5 Audit – The Company shall appoint an Auditor whose duties will be regulated by the Act

TO

2.5 Audit - The Company, **upon winding up**, shall appoint an Auditor whose duties will be regulated by the Act

Outcome: MOTION LAPSED as it was contingent upon passing of the previous motion.

9.3 Winding up of A.I.R

Submitted by Gold Coast Branch. Moved Rob Grover; seconded by Helen Sava.

Motion:

That Section 2.4 of the AIR Constitution be replaced with:

2.4 Winding up the Company

2.4.1 If upon winding-up or dissolution of the Company the members of any branch resolve to form an association (the new association) with Objects similar to the objects set out in clause 3 of this Constitution, the net assets held by the branch prior to winding-up will be transferred as establishment or development funding to the new association.

2.4.2 If, after payment of its debts and liabilities, and payment to the new associations referred to in clause 2.4.1, there remain any assets, such assets shall be given or transferred to an

institution(s) nominated by the Board which has/have objects similar to the Objects as set out in clause 3.

An amendment was moved to the motion to re-word 2.4.2 as follows:

2.4.2 After all the Company's debts and liabilities have been satisfied and the payments to the newly formed associations referred to in clause 2.4.1 have been made, then any remaining assets shall be equally shared between all the newly formed associations as described in clause 2.4.1.

Outcome: AMENDMENT LOST on a show of hands (Total votes cast: 45; For 17 votes; Against 28 Votes)

Outcome: ORIGINAL MOTION LOST (Total votes cast: 55; For 21 votes; Against 34 Votes)

9.4 Change in the Definition of an Ordinary Member

Submitted by Darwin Branch. Moved Ken Moffitt; seconded by Rob Grover.

Motion:

That the qualification for an Ordinary Member of AIR should be changed:

From: "a self-funded retiree"

To: "Is 50 years of age or more and who is, or is planning to be, partially or fully self-funded in retirement"

Changes required to clauses: 6.1.1 c) and 6.1.6 c) of the Constitution (2013).

May require a change to the "Definitions – Self-funded Retirees".

An amendment was moved to the motion to remove reference to "50 years of age".

Outcome: AMENDMENT LOST on a show of hands (Total votes cast: 51; For 24 votes; Against 27 Votes)

Motion 09/16: ORIGINAL MOTION CARRIED (Total votes cast: 54; For 53 votes; Against 1 Vote)

9.5 Annual Financial Review vs Audit

Submitted by Noosa Branch. Moved Bernard Treston; seconded by Geoff Davies.

Motion:

(1) That section 2.5 of the Company (*sic*) be deleted

That in place of section 2.5 a new section 2.5.A be included as follows

(2) the Company being a small company limited by guarantee as referred to under the Corporations Act of 2001, shall prepare an annual financial review in accordance with the requirements of the Australia (*sic*) Securities and Investments Corporation.

Outcome: It was the will of the meeting that this resolution not be discussed following the loss of 9.1 and the contingent lapsing of 9.2 (on a show of hands only nine delegates of a total of 55 voted to proceed).

10. General Business

10.1 Branch Financial Return Format

Submitted by Gold Coast Branch. Moved by Bill Kendall; seconded by Joyce Kendall.

Motion:

That if the proposal to change auditor is agreed then the format be changed to include year accounts and assets per member as a research tool for Branch viability.

Outcome: MOTION LAPSED as it was contingent upon passing of 9.1.

10.2 Dedicated National bank account for Board fees

Submitted by Gold Coast Branch. Moved by Bill Kendall; seconded by Joyce Kendall.

Motion:

That the Board, through the National Treasurer, consider next financial year having a separate Bank account dedicated to the receipt of Board fees from Branch Treasurers.

That the Branch fee paid be identified from the Bank Reference provided by the Bank.

Example 29 F234s 99c -

Where 29 is the Database Branch number – F or H whether Full or Half fees 234s the number of single fees and 99c the number of couple fees Full and Half fees to be forwarded separately.

Outcome: MOTION LOST on a show of hands (Total votes cast: 42; For 6 votes; Against 37 Votes)

10.3 A.I.R.'s Corporate Framework

That a separate committee comprising the National President or Vice President and two members who are not directors be established to consult with legal and accounting specialists to investigate structural improvements that may be considered within AIR's existing corporate framework. And that the committee is to report back to the board, divisions and branches within three months of its appointment.

Submitted by Cairns Branch. Moved by Stewart Howard; seconded by Graeme Hausmann.

Motion:

That

- the necessary restructure of AIR proceeds with urgency;
- AIR continues under a modified structure;
- existing funds be transferred to Branches ongoing (as per Gold Coast resolution); and
- the Board be shut down and the contract with the Secretariat terminated.

Outcome: MOTION DISMISSED. After confirming the detail of the Motion with the mover, the Chair drew members attention to item 5.1.b of the Constitution which requires One Division Representative be appointed by each Division of the company. As a Motion to amend or change that Constitutional clause had not been received, the Chair dismissed Motion. 10.3.

10.4 Contingency Planning for the Orderly Closure of A.I.R.

Submitted by Warrnambool Branch. Moved by Rod Carter; seconded by Geoff Rogers.

Motion:

That the National body of A.I.R. develop a policy document within 4 months to define the circumstances for the orderly closure of the organisation (the trigger) and the necessary method to accomplish this closure (the action) including disbursement of assets; to be reviewed annually with a report, including any recommendation, to each National Annual General Meeting of A.I.R., or special meeting convened specifically for the purpose.

Outcome: **MOTION LOST** on a show of hands (Total votes cast: 51; For 17 votes; Against 34 Votes)

11. Election of Office Bearers

No nominations were received by the closing date of 8 September 2016 for the position of National President of A.I.R. for a period of one year. The Board will appoint a person to fill the casual vacancy until the conclusion of the next company AGM.

A nomination of Bruce Lloyd for the position of National Deputy President of A.I.R. for a period of two years was received by the closing date of 8 September 2016. Mr Lloyd was declared elected.

12. Meeting Close

Noosa Delegate, Bernie Treston, moved a vote of thanks to the Interim National President, Charles O'Donnell for his work on behalf of A.I.R. over the last 12 months.

Holdfast Bay Branch delegate Don Overall moved the following motion from Fleurieu Peninsula Branch which was carried by the meeting by acclamation:

“That the A.I.R. 2016 Annual General Meeting record a vote of thanks to the A.I.R. Board directors and the Secretariat in appreciation of its representation on behalf of all Association members and in keeping us well informed particularly through the A.I.R. Active newsletter.”

The meeting closed at 12.58pm.

Agenda Item 7 Consideration of Annual Financial Report, including Directors' Report and Auditor's Report

Audited Financial Statements and Reports to be provided separately.

Agenda Item 8 Appointment of Auditor and Auditor's Remuneration for 2017-18

It is recommended that action on the appointment of an Auditor be deferred until after the 2017 Annual General Meeting.

Agenda Item 9

MOTIONS PROPOSING CHANGES TO THE CONSTITUTION (Special Resolutions) and ACCOMPANYING RATIONALES

Note: The Constitution may be changed only by Special Resolution which requires at least a 75% majority of those entitled to vote.

Note: Motions have been listed in the order in which they were received at the Secretariat.

9.1 Amendment of Section 2.4 of the AIR Constitution

Submitted by Brisbane North Branch. Moved Paul Southwell; seconded Carl Nielsen.

Motion:

That Section 2.4 of the AIR Constitution be replaced with:

2.4 Winding up of the Company

2.4.1 If upon winding-up or dissolution of the Company, the members of any branch resolve to form an Incorporated Association with Objects similar to the objects set out in clause 3 of this Constitution, the net assets held by the branch prior to winding-up will be transferred as establishment or development funding to the new Incorporated Association.

2.4.2 If, after payment of its debts and liabilities, and payment to the new Incorporated Associations referred to in clause 2.4.1, there remain any assets, such assets shall be given or transferred to an institution(s) nominated by the Board which has/have objects similar to the Objects as set out in clause 3.

Rationale: provided by Brisbane North Branch

Concern has been expressed that at some time in the future AIR may be wound up. If this occurs, all branch funds and equipment, being assets of the company would be then transferred to a like-minded organisation under the current Constitution. Branches would cease to exist and have no funds and no equipment.

A number of branches have expressed the view that, if the national body did cease to exist, they would like to "go it alone" and form a new local Incorporated Association. In this way, under a new structure, they could continue their monthly meetings, guest speakers, investor groups, social activities, advocacy at a local level etc. However, this could prove problematic as the new local Incorporated Association would have no funds or equipment with which to commence.

