

<u>Consumer Affairs Victoria</u> » <u>Clubs and</u> <u>Incorporated associations</u> » <u>not-for-profits</u> » <u>Running an incorporated association</u> » Rules

Incorporated association rules

On this page:

- Reasons for having rules
- Statement of purposes
- Model rules versus own rules
- Model rules
- Own rules
- Changing the rules

Reasons for having rules

Every incorporated association must have rules. The rules:

- are a written document
- guide how your association operates
- are a contract between the association and its members
- set out your association's purposes
- list the rights and responsibilities of members and office holders.

Members should know the rules. They have the right to inspect the rules and obtain a copy on request.

Statement of purposes

Under new laws that commenced in November 2012, an association's statement of purposes is no longer a separate statement, but is automatically included as part of its rules.

Associations with their own rules are not required to make changes to adapt to the new laws, but if an association does change its rules, it must include its statement of purposes in the proposed new rules.

Model rules versus own rules

Your association may use the model rules, or create its own rules. Either way, unless an existing association decides not to change its own rules, the rules must address every item listed in Schedule 1 of the *Associations Incorporation Reform Act 2012*.

An association using its own rules can choose to do nothing. The relevant provisions of the model rules will be deemed to apply, to ensure all 23 items listed in Schedule 1 of the Act are addressed. Alternatively, the association can expressly address those items by changing its rules.

Model rules

Using the model rules can save an association the time and expense of drafting its own rules.

There are three items than can be specified to suit an association's particular circumstances:

- the association's name
- its purposes and
- its financial year.

If an association changes any other items in the model rules, then the association has made its own rules.

Download a copy:

- Model rules for an incorporated association English (Word, 198KB)
- Model rules for an incorporated association Arabic (Word, 236KB)
- Model rules for an incorporated association Chinese (Word, 214KB)
- Model rules for an incorporated association Vietnamese (Word, 303KB)

Own rules

Your association may develop its own rules to suit its particular circumstances.

We encourage you to use the model rules as a starting point when drafting your own rules, making amendments to suit the needs of your association where required.

Even if your association has its own rules, these must still address all the items in Schedule 1 of the *Associations Incorporation Reform Act 2012.* We will reject submitted rules that do not meet all applicable requirements of the Act, and the association will need to hold another general meeting with its members to agree on amendments to its rules. The association may also need to pay another application fee upon resubmission.

An association must have its own rules approved by us when it first registers.

For a list of provisions that must be included when your incorporated association creates its own rules, view our <u>Own rules – incorporated associations page</u>.

Changing the rules

How to change rules

To change its rules, your association can:

- notify us that it has passed a special resolution to approve adopting the model rules, or
- apply for approval to change its rules (after passing a special resolution) and we approve the request.

Your association must take the following steps to change its rules:

- 1. It proposes the change and notifies members at least 21 days before the upcoming general meeting. The existing rules should specify how this notice must be given (for example, by letter or verbally).
- 2. At the meeting, your association approves the changes through a special resolution. A special resolution will pass if:
- at least 75 per cent of members (either in person or, if the rules allow, by proxy) vote in its favour, and
- any further relevant requirements from the rules have been met.

For more information on special resolutions, view our <u>Meetings – incorporated associations page</u>.

- 3. The secretary must lodge the <u>Application for association change of details (Word, 214KB)</u> within 28 days of the special resolution being passed. Lodgement details are on the form. The form must be attached with:
- a copy of the notice of the special resolution stating the changes
- a declaration signed by at least two committee members stating that the special resolution was passed in accordance with the law and the rules
- a copy of the rules with all paragraphs numbered, which clearly shows the changes, and the fee.

If you wish to change your association's financial year end date and it is contained within your association's rules:

- this is considered a change of rules, and
- you have to pass a special resolution.

For more information on how to change your financial year end date, view our <u>Update incorporated</u> <u>association details page</u>.

Approving rule changes

We will approve or refuse proposed rule changes based on whether they meet the requirements of the *Associations Incorporation Reform Act 2012* (the Act).

If an association requests multiple rule changes and some changes do not comply with the Act, we will identify which of the 23 required matters have not been addressed fully.

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