

BUSINESS COUNCIL OF PAPUA NEW GUINEA

CONSTITUTION

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BUSINESS COUNCIL OF PNG

1. NAME

There is hereby established a body which is to be known as the Business Council of Papua New Guinea Inc. (the "Council").

2. INTERPRETATION AND OBJECTS OF THE COUNCIL

2.1 Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a)** The singular includes the plural and conversely.
- (b)** A gender includes all genders.
- (c)** If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d)** A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.

2.2 The objects for which the Council is established are:

- (a)** to represent the views of business leaders on issues concerning the economic, social, and political well being of Papua New Guinea;
- (b)** to arrange for regular and effective consultation between private sector, business enterprises and government;
- (c)** to promote and extend industrial and commercial relations between individuals, firms, companies, corporations, institutions, and associations within and outside of Papua New Guinea;
- (d)** to encourage and promote private business activities in Papua New Guinea and to support education and training for business people and those interested in business;
- (e)** to represent Papua New Guinea business in promoting co-operation understanding in the international business community;
- (f)** to assist in creating commercial linkages with the business communities of other countries;

- (g) to provide a forum for contacts advice and discussions of questions of common interest and information services;
- (h) generally, to enter into, execute and carry out all contracts and agreements of any kind whatsoever and to do all such other things as are incidental or conducive to all or any of the above objects; and
- (i) except as hereinbefore provided to apply the income and property of the Council solely towards the promotion of the objects of the Council.
- (j) any other objects the Executive considers from time to time to be in the best interest of the country.
- (k) that the association will apply its profits (if any) or other income in promoting its objects.
- (l) that the association will prohibit the payment of any dividend or payment in nature of a dividend to its members.

3. OFFICE

The office of the Council shall be located anywhere in Papua New Guinea as decided by the Executive Committee from time to time.

4. PATRON

A person of high standing in the Papua New Guinea Community will be invited by the Executive Committee to act as Patron. The Patron may be appointed for a specific period or from time to time. The Patron will not have voting rights but may attend all major functions of the Council.

5. MEMBERSHIP

- (a) (i) The Members of the Council shall be those persons as the Executive Committee may admit from time to time and such persons shall upon due notification of admission to membership being given by the Executive Committee be deemed to be bound by the Constitution and any rules, regulations or by laws of the Council that are in force from time to time.
- (ii) Unless specifically provided for herein, all rights and privileges conferred upon all members of the Council by virtue of membership shall not be transferred or transmittable to any other person or body.
- (b) The members of the Council shall be the following classes and any person who in the opinion of the Executive Committee has the qualifications set out below against any of those classes shall be eligible to be admitted to membership of that class:-

(i) Ordinary member

A body (whether a corporation or an unincorporated body) engaged in or otherwise interested in trade and commerce in Papua New Guinea.

(ii) Associate member

A person who is a nominee of a department of the Government of Papua New Guinea, or of a District or a Province of Papua New Guinea, or a nominee of a University, college, or similar institute or such other persons or corporations as the Executive Committee shall from time to time approve.

- (c)** Applicants for membership shall upon lodgement of their application for membership pay a joining and membership fee which shall be in the amounts as provided for in Clause 5 (d) hereunder.
- (d)** the Executive Committee may from time to time determine in respect of each class of membership the amount of the joining and membership fee payable by an applicant or a member and may determine the date as and from which any new rates shall come into force.
- (e)** Members joining part way through the financial year shall pay a joining and membership fee assessed by the Executive Committee on a pro-rata basis.
- (f)** All membership fees shall be payable within six weeks after an Annual General Meeting.
- (g)** If a member fails to pay the membership fee within the time specified, the Executive Committee may at any time while the fee remains unpaid terminate the membership of that member. In the event of termination of membership a member may appeal to a Sub-Committee established by the Executive Committee for the purpose.
- (h)** The Executive Committee of the Council shall establish and maintain a register of members of the Council specifying the name and address of a member together with the date on which the membership was effective. The register of members shall be kept at the office of the Council and shall be open for inspection, free of charge, by any member of the Council at any reasonable hour.
- (i)** A member shall cease to be a member of the Council in the following manner:
- (i)** by resignation; or
 - (ii)** upon death; or

- (iii) upon the dissolution or liquidation, in the case of a corporate member; or
- (iv) by expulsion from the Council.