This Constitutional resolution seeks to quarantine a local branch's funds and assets if the national body winds up. In this event, if a local branch wants to continue its operations under a different structure, it would simply require the branch to pass a resolution that a new Incorporated Association be formed with similar objects to AIR. Then, as part of the winding up process of the national body, the funds and equipment of the closing AIR branch will be transferred to the new local Incorporated Association.

Note that this resolution is similar to one that was presented at the 2016 National AGM. At that time, the Board obtained legal advice dated 27 October 2016 from Meyer Vandenberg. Part only of that legal advice was read out which resulted in the then resolution being defeated.

What was not revealed by the Board at the 2016 AGM was further advice from Meyer

Vandenberg which stated: *“Upon winding up, AIR can distribute to a body corporate (whether an incorporated association or a company) which has similar objects. Should a “branch” incorporate prior to winding up of AIR, AIR may, if the Board so chooses, distribute assets to that incorporated body provided it’s objects are similar to AIRs.”*

That legal advice obtained by the AIR Board indicates that the motion being proposed above is legal.

9.2 Future of A.I.R.

Submitted by Warrnambool Branch. Moved Rod Carter; seconded Patsy Haywood.

Motion:

That the National Board puts in motion the procedures necessary to wind up the Company [A.I.R.] as from 30/06/2018.

Rationale: provided by Warrnambool Branch.

The future of A.I.R., as we know it, is under threat. Difficulty in recruiting representatives for the National Board and at all levels throughout the organisation, a financial position that is deteriorating and dissension between the Board and the Queensland Division are all contributing to great uncertainty. Membership is continuing to decrease, exacerbated by the loss of two Queensland Branches. Rather than fade into oblivion with recriminations raging back and forth it would be better to wind up the Company in an orderly and dignified manner. The choice of 30/06/2018 will give Branches an opportunity to consider their future and make alternative arrangements.

9.3 Amendment to Constitution

Submitted by Perth Southern Districts Branch. Moved Maurine Crook; seconded Peter Kerr.

Motion:

That Clause 5.2.5 be inserted to read:

“An elected Office Bearer or Director shall not be an executive/office bearer of an organisation which could have a conflict of interest with the objects of the Company as defined under Clause 3.”

Rationale: provided by Perth Southern Districts Branch.

Conflicts of interest could arise especially in the areas of confidentiality.

9.4 Amendment to Constitution

Submitted by Perth Southern Districts Branch. Moved Warren Standing; seconded Jan Hollingworth.

Motion:

That Clause 6.1.6(d) be amended to read:

“Is included on a National Sub-Register administered and maintained by the State Division.”

Rationale: provided by Perth Southern Districts Branch.

MAL members have no empathy with National.

If MAL members were administered by their State Division they would have more connectivity to their State/Division, more likely to go to a branch meeting, more likely to get involved with state issues and less likely to feel like a “number”.

Agenda Item 10

MOTIONS OF GENERAL BUSINESS and ACCOMPANYING RATIONALES

Note: Motions have been listed in the order in which they were received at the Secretariat.

10.1 Audits

Submitted by Noosa Branch. Moved by Russell Guppy; seconded John Payne.

Motion:

That the National Board prior to engaging Auditors for an annual audit or financial report for A.I.R. will obtain quotes so that the Board can avoid paying excessive fees for the audit or report.

Rationale: provided by Noosa Branch

Background:

In recent years A.I.R. has appointed the same Auditor to provide an annual audit. The fees paid to the Auditor have amounted to the sum of \$16,500 for the 2015/2016 audit.

At the A.G.M. in November 2016 the Chairman was asked why no quote for an audit were obtained. He stated that it was a Board decision not to obtain quotes. The membership of A.I.R. has shrunk from well over 12,000 members to the current level of about 4,500 in recent years.

Rationale for the Motion

An audit for our Association is not a complicated matter.

Inquiries made with a number of Auditors indicates that the fee of \$16,500 is well in excess of what should be charged.

With proper inquiries we believe that the sum of \$6,000 is the appropriate amount that should be paid for an audit of our small Association.

It is not a difficult task for the Board, or its paid executive officer to ascertain the options available.

Clearly it is in the interest of all of the members of A.I.R., and the future of A.I.R. that the most commercially appropriate arrangement is made for provision of an audit and the savings in costs.

10.2 Administration and Office

Submitted by Noosa Branch. Moved by John Payne; seconded Donna Dalgety.

Motion:

That the National Board prior to engaging administrative and secretarial services will call tenders to obtain a service that the Association can afford.

Rationale: provided by Noosa Branch

Background:

Over the years A.I.R. has from time to time has the use and benefit of administrative and secretarial services.

The membership of A.I.R. has shrunk from well over 12,000 members to the current level of about 4,500.

At the Annual General Meeting of the Association in November 2015 it was resolved to spend extra funds in the hope of arresting the declining membership and promoting A.I.R. The Board, without calling tenders or checking what options were available, engaged the services of Commerce Management Services, of which Sue Hart is the Principal. Commerce Management Services contract entitles them to receive a minimum of \$100,000 per year for a period of 2 years.

Rationale for the Motion

There has been no increase in membership since the commencement of the contract. On the contrary there has been a drop in membership of more than 10% per year.

The amount paid under the contract is a severe drain on the finances of A.I.R., and in fact the Board has drawn monies out of reserves to meet commitments. The Board in an endeavour to reduce the deficit in its Budget recently increased membership fees by \$10 per member and \$10 per couple.

This does not provide enough income to meet the current contractual obligation to C.M.S.. There are available in Canberra and other Capital cities throughout Australia a wide variety of offices with all of the facilities, expertise and availability which are capable of carrying out the administrative and secretarial functions currently done by C.M.S.

Clearly it is in the interests of all of the members of A.I.R., and the future of A.I.R. that the most commercially appropriate arrangement is made for provision of whatever services are not only available, but also affordable.

It would be irresponsible for the Board to extend the current contract with C.M.S. without obtaining possible alternative arrangements.

10.3 Procedure before winding up the Company

Submitted by Warrnambool/Barwon Branch. Moved Rod Carter; seconded Patsy Haywood.

Motion:

If the motion to wind up A.I.R. is passed, then the National board before finally winding up, should approve, on request from a Branch, the transfer of that Branch's funds to a suitably incorporated body with similar ideals to A.I.R.

Rationale: provided by Warrnambool/Barwon Branch.

On the winding up of the Company several scenarios are possible. The formation of an incorporated body, with similar ideals to A.I.R., is one which would be adopted by Warrnambool Branch.

Section 2.4 of the Company Constitution states:

“Winding up of the Company.

If upon the winding up or dissolution of the Company, after payment of its debts and liabilities, there remain any assets, such assets shall be given or transferred to an institution(s) nominated by the Board which has/have objects similar to the Objects as set out in clause 3”.

A formally incorporated body with Rules which include “ideals similar to the Objects as set out in clause 3” would enable the Branch funds to be retained, in the community, and used to further the cause of self- funded retirees in that community.

10.4 Equity between Retirees

Submitted by Fleurieu Peninsula Branch. Moved Barbara Ferguson; seconded Gloria Heidrich.

Motion:

That the A.I.R. National Board urge the Federal Government to ensure equity between those who have saved for their retirement either within or outside superannuation by providing equal access to taxation concessions between the 2 retirement groups; specifically extension of the tax-free income threshold currently available to superannuants.

Rationale: provided by Fleurieu Peninsula Branch.

i) This recognises that earning from investments is often the sole income for self-funded retirees based on savings from their entire working life.

ii) Definition of Income from Retirement: Income from bank interest, share dividends, franking credits and rent income but excluding salary and wages, remunerations, business profits etc.

iii) Equity will require a tax-free threshold of a 5% annual return on \$1.6m (around \$80,000) which superannuants currently receive under the new scheme introduced by the Federal Government in July 2017.

iv) For a retiree wishing to downsize their family home and adding a portion of the sale price to their existing retirement savings, providing the total income does not exceed their individual tax-free limit, all income will be tax free.

10.5 Non-Renewal of Commerce Management Services Contract

Submitted by Northern Tasmania Branch. Moved Shane Dennington; seconded Christina Holmdahl.

Motion:

That the Commerce Management Services contract not be renewed in any part at the end of the current term. All operations presently performed by the firm must be carefully reviewed and analysed by the Board, noting the recommendations of the prior A.I.R. Review Committee, and put out to bid at last resort, those segments which cannot be performed by a volunteer member.

Rationale: provided by Northern Tasmania Branch.

At less than 4,000 members, we cannot sustain fees of \$100,000 payable to Commerce Management Services. We feel there is a conflict of interest with Sue Hart being executive officer of the Board, a volunteer organisation, yet receiving significant funds as a result of a contract with Commerce Management Services.

Agenda Item 11 Election of National President

Two nominations were received by the closing date of 15 September 2017 for the position of National President of A.I.R. for a period of two years:

- Don Keene - Peel Region Branch
- Ken Moffitt – Darwin Branch

Voting will be conducted by secret ballot.

The nomination profiles provided by the candidates are as follows:

Nomination Profile: Don Keene

I was born in Bunbury Western Australia in 1940, attended the University of Western Australia (UWA) and the Australian Forestry School. As a professional forester for 37 years I managed several forest areas and was a director of forests in Western Australia with overall responsibility for control of the timber industry for 10 years before retiring in 2000.



In 2002 I joined the Peel Region Branch of A.I.R. and soon became Branch President. During this time the Branch won the Maureen Kingston award for the largest annual growth and reached a membership of 297.

I was WA Division President for 4 years during which time I played a very active role in gaining benefits for seniors/retirees under the WA Seniors Card which are the most generous in Australia. During this time the Division was very active in making representations to Federal and State politicians.

I was an A.I.R. Board member for 4 years and was instrumental in changing the structure of A.I.R. from a series of State based incorporated bodies to an Australian Company limited by guarantee, thus giving A.I.R. a national focus and primary voice for self-funded and partly self-funded retirees in Australia.

In the last 2 years I have again become the Deputy President of Mandurah (Peel) Regional Branch and a committee member of the WA Division. I am also a member of Probus and other not for profit organisations.

I firmly believe that A.I.R. has a special role to play in advocating for self-funded and partly self-funded retirees on an ongoing basis to do all in our power to preserve our retirement funding for which we have worked all of our working lives. Successive governments are always looking at ways and means of tapping the funds in superannuation and other retirement funds.

Should I be elected as National President I will be calling for the full support of the duly elected Board to step up and be a hands on management Board rather than a Board of governance. With the support of the Board I would like each Board member to be on 2 of the following committees: Advocacy, Governance, Finance, IT and Marketing. I would like each of these committees to have 2 or 3 members besides the Board members to manage and report on their particular portfolios.

With membership reducing, our income is a concern and we need to reverse that trend by engaging a professional marketing team. Obviously marketing to bring our numbers up is paramount, as is reducing our expenditure.

One of our first objectives would be to work with CMS and Hardwickes in reducing their work load and their fees by the proposed committees taking on as many tasks as possible especially in the coming year to keep A.I.R. solvent and sustainable. We would welcome all Divisions to promote members to the committees to help us achieve these objectives, especially Queensland Division who compiled the Simpler Air as their proposal demonstrated a sincere wish to assist A.I.R. to survive in changing times especially in the ever changing technological areas.

This is my wish list which will obviously have to be negotiated, approved and adopted by the Board. I am sure if we all work together we can achieve much in the coming year.

Nomination Profile: Ken Moffitt

I am a self-funded retiree with an SMSF which I run with my wife Sue. Prior to 2005, I had my own consulting business in finance and computers for 18 years. I have been involved in seniors' organisations for the past four years, firstly as Treasurer for COTA NT, then starting AIR Darwin as President at the end of 2015. In our first year of operation we grew to 50 members and are still attracting new members to our meetings. In Darwin, we are represented on three major committees, two with government on seniors' issues and concessions and one representing seniors' organisations. At last year's AIR AGM, I successfully proposed a motion to formally accept the over 50's as members, believing that is where growth in membership will come.



Unfortunately, the current AIR National Board have been responsible for a range of issues that significantly put the future of the organisation at risk. These are detailed in my email to the Board on 1 September which was distributed to all members on 9 September.

Therefore, I offer my nomination for President, on the condition that ALL members of the current Board agree to stand down and not re-nominate for the Board. In addition, I have been able to convince the Queensland Division and Branches to suspend any further secession activity until after the AGM. They too, have documented their lack of confidence in the Board.

The National Review Committee, of which I was a participant, determined that the National structure we currently have, was not sustainable. A Divisional or Branch Incorporated structure, now seems the most likely way for AIR to survive. Specifically, I intend to:

- Engage swiftly with the Branches and Divisions to implement a structure that secures our future and maintains our membership base
- Reassess the finances, expenses and budgets to bring the organisation back to a more reasonable footing
- Explore ways of increasing membership for the over 50's and promoting the organisation through the internet

For the information of Delegates

DUTIES AND POWERS OF DIRECTORS

For the information of Directors and Members: Extract from Corporations Act 2001 reprinted on July 1, 2003 with amendments up to Act No 41, 2003.

Ch.2D.1 Division 1 Section 180. P. 212.

Care and diligence:

1. A director or other officer of a corporation must exercise their powers and discharge their duties with a degree of care and diligence that a reasonable person would exercise if they:
 - (a) were a director or officer of a corporation in the corporation's circumstances; and
 - (b) occupied the office held by, and had the same responsibilities within the corporation as, the director or officer.

Business judgment rule:

2. A director or other officer of a corporation who makes a business judgment is taken to meet the requirements of subsection 1 and their equivalent duties at common law and in equity, in respect of the judgment if they:
 - (a) make the judgment in good faith for a proper purpose; and
 - (b) do not have a material personal interest in the subject matter of the judgment; and
 - (c) inform themselves about the subject matter of the judgment to the extent they reasonably believe to be appropriate; and
 - (d) rationally believe that the judgment is in the best interests of the corporation.

The director's or officer's belief that the judgment is in the best interests of the corporation is a rational one unless the belief is one no reasonable person in their position would hold.

3. In this section **business judgment** means any decision to take or not to take action in respect of a matter relevant to the business operations of the corporation.

181 Good faith – civil obligations

1. A director or other officer of a corporation must exercise their powers and discharge their duties:
 - (a) in good faith in the best interests of the corporation; and
 - (b) for a proper purpose.

182 Use of position –civil obligations

- 1 A director, secretary, other officer or employee of a corporation must not improperly use their position to:
 - (a) gain advantage for themselves or someone else; or
 - (b) cause detriment to the corporation.

183 Use of information --civil obligations

1. A person who obtains information because they are or have been a director or other officer or employee of a corporation must not improperly use the information to
 - (a) gain an advantage for themselves or someone else; or
 - (b) cause detriment to the corporation.

184 Good faith, use of position and use of information – criminal offences.

1. A director or other officer of a corporation commits an offence if they:
 - (a) are reckless; or
 - (b) are intentionally dishonest; and
 - (c) fail to exercise their powers and discharge their duties;
 - (d) in good faith in the best interests of the corporation; or
 - (e) for a proper purpose.
2. A director, other officer or employee of a corporation commits an offence if they use their position dishonestly:
 - (a) with the intention of directly or indirectly gaining an advantage for themselves, or someone else, or causing detriment to the corporation; or
 - (b) recklessly as to whether the use may result in themselves or someone else directly or indirectly gaining an advantage or in causing detriment to the corporation.

189 Reliance on information or advice provided by others

1. If a director relies on information or professional or expert advice, given or prepared by
 - (a) an employee of the corporation whom the director believes on reasonable grounds to be reliable and competent in relation to the matters concerned; or
 - (b) a professional adviser or expert in relation to matters that the director believes on reasonable grounds to be within the person's professional or expert competence; or
 - (c) another director or officer in relation to matters within the director or officer's authority; or
 - (d) a committee of directors on which the director did not serve in relation to matters within the committee's authority; and
2. the reliance was made :
 - (a) in good faith; and
 - (b) after making an independent assessment of the information or advice, having regard to the directors knowledge of the corporation and the complexity of the structure and operations; and
 - (c) the reasonableness of the director's reliance on the information or advice arises in proceedings brought to determine whether a director has performed a duty under this part or an equivalent general law duty.

The director's reliance on the information or advice is taken to be reasonable unless the contrary is proved.

190 Responsibility for actions of delegate.

1. If the directors delegate a power under section 198D, a director is responsible for the exercise of the power by the delegate as if the power had been exercised by the directors themselves. P. 218

APPOINTMENT OF PROXY

to the A.I.R. Annual General Meeting to be held
at Best Western Airport Motel and Convention Centre,
33 Ardlie Street Attwood Vic 3049
on Thursday 16 November 2017 commencing at 10.00am

I, _____

of (address) _____

contact telephone: _____

email: _____

being the registered delegate for _____ Branch

appoint _____

as my proxy to act generally at the 2017 Annual General Meeting on my behalf.

Signed: _____

Date: _____

Return to: A.I.R. National Secretariat
PO Box 329
DEAKIN WEST ACT 2600

Fax: 02 6290 1580

Email: aircbr@bigpond.com.au

Notes:

1. Only a delegate who is registered with the National Secretariat may appoint a proxy.
2. A delegate can only hold a maximum of four (4) proxies (A.I.R. Constitution 12.4.3).
3. Proxy forms must be lodged at the office of the Secretariat by 5.00pm on Tuesday 14 November 2017.

Date received by Secretariat: _____