

Society of Petroleum Engineers South Australian Section Incorporated

Rules of Association

Proposed for Adoption at 3 December 2014 General Meeting

Incorporation No: A8915

Incorporated: 10th January 1984

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The Society of Petroleum Engineers South Australian Section Incorporated is an Association incorporated in conformance with Section 23A of the Associations Incorporation Act 1985; South Australia.

1 Name

The name of the incorporated association is Society of Petroleum Engineers South Australian Section Incorporated, referred to herein as 'the Association'.

2 Definitions

'the Act' means the Associations Incorporation Act 1985

"ADI" (authorised deposit-taking institution) has the same meaning as in the Banking Act 1959

'Associations Regulations' means the Associations Incorporation Regulations 2008

'Committee' means the committee of management of the Association comprising of Management Committee Officers and Operations Committee Officers

'Financial Year' means the year ending on 31 March

'General Meeting' means a general meeting of members of the Association convened in accordance with Section 7

'Management Committee Officer' means a member of the Committee who holds a management role identified in Section 6.2 (a) i

'Member' means a member of Association as detailed in Section 5.1

'Month' shall mean a calendar month

'Operations Committee Officer' means a member of the Committee who is not a Management Committee Officer as detailed in Section 6.2 (a) ii

'Prescribed Association' shall mean a Prescribed Association as defined in section 3(1) of the Act.ⁱ

'Special General Meeting' means a special general meeting of members of the Association convened in accordance with Section 7.2

'Special Resolution' means a special resolution defined in the Act as detailed in Section 7.7

'SPE (International)' means the Society of Petroleum Engineers Stichting, a global not-for-profit organized as a Stichting (foundation) under the laws of The Netherlands.

3 Objects

The purpose of the Association shall be

- a) to collect, disseminate, and exchange technical knowledge concerning the exploration, development and production of oil, gas and other energy resources, and related technologies
- b) to provide opportunities for professionals to enhance their technical and professional competence for the public benefit.

4 Powers of the Association

For the purpose of carrying out its objects, the Association may, subject to the Act and these rules:

- a) open and operate ADI accounts; and
- b) invest its moneys—
 - i. in any security in which trust moneys may, by act of Parliament, be invested; or
 - ii. in any other manner authorised by the rules of the Association; and as the Association thinks fit; and
- c) appoint agents to transact any business of the Association on its behalf; and
- d) enter into any other contract it considers necessary or desirable.

the Association may not:

- a) acquire, hold, deal with, and dispose of, any real or personal property; and
- b) administer any property on trust; and
- c) borrow money; and
- d) give such security for the discharge of liabilities incurred by the Association

5 Membership

5.1 SPE Members

- a) The jurisdiction of this Association will encompass the state of South Australia.
- b) All members of SPE (International) in good standing and working or residing in South Australia, shall be eligible for membership as a Member.
- c) SPE (International) allows for a member interested in the Objects of the Society of Petroleum Engineers South Australian Section to elect to be affiliated with the section. A member of SPE (International) nominating in this manner shall also be considered a Member of the Association.

5.2 Subscriