

CONSTITUTION OF

TRANSPARENCY VANUATU

Under The Charitable Associations (Incorporation) Act [Cap 140]

Updated June 2011

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UNDER
THE CHARITABLE ASSOCIATIONS (INCORPORATION) ACT [CAP 140]

PREAMBLE

Committed to the principles of **GOOD GOVERNANCE, ACCOUNTABILITY, TRANSPARENCY** and **RESPONSIBILITY**, with a view to eliminating **CORRUPTION** in all its forms and within the spirit of the **CONSTITUTION OF THE REPUBLIC OF VANUATU**:

We the Members hereby set ourselves to establishing the Vanuatu Chapter of Transparency International, based on the universal values and principles of democracy, rule of law and human rights; recognition of the importance of the aspirations of the **People of Vanuatu**; and the imperative to promote social and economic development and the alleviation of poverty to improve the **quality of life of everyone in Vanuatu**.

1. DEFINITIONS

In these Rules unless inconsistent with the context or subject matter:

- a) **“Annual Meeting”** means an annual general meeting of the Association;
- b) **“Association”** means the Chapter of “Transparency Vanuatu”;
- c) **“Board”** means a quorum of the Board at the time being of the Association appointed pursuant to Rule 25 of these Rules and present at a duly constituted meeting on the Board;
- d) **“General Meeting”** shall include Annual Meeting and Extraordinary General Meeting;
- e) **“Member”** means a Member for the time being of the Association;

- f) **“Month”** means a calendar month;
- g) **“Secretary/Treasurer”** means the Secretary/Treasurer of the Association or in case of his/her absence or illness the acting Secretary/Treasurer;
- h) **“Director”** means an elected Member of the Committee/Board as defined in the Charitable Associations (Incorporation) Act [Cap 140];
- i) **“Board”** means Committee as defined in the Charitable Associations (Incorporation) Act [Cap 140];
- j) Words importing the singular number include the plural and vice versa and words importing one gender shall include all other genders;
- k) **“Writing”** means written or printed or type-written or partly written or printed or typewritten;
- l) **“Founder Members”** means the list of Members who signed the founding document dated 12th June 2001
- m) **“Chief Executive Officer”** means the appointed Chief Executive Officer appointed by the Association in accordance with the contract of employment signed by the Chairperson
- n) headings and marginal notes are for reference purposes only.

2. NAME

The name of the Association is Transparency Vanuatu (Inc).

3. OBJECTS

The objects for which the Association is formed are:

- a) To raise public awareness and advance the general education of the public in matters relating to the nature and consequences of corruption in government agencies as well as in international business transactions, including overseas development initiatives, and existing legislation and other guidelines which exist to combat corruption;
- (b) To promote, undertake or commission research for the public benefit in matters relating to the nature and consequences of corruption in government agencies as well as in international business transactions and the cost-effectiveness of overseas development initiatives and to disseminate the useful results of any such research;
- (c) To support and promote the charitable educational aims and objectives of Transparency International, a not-for-profit organisation under German Law, and in particular to assist in securing support within Vanuatu of a Standards of Conduct designed to promote transparency and accountability in government agencies as well as in international business transactions, and to co-operate with other charitable organisations throughout Vanuatu with similar objectives;
- (d) To provide assistance and expertise to parties to international trade, investment and economic and social development to assist them in ensuring compliance with existing anti-corruption legislation and Standards of Conduct established in conjunction with Transparency International in Germany and other bodies;
- (e) To give the legislative, public bodies and other facilities expert assistance for conferring with and ascertaining the views of persons and institutions engaged in combating corruption as regards matter directly or indirectly affecting that activity;

- (f) To arrange, provide, organise or promote alone or with others, the provision singular for conferences, lectures, seminars, meetings, courses, exhibitions, training, information and advisory services and other events and services in furtherance of the objects of the Association; and
- (g) To write, make, prepare, edit and print, publish, issue and circulate gratuitously or otherwise, reports, periodicals, books, pamphlets, leaflets, articles, films, video tapes, computer software, electronic devices, materials for study or other documents in furtherance of or necessary for the promotion of the objects of the Association, or procure any of the above acts.

4. POWERS

In addition to any others powers conferred by law, the Association shall have the following powers in order to establish sustainable financing mechanisms:

- (a) To purchase, take on lease or in exchange, hire or otherwise acquire and maintain any real or personal property and any rights and privileges in relation thereto;
- (b) To sell, exchange, lease, mortgage, hire, dispose of or turn to account or otherwise deal with all or any part of the real and personal property of the Association;
- (c) To borrow, raise or secure the payment of money in such manner as the Association thinks fit with power to issue debentures, grant mortgages, charges or any other class of security upon or charging all or any of the properties real or personal howsoever or wheresoever situate and both present and future of the Association and to redeem or pay off any existing or future security;
- (d) To invest and deal with the monies of the Association not immediately required for the purpose of the Association in such manner as may from time to time be determined by the Board;

- (e) To amalgamate, co-operate, affiliate and enter into reciprocal arrangements with any other Association having objects wholly or in part similar to those of the Association;
- (f) To appoint, employ and pay officers and servants and to dismiss or suspend any officer or servant;
- (g) To do all such other things that are incidental or conducive to the attainment of the Association's objects.

5. INCOME AND PROPERTY

- a) The funds of the Association are to be derived from subscriptions paid by Members of the Association, from the raising of such monies as the Association may be empowered to raise and from any other source as may be from time to time approved by the Board.
- (b) The income and property of the Association, however derived, shall be applied solely towards the promotion of the objects of the Association and no portion thereof shall be paid or transferred directly or indirectly as a dividend or otherwise howsoever by way of profit to the Members provided that remuneration may be paid in good faith to officers and servants of the Association and other persons for goods supplied or services actually rendered to the Association and further, the Board in its absolute discretion, may make ex gratia payments for the purposes of the Association and such payments shall not be construed as being by way of a distribution of profits.

6. REGISTERED OFFICE

- (a) The office of the Association shall be located at Rivarec Pacific Building, Rue Bouganville, Port Vila, ("Office") or such other place as the Board may from time to time resolve.

- (b) Notice to be served on the Association may be served by :
- (i) leaving such notices addressed to the Association at the office, or
 - (ii) forwarding such notices addressed to the Association by prepaid registered mail to Transparency Vanuatu, P.O. Box 355, Port Vila.

7. MEMBERSHIP

The Association shall consist of the following classes of Members:

(a) Full Members:

Full Members shall be entitled to the full rights and privileges of Membership of the Association including the right to attend and vote at any General Meeting of the Association.

(b) Honorary Members

Honorary Membership may be, at the discretion of the Board conferred upon any person whom the Board considers to be worthy and Honorary Members shall be accorded all the privileges of a Full Member and have the right to attend General Meetings of the Association but not vote thereat. Honorary Membership shall expire three (3) months from the date of the Board resolution cancelling such Membership or at such earlier time as the Board in its sole discretion may resolve at the time of cancelling such Membership.

7A. QUALIFICATION OF MEMBERSHIP

1) Membership of the Association shall be open to:

- (a) Subject to Article 8, individuals and/or corporations resident in Vanuatu who support the objects of the Association;
 - (b) Non-resident individuals and/or corporations who in the absolute discretion of the Board are invited to and admitted to the Membership as Honorary Members.
- 2) Staff of the Association cannot be Directors.

8.(A) APPLICATION FOR MEMBERSHIP

- (a) Application for admission to Membership of the Association ("Application") shall be:
 - (i) in writing addressed to the Secretary/Treasurer in such form as may be prescribed by the Board from time to time;
 - (ii) accompanied by such payment in favour of the Association as is prescribed by the Board from time to time as the subscription for the class of Membership to which admission is sought; and
 - (iii) delivered to the Association in accordance with the Rules for delivery of notices to the Association prescribed by these Rules.
- (b) Upon receipt of the Application the Secretary/Treasurer shall:
 - (i) forward acknowledgment of receipt of same to the person named as applicant therein and;
 - (ii) if reasonably possible, prior to the next meeting of the Board, forward notice of the Application to all paid-up Members and request Members'

objections to the Application, but forward such notice within a reasonable time in any event.

- (c) A meeting of the Board shall:
 - (i) Consider the Applications together with relevant objections of Members as have been received by the Association but which have not at the time of the meeting, yet been considered;
 - (ii) resolve either to accept or reject each Application.
- (d) The Secretary/Treasurer shall maintain a Register of Members and shall notify each applicant of the Board the decision on applicant's Application and record the name of each successful applicant in the Register of Members.
 - (i) If the applicant is rejected which is at the discretion of the Board, any annual subscription paid in advance will be refunded in full.
- (e) The Board may:
 - (i) grant an applicant Honorary Membership pending a resolution by the Board to reject or accept that applicant's Application;
 - (ii) require an applicant for Membership to attend before it and provide such further information or to produce documents as the Board sees fit prior to resolving on a relevant Application.
- (f) If requested, the Secretary/Treasurer shall provide every successful applicant with a copy of the Rules of the Association and any by-laws made there under.

8(B). ANNUAL SUBSCRIPTIONS

1. The Association is a non-profit organisation and will be financed by annual Membership fees. The Association may also be supported by income other than Membership fees, such as donations or gifts and by contributions to expenses.
2. The annual subscription payable by Members of the Association shall be as prescribed by the Directors from time to time, including payment in kind, donations and by contributions to expenses.
3. The Directors may, in their absolute discretion determine a discount for annual subscriptions paid in advance.
4. The annual subscription period shall be computed from 1 January in each year, and annual subscriptions shall be due and payable before the 30th of March each year in advance.

8(C). NON PAYMENT OF SUBSCRIPTIONS

If the subscription of a Member remains unpaid for a period of three (3) months after it becomes due, and following a renewal notice being sent, the Board may expel the Member from Membership of the Association and remove the Member's name from the register of Members.

9. RIGHTS OF MEMBERSHIP MAY NOT BE TRANSFERRED

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

10. RESIGNATION

Any Member who has paid all moneys due or payable to the Association may resign from the Association upon first giving one month's notice in writing to the Secretary/Treasurer of his/her intention in that regard and upon the expiration of such notice such Member

shall cease to be a Member. Any cessation of Membership of the Association shall take effect without prejudice to any prior act, omission, matter or thing.

10 (A). MISCONDUCT OF A MEMBER

1. If any Member:
 - (a) is in breach of the provisions of the Constitution of the Association; or
 - (b) is guilty of any act or omission which, in the opinion of the Directors is unbecoming of a Member, or prejudicial to the interest of the Association, the Directors may expel the Member from the Association and remove the Member's name from the Register of Members.
2. The Directors shall not expel a Member under Article 10 A (1) unless at least 21 days' notice has been given to the Member stating the date, time and place at which the question of expulsion of that Member is to be considered by the Directors, and the nature of the alleged misconduct and the Member have been given the right to address the Board in writing or verbally for the Board to consider.
3. Any expulsion of a Member must be ratified during the next planned AGM. If the expulsion is not ratified, the Member is automatically reinstated.

10(B) AUTOMATIC CESSATION OF MEMBERSHIP

A Member's Membership of the association shall automatically cease:

- (a) in the case of a Member who is a natural person on the date that the Member:
 - (i) dies; or
 - (ii) becomes of unsound mind or a person whose estate is liable to be dealt with in any way under the Mental Health; or

(iii) is declared Bankrupt.

(b) in the case of a Member which is a body corporate on the date that:

(i) a liquidator is appointed in connection with the winding-up of the Member; or

(ii) an order is made by a court for the winding-up or deregistration of the Member.

11. FAILURE TO TAKE UP ELECTION

No applicant shall be entitled to exercise any of the privileges of a Member unless and until he/she shall have paid all fees subscriptions payable by him/her on his/her admission. If such payments are not made within two (2) weeks of the admission, the Board may declare the admission void but the applicant shall nevertheless remain liable for the payment of and be sued for all such monies

12. MEMBERSHIP REGISTER

The Secretary/Treasurer shall keep and maintain a register of Members in which shall be entered the full names and date of admission of every Member and the class of Membership to which that Member belongs and further the Secretary/Treasurer shall also keep and maintain a record of the financial status of such Members.

13. GENERAL MEETING

(a) The Annual Meeting of the Association shall be held within 8 months after the end of the financial year, ie; the 31st December in each year, on such date as the Board may determine each year.

- (b) The Secretary/Treasurer shall whenever required by the Board or by written requisition of not less than thirty per cent (30%) of Members of the Association stating the objects for which the meeting is desired, convene an Extraordinary General Meeting of Members. Such meeting shall be convened not less than fourteen (14) days or more than one (1) month after receipt by the Secretary/Treasurer of such request and if in a case of requisition by Members as aforesaid the meeting shall not be convened within the time required as above the requisitioners may by a resolution, appoint one of their number to convene such meeting.

14. PLACE OF MEETING

Every General Meeting shall be held at a location determined by the Board as being convenient to the Members.

15. NOTICE OF MEETING

Fourteen (14) day's notice in writing of every General Meeting shall be forwarded to every Full Member at his/her address appearing in the Register of Members by prepaid post or by delivery of notice (including email, by-hand, post or facsimile) to the place of residence and/or the last known address provided of Full Members stating the time of the meeting and the nature of the business transacted. No business other than that set out in the notice convening the meeting shall be transacted at any General Meeting. Any Member desiring to bring forward any business may give notice thereof in writing to the Secretary/Treasurer who thereupon shall include same in the notice calling the next General Meeting to be called after receipt of such notice from a Member.

16. QUORUM AND GENERAL MEETINGS

At all General Meetings thirty per centum (30%) of the Full Members shall constitute a quorum. If within thirty (30) minutes from the time appointed for the meeting a quorum

is not present, the meeting (if convened upon the requisition of Members) shall be dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week and the same time and place and at such adjourned meeting those present shall form a quorum for all purposes.

17. CHAIRMAN AT MEETING

The Chairman and in his/her absence the Secretary/Treasurer shall preside as Chairman at every General Meeting of the Association and in the absence of the Chairman and Secretary/Treasurer those present shall elect one of their number to be Chairman.

18. ADJOURNMENT

The Chairman may, with the consent of the General Meeting, adjourn any meeting from time to time, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

19. VOTING

- (a) Subject to the next succeeding sub-clause, resolutions shall be carried by a majority of the Members present either in person or by duly authorised representative at any General Meeting. In the case of equality of votes, the Chairman shall have a second or casting vote.
- (b) A Member may vote by way of postal vote on any matter at a General Meeting provided that such vote is received by the Secretary/Treasurer twenty-four (24) hours before the commencement of that meeting.

20. POLL

At any General Meeting a declaration by the Chairman that a resolution has been carried and an entry to that effect in the minute book of the proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of all votes recorded in favour of or against such resolution provided that any three Members may, by standing, call for a poll which shall thereupon be taken without further debate.

21. PROXIES

Subject to Rule 22 every Full Member shall, by notice in writing, be entitled to one vote at every General Meeting and may appoint any other Member to vote on his/her 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.

22. VOTING WHEN SUBSCRIPTION IN ARREARS

No Members shall be entitled to vote at any meeting or on any poll unless all monies due from him or her or it (in the case of a Body Corporate), to the Association (other than sums due for subscriptions for the current year) have been paid in full.

23. ORDER OF BUSINESS

The following shall be the order of business at every Annual Meeting:

- (a) confirmation of the minutes of the last Annual Meeting and of any General Meeting or meetings held since the preceding Annual Meeting;

- (b) receipt of the annual balance sheet, profit and loss and accompanying accounts and reports of the Board and the auditor and the adoption of the same or otherwise;
- (c) the election of the Board;
- (d) the appointment of an auditor (who shall be a qualified accountant); and
- (e) general business.

24. MINUTES

Minutes of the proceedings at every General Meeting (whether Annual or not) shall be entered and kept in a minute book and such minutes when so signed shall be conclusive evidence that the proceedings minuted therein were regular and actually took place as minuted at a meeting duly convened and held and shall be binding on all Members of the Association except as to any irregular proceedings declared and annulled at a General Meeting called for that purpose and held within three (3) months after the irregular proceedings.

25. BOARD OF DIRECTORS

- (a) The Board of the Association will strive for a balanced and diverse representation on the Board. The Board shall consist of 8 Directors including: the Chairperson of the Board of Directors, the Secretary/Treasurer and five (5) other Members and shall hold office for a term of one (1) year. Unless otherwise resolved by the Association Membership of the Board shall not exceed nine (9) Members except for the first Board of Directors creating the Association who will then be both the Members constituting the Association and the first Directors for a period of 9 months (see clause 5).
- (b) Elections for the Board shall be held at the Annual Meeting.

- (c) At the first Annual Meeting of the Association all the Directors shall retire from office and at the Annual Meeting in every subsequent year, half (4) of the Directors shall retire from office.
- (d) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- (e) A retiring Director shall be eligible for re-election if he/she has served less than four (4) years as a Director.
- (f) The Association, at an Annual General Meeting at which all the Directors retire in manner aforesaid, may fill the vacated office by electing a person thereto, and in default the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless a resolution for the election of such Director shall have been put to the meeting and lost.
- (g) All financial members shall be eligible for election to the office of Director at any general meeting if nominated in accordance with section 26(a).
- (h) The Association may from time to time by ordinary resolution increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.
- (i) The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an additional to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these articles. Any Director so appointed shall hold office only until the next following annual general meeting,

and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

- (j) Honorary Members shall be accorded all the privileges of a Full Member except the right to attend General Meetings of the Association and vote thereat
- (e) A retiring Director shall be eligible for re-election or for election to another office and shall hold office until his/her successor is elected.

26. ELECTION OF BOARD

- (a) A Member wishing to nominate another Member for Board Membership shall forward a nomination in writing and signed by two Members nominating an office on the Board for which the Member wishes his nominee to be a candidate to be received by the Secretary at least seven (7) clear days before the Annual Meeting accompanied by a notice in writing signed by the nominated Member of his willingness to be elected.
- (b) The Secretary /Treasurer shall post all nominations on the Association's Notice Board at least seven (7) days before the General Meeting.
- (c) The election of the Directors of the Board shall be by ballot and the Directors so elected shall hold office from the conclusion of the meeting at which they were appointed or their appointment was renewed.
- (d) In the event of candidates for Board Directorship receiving an equal number of votes, the Chairperson shall have an additional or casting vote.
- (e) A Board Director/Member must be a full Member of the Association to be eligible for a post of Director.

27. DUTIES OF OFFICE BEARERS

(a) Chairperson

The Chairperson shall preside over all meetings and he/she shall be an ex-officio Member of any sub-Boards established by the Board. The Chairperson shall certify the correctness of minutes of meetings and with the Secretary /Treasurer shall draw and sign all cheques, drafts, bills of exchange, promissory notes and other documents for and on behalf of the Association unless otherwise resolved by the Association.

(b) Secretary /Treasurer

- (i) The Secretary /Treasurer shall assist the Chairperson and shall carry out the duties of the Chairperson during the Chairperson's absence.
- (ii) The Secretary /Treasurer shall be responsible for the compilation and safe-keeping of minutes of all meetings, the maintenance of a Register of all Members of the Association and of the officials and Directors.
- (iii) The Secretary/Treasurer shall attend to all general correspondence and shall have the custody of all books, documents and securities of the Association.
- (iv) The Secretary/Treasurer shall be responsible for the banking and accounting for Association funds. He or she shall supervise and maintain the keeping of full and proper accounts of the Association and he/she shall arrange for the same to be audited and presented to the Annual General Meeting.

- (v) The position of Secretary/Treasurer can be divided, at any time, into two positions of Secretary and Treasurer by a resolution of the Board of Directors. The Directors will also have the power to appoint a new office holder chosen amongst the existing Directors and to define the respective functions of the two positions so divided.

28. MANAGEMENT

The business of the Association shall be managed by the Board which may exercise all powers of the Association that are not by these Rules required to be exercised by the Association in a General Meeting subject nevertheless to these Rules.

29. POWERS OF THE BOARD

Without prejudice, to the powers conferred by the last preceding Rule, the Board shall have power to do any one or more of the following things:

- (a) To determine from time to time the conditions on which and times when Members may use the property of the Association or any part or parts thereof and when and under what conditions the premises of the Association or any part or parts thereof shall be used by Members;
- (b) To appoint officials or servants of the Association and to remove them as occasion may require at their discretion;
- (c) To delegate (subject to such conditions as it thinks fit) any of its powers to sub-Boards consisting of such Directors of the Board and other Members of the Association co-opted for that purpose as it may determine and to make such regulations as to the proceedings of such sub-Board as may be thought desirable;
- (d) To regulate and control Board Meetings and the transaction of business thereat;

- (e) To pay to any servant of the Association any gratuity for faithful and diligent service as it sees fit;
- (f) To elect or vote on the election of Full Members and Honorary Members;
- (g) To appoint from time to time any two or more Members of the Association (at least one of whom shall be a Director of the Board) to be a sub-Board for any particular purpose and to revoke their appointment;
- (h) Subject to these Rules, to draw, make, accept, endorse and issue negotiable securities or instruments of whatsoever kind or nature and to determine by what officers of the Association such negotiable securities or instruments shall be signed or endorsed;
- (i) To borrow or raise financial accommodation with or without giving security and to sell and dispose of the assets of the Association.

30. VACANCY OF THE BOARD

The Board may act notwithstanding any vacancy in their body.

31. DUTY OF BOARD

It shall be the duty of the Board to manage and conduct the affairs of the Association.

32. VACATION OF OFFICE

The office of Chairperson, Secretary/Treasurer or ordinary Member shall be vacated if the office holder:

- (a) shall cease to be a Member of the Association, or
- (b) shall hold any office of profit from the Association, or
- (c) shall become insolvent or assign his/her estate pursuant to any Act or Regulation relating to insolvency for the time being in force in Vanuatu, or
- (d) shall fail to attend three (3) consecutive meetings of the Board.

33. CASUAL VACANCIES

Any Member may be appointed by the Board to fill any casual vacancy occurring in the Board provided that any person so appointed shall hold office only until the expiration of the term of office resolved by the Annual Meeting for the holder whose office has become vacant. The appointee to any casual vacancy shall be deemed to have held office since the Annual Meeting at which the Director whose place he has taken was elected.

34. REMOVAL OF DIRECTOR

The Association in General Meeting may by resolution remove any Director before the expiration of his/her period of office and appoint another person in his/her stead. The person appointed shall for all purposes be treated as if he/she were appointed to a casual vacancy under the preceding Rule.

35. MEETINGS OF BOARD

- (a) The Board shall meet together for the dispatch of business as often as the Chairperson or in his absence the Secretary /Treasurer shall deem necessary but no less than one in every month. At least three (3) day's notice shall be given to each Director and the Board may adjourn and otherwise regulate its meetings as it thinks fit.

- (b) A quorum of Directors of the Board shall be four (4) Directors present throughout the relevant meeting.
- (c) At every meeting of the Board the Chairperson and her Secretary /Treasurer shall preside and in the absence of both the Chairperson and the Secretary /Treasurer the Directors present shall choose one of their number to be Chairman of such meeting.
- (d) Questions arising at any meetings of the Board shall be decided by a majority of votes and in the case of any equality of votes, the Chairman shall have a second or casting vote.
- (e) The Board may conduct meetings by telephone or email or facsimile. Resolutions of the Board meeting in this manner must be confirmed in writing and circulated to all Directors.

36. VALIDATION OF ACT OF BOARD

All acts done at any meeting of the Board shall (notwithstanding that it is afterwards discovered there was some defect in the appointment of the Board or any Member thereof or that any Member was disqualified), be as valid as if every such Member had been properly appointed and was qualified to act as a Director.

37. QUORUM AND PROCEDURE OF MEETINGS OF SUB-BOARDS APPOINTED BY THE BOARD

- (a) The Sub-Boards of the Association shall meet together for the dispatch of business as often as the Chairperson of that Sub-Board or in her absence the Deputy Chairperson of that Sub-Board shall deem necessary. The Sub-Board may adjourn and otherwise regulate its meetings as it thinks fit.

- (b) A quorum of Members of the Sub-Board shall be no less than four (4) Members present throughout the relevant meeting.
- (c) At every meeting of the Sub-Board the Chairperson and in her absence the Deputy Chairperson shall preside and in the absence of both the Chairperson and the Deputy Chairperson the Members present shall choose one of their Member to be their chairperson of such meeting.
- (d) Questions arising at any meetings of the Sub-Board shall be decided by a majority of votes and in the case of any equality of votes, the Chairperson of the Sub-Board shall have a second or casting vote.

38. MINUTES.

The Board shall cause to be kept a minute book showing the resolutions proposed and passed and all other proceedings at Board meetings.

39. AUDIT

At least once in each year the accounts of the Association shall be examined by the Auditor appointed under these Rules who shall also certify that the balance sheet, profit and loss account and accompanying accounts and schedules to be submitted to the Annual Meeting are a fair and true representation of the situation of the Association.

40. AUDITOR MAY BE MEMBER

- (a) The Auditor may be a Member of the Association, however he may not be the public officer or a Member of the Board of the Association, but no person shall be eligible as Auditor who is interested otherwise than as a Member in any

transaction of the Association. The Auditor may be paid for his services such sum as the Board may from time to time determine.

- (b) The Auditor is to be appointed at each Annual Meeting in accordance with Rule 23 of these Rules and may be removed from office by a resolution of the Members passed at General Meeting.

41. CASUAL VACANCY

Any casual vacancy occurring in the office of Auditor shall be filled by a qualified accountant appointed by the Board for that purpose.

42. LIST OF BOOKS

The Association shall deliver to the Auditor a list of all books of account and records kept by the Association and the Auditor shall at all reasonable times have access to the books and accounts of the Association. The Auditor may employ persons to assist him in investigating such accounts and may in relation to such accounts examine the Board or any employee of the Association.

43. AUDITOR'S REPORT

The Auditor shall make a report to the Members upon the balance sheet and accounts to be submitted to every Annual Meeting and in every such report shall state whether in his/her opinion they are properly drawn up to exhibit a true and correct view of the Association's affairs.

44. COMMON SEAL

The Common Seal of the Association ("**Common Seal**") shall be in circular form with the words "**Common Seal**" in the centre thereof and the words "**Transparency**

Vanuatu" around the margin and the Secretary/Treasurer shall keep a record of all documents to which the seal shall be affixed. The Common Seal shall be used only by authority of the Board and every instrument to which the Common Seal is affixed shall be signed by two (2) Directors of the Board or two (2) persons appointed by the Board for that purpose. The Secretary/Treasurer shall have custody of the common seal.

45. ACCOUNTS

The Chairperson of the Association shall, by initialling all accounts certify to their correctness both as to the quantity of goods or services received and the price charged and all accounts shall be passed for payment by the Board and paid by cheque drawn in accordance with Rule 46.

46. AUTHORISED SIGNATURES

The Chairperson and Treasurer shall be authorised to draw, make, accept, endorse and issue negotiable securities or instruments of whatsoever kind or nature and in their absence the Treasurer, the Secretary and one Director shall be authorised to sign or endorse any such instruments.

47. FINANCIAL YEAR

The financial year of the Association shall commence on 1 January and shall end on 31 December in any calendar year.

48. ALTERATION OF RULES

No object, power or rule of the Association shall be repealed or amended and no new object, power or rule shall be made except upon a resolution carried by a majority of three-quarters of the Members present and voting at a Annual Meeting the notice of which shall have set out the extent of the proposed repeal or amendment or new provision. The effectiveness of any such alteration of these Rules shall be subject to any approval required under the Charitable Associations (Incorporation) Act [Cap140].

49. DISSOLUTION

The Association may be dissolved or wound up by a resolution at any Annual Meeting called for such purpose.

50. DISPOSITION OF ASSETS

If upon the dissolution or winding up of the Association there remains after the satisfaction of all its debts and liabilities, any property or monies whatsoever, shall not be paid to or distributed among the Members of the Association but shall be given or transferred to some other Association, Club or Institution having objects similar, wholly or in part, to the objects of the Association and which shall prohibit the distribution of its or their income and property among its or their Members, or to some charitable object or objects which Association, Club, Institution or objects shall be determined by the Members of the Association at or before the time of dissolution or winding up or in default thereof or if and, in so far as effect cannot be given to such determination, then payment ~~of~~ or distribution shall be determined by a Judge of the Supreme Court.

51. LIABILITY OF MEMBERS

The liability of Members upon the dissolution or winding up of the Association shall be limited to the extent of their contributions to the Association.

52. INTERPRETATION

The interpretation by the Board of the Rules of the Association shall be final and binding upon all Members.

53. BOARD OFFICERS

The first Directors shall be as required by Schedule 1 of Cap 140 Application for Incorporation of the Committee of a Charitable Association.

54. FIRST DIRECTORS

The first Directors or Members will be appointed for a period of 9 months, at which time an election will take place in accordance with the articles of the association.

The first Directors or Members will also be the Members of the Committee applied for the incorporation of the charitable Association of Transparency Vanuatu and will be known as the Founder Members attached as Schedule 1.

55. CHIEF EXECUTIVE OFFICER

The Chief Executive Officer (“CEO”) shall be appointed by the Board and shall report directly to the Board and the Chairperson as set out in the Terms of Reference of Employment and Duties of Employment pursuant to a contract to be agreed by the Board.