6. EXECUTIVE COMMITTEE

- (a) The management and control of the affairs of the Council is hereby vested in the Executive Committee which (in addition to any other powers expressly conferred upon it by this Constitution) may carry into effect all or any of the objects of the Council and may exercise all powers of the Council and do all such acts and things as may be exercised or done by the Council and as are not by this Constitution expressly directed or required to be exercised or done by the Council in general meeting.
- (b) the Executive Committee shall meet at least 4 times during the financial year of the Council at such place and time as the Executive Committee may determine. Additional meetings of the Executive Committee may be convened by the President or by any member of the Executive Committee.
- (c) Subject to Clause 6 (g) and (h) the officers of the Executive Committee shall consist of a President, a Vice President and an Honorary Treasurer and 9 ordinary members elected at an Annual General Meeting.
- (d) The Executive Committee shall have power to co-opt any member to become an officer of the Executive Committee upon a vacancy arising or upon the establishment of a Sub-Committee and a vacancy arising in that Sub-Committee.
- (e) The President shall not serve as President for a period greater than the period extending between three consecutive Annual General Meetings.
- (f) All other members of the Executive Committee and all members of all Sub-Committees of the Council shall hold office until the next Annual General Meeting.
- (g) At every Annual General Meeting of the Council subsequent to the first Annual General Meeting, two of the members of the Executive Committee for the time being shall retire from office. A retiring member of the Executive Committee shall be eligible for re-election in the ensuing year. The Executive Committee men to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Executive Committeemen on the same day those to retire shall (unless they otherwise agree among themselves) be determined by drawing of lots.

7. ELECTION OF MEMBERS

- (a)** Nomination of candidates for election as office-bearers of the Executive Committee of the Council:
 - (i)** shall be made in writing, signed by 2 members of the Council and accompanied by the written consent of the candidate (which may be endorsed on the form of nomination); and
 - (ii)** shall be delivered to the Executive Director of the Council not less than 7 days before the date fixed for the holding of the Annual General Meeting at which the election is to take place.
- (b)** If insufficient nominations are received to fill all vacancies on the Executive Committee, the candidates nominated shall be deemed to be elected with effect from the conclusion of the annual general meeting and further nominations in respect of the unfilled vacancies shall be received at the annual general meeting.
- (c)** If sufficient further nominations are received any vacant positions remaining on the committee after the conclusion of the Annual General Meeting shall be deemed to be casual vacancies.
- (d)** If the number of nominations received is equal to the number of vacancies to be filled the persons nominated shall be deemed to be elected with effect from the conclusion of the Annual General Meeting.
- (e)** If the number of nominations received exceeds the number of vacancies to be filled, a ballot shall be held.
- (f)** The ballot for the election of office-bearers and ordinary members of the Executive Committee shall be conducted at the Annual General Meeting in such usual and proper manner as the Executive Committee may direct.
- (g)** A nomination of a candidate for election under this clause is not valid if that candidate has been nominated for election to another office at the same election.

8. RIGHTS OF MEMEBERSHIP MAY NOT BE TRANSFERRED

A Member may not transfer the rights and privileges of membership of the Association.

9. SECRETARIAT

- (a)** There shall be a Secretariat of the Council.
- (b)** The Secretariat shall be headed by an executive Director who shall also be the Public Officer of the Council for the purposes of the Act. The

terms and conditions of the Executive Director shall be as determined by the Executive Committee from time to time.

- (c) The responsibilities of the Executive Director shall be as determined by the Executive Committee and shall also include the following:-
 - (i) keeping minutes of meetings and proceedings of the Council and its Sub-Committees
 - (ii) keep records of all members of the Council and appointments of office-bearers and members of the Executive Committee and the names of all members of the committee present at a committee meeting or a general meeting; and
- (d) Minutes of proceedings at any meetings of the Council shall be signed by the Chairperson of that meeting or by a person authorised at the next succeeding meeting to do so.

10. TREASURER

It is the duty of the Treasurer of the Council to ensure that:

- (a) all money due to the Council is collected and received and that all payments authorised by the Council are made; and
- (b) correct books and accounts are kept showing the financial affairs of the Council including full details of all receipts and expenditure connected with the activities of the Council.

11. FINANCE

- (a) The funds of the Council shall be deposited in accordance with the directions of the Executive Committee. The funds of the Council shall be used only to meet the expenses to carry out objects, powers and functions of the Council.
- (b) The Treasurer and three members of the Executive Committee shall be authorised to operate the Council's bank account. The Executive Committee may delegate to the Executive Director authority to sign cheques for routine and approved payments.
- (c) The Council's financial year shall commence on January 1 in any year and end on 31 December of the same year.
- (d) The Executive Council shall have prepared each year financial accounts of the Council and such accounts shall be audited.

MEETINGS OF THE COUNCIL

12. GENERAL MEETINGS

The Executive Committee may, whenever it thinks fit, and shall if requested to do so in writing by twelve (12) ordinary members of the Council, convene a general meeting of the Council to deal with any particular matter.

13. ANNUAL GENERAL MEETING

Except for the first Annual General Meeting which shall be held within 18 months after incorporation, the Council shall hold an annual general meeting within six months of the end of each financial year. The business of the Annual General Meeting shall be:-

- (a) to elect the Executive Committee;
- (b) to receive the annual report of the President;
- (c) to receive a statement of accounts duly audited and certified for the preceding financial year from the Treasurer;
- (d) to appoint an auditor for ensuing year; and
- (e) to transact such other business of which due notice has been given to which, in the opinion of the meeting, it is expedient to consider.

14. CALLING OF AND BUSINESS AT ANNUAL GENERAL MEETINGS

The Annual General Meeting of the Council shall be convened within 6 months after the expiration of the financial year on such date and at such place and time as the Executive Committee thinks fit.

In addition to any other business which may be transacted at an annual general meeting, the business of an Annual General Meeting shall be:

- (a) to confirm the minutes of the last preceding Annual General Meeting and of any special general meeting held since that meeting;
- (b) to receive from the Executive Committee reports upon the activities of the Council during the last preceding financial year;
- (c) to elect office-bearers of the Council and ordinary members of the Executive Committee;
- (d) To receive and consider the completed accounts of the Council; and
- (e) to appoint an auditor of the Council.

An Annual General Meeting shall be specified as such in the notice convening it.

15. CALLING OF SPECIAL MEETINGS

- (a) The Executive Committee may, whenever it thinks fit, convene a special general meeting of the Council.

- (b) The Executive Committee shall, on the requisition in writing of not less than 5% of the total number of members, convene a special general meeting of the Council.
- (c) A requisition of members for a special general meeting:
 - (i) shall state the purpose or purposes of the meeting;
 - (ii) shall be signed by the members making the requisitions;
 - (iii) shall be lodged with the secretary; and
 - (iv) may consist of several documents in a similar form each signed by one or more of the members making the requisition.
- (d) If the Executive Committee fails to convene a special general meeting to be held within 1 month after the date on which a requisition of members for the meeting is lodged with the Executive Director, any one or more of the members who made the requisition may convene a special general meeting to be held not later than 3 months after that date.
- (e) A special general meeting convened by a member or members (as shall be convened as nearly as is practicable in the same manner as general meetings are convened by the Executive Committee.

16. QUORUM

- (i) A quorum for a meeting of the Council shall consist of not less than twelve (12) representatives of ordinary members-present in person or by proxy. A quorum for a meeting of the Executive Committee shall consist of not less than three (3) members present in person. Other members of the Executive Committee may be represented by alternates or by proxy.
- (ii) A quorum for meetings of all Sub-Committees of the Council shall not be less than three (3) members present in person.

17. VOTING

- (a) At any meeting of the Council or the Executive Committee, the members (including the Chairperson) present in person or by proxy shall be entitled to one vote only on each matter deliberated.
- (b) The Chairperson shall have the casting vote in the event there is equality of votes.
- (c) A member shall be entitled to appoint in writing a natural person who is also a member of the Council to be his proxy, and attend and vote at any meeting of the Council.

18. PROXIES

Every Full Member shall be by notice in writing entitled to one vote at every General Meeting and may appoint any other member to vote on his behalf by proxy which shall be deposited with the Secretary/Treasurer at least twenty four (24) hours before the time of the meeting in respect of which the proxy is appointed.

19. NOTICE

- (a) Except where the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the secretary shall, at least 14 days before the date fixed for the holding of the general meeting, cause to be sent by prepaid post to each member at the member's address appearing in the register of members, a notice specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.
- (b) Where the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the secretary shall, at least 21 days before the date fixed for the holding of the general meeting, cause notice to be sent to each member specifying the intention to propose the resolution as a special resolution.
- (c) No business other than that specified in the notice convening a general meeting shall be transacted at the meeting.
- (d) A Member desiring to bring any business before a general meeting may give notice in writing of that business to the Executive Director who shall include that business in the next notice calling a general meeting given after receipt of the notice from the member.
- (e) At any meeting of the Council the required notice period may be shortened by agreement of the members attending that meeting.

20. SUB-COMMITTEES

- (a) The Executive Committee is empowered to establish Sub-Committees for the purpose of assisting and carrying out tasks and projects identified by the Council.
- (b) The members and their tenure, terms of reference and procedures of the meeting to be adopted by a Sub-Committee shall be determined by the Executive Committee.

21. AMENDMENTS TO CONSTITUTION

The Council in general meeting may amend this Constitution by a two-third majority vote at a meeting for which due notice has been given.

22. INDEMNITY OF EXECUTIVE COMMITTEE, MEMBERS

Every member and member of the Executive Council for the time being of the Council shall be indemnified out of the assets of the Council against any liability incurred by him in defending any proceedings, whether civil or criminal in connection with the Business of the Council.

23. PRESIDING MEMBER

- (a) The President or, in the President's absence, the Vice-President, shall preside as chairperson at each general meeting of the Council.
- (b) If the President and the Vice-President are absent from a general meeting or unwilling to act, the members present shall elect one of their number to preside as chairperson at the meeting.

24. ADJOURNMENT

The Chairperson of a general meeting at which a quorum is present may, with the consent of the majority of members present at the meeting, adjourn the meeting from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

25. SPECIAL RESOLUTION

A resolution of the Council is a special resolution if it is passed by a majority which comprises not less than three-quarters of such members of the Council as may be entitled under the Constitution vote in person or by proxy at a general meeting of which not less than 21 days, written notice specifying the intention to propose the resolution as a special resolution was given in accordance with the Constitution.

MISCELLANEOUS

26. SOURCE OF FUNDS

- (a) The funds of the Council shall be derived from members fees, donations and, subject to any resolution passed by the Council in general meeting, such other sources as the Executive Committee determines.
- (b) All money received by the Council shall be deposited as soon as practicable and without deduction to the credit of the Council's bank account.
- (c) The Council shall, as soon as practicable after receiving any money, issue an appropriate receipt.

27. MANAGEMENT OF FUNDS

- (a) Subject to any resolution passed by the Council in general meeting, the funds of the Council shall be used in pursuance of the objects of the Council in such manner as the Executive Committee determines.
- (b) All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments shall be signed by any 2 members of the Executive Committee or a person duly authorised by the Executive Committee.

28. AUDIT AND ACCOUNTS

The financial affairs of the Association shall be audited at least once in every period of 12 months by the auditor appointed by the Annual General Meeting

The Auditor shall:-

- (a) certify to the correctness of the financial statements or the profit and loss account;
- (b) have a free access to all books of accounts and records of the Council;
- (c) inspect and audit the accounts and records of financial transactions and draw the attention of the Executive Committee to any irregularities;
- (d) state in his or her report, in his or her opinion whether:-
 - (i) the financial statements or the profit and loss account are properly drawn up so as to give a fair view of the Council's financial affairs;
 - (ii) that the books of accounts and other records examined by him or her have been properly kept; and
 - (iii) that he or she has obtained all the information and explanations he or she required.

The auditor may be removed from office by a special resolution of the Council at a general meeting or at the expiration of his tenure of office.

29. COMMON SEAL

- (a) The common seal of the Council shall be kept in the custody of the Executive Director.
- (b) The Common Seal shall not be affixed to any instrument except by the authority of the Executive Committee and the affixing of the common seal shall be attested by the signatures either of 2 members of the Executive Committee or of 1 member of the Executive Committee and the Executive Director.

- (c) The common seal of the Council shall:-
- (i) bear the name of the Council in full;
 - (ii) shall state that it is the common seal; and
 - (ii) subject to the Act, be in a form, size and shape as approved by the Executive Committee from time to time.

30. CUSTODY OF BOOKS, ETC

Except as otherwise provided by the Constitution, the Executive Director shall keep in his or her custody or under his or her control all records books and other documents relating to the Council.

31. INSPECTION OF BOOKS, ETC

The records, books and other documents of the Council shall be open to inspection, free of charge, by a member of the Council at any reasonable hour on a business day.

32. SERVICE OF NOTICES

- (a) For the purpose of the Constitution, a notice may be served by or on behalf of the Council upon any member either personally or by sending it by post to the member at the member's address shown in the register of members.
- (b) Where a document is sent to a person by properly addressing, prepaying and posting to the person a letter containing the document the document shall, unless the contrary is proved be deemed for the purposes of these rules to have been served on the person at the time at which the letter would have been delivered in the ordinary course of post.

(a) Winding Up

In the event that it is resolved that the Council be wound up, the resolution affecting such dissolution shall prohibit the payment or distribution or any surplus assets among the members of the Council and require them to be given or transferred to some other institution or institutions having objects similar to the objects of the Council and which impose appropriate prohibitions on the distribution of its or their income and property among its or their members.

(b) Members' Liabilities

The liability of a member of the Council to contribute towards the payment of the debts and liabilities of the Council or the cost, charges and expenses of the winding up of the Council is limited to the amount, if any, unpaid by the member in respect of membership of the Council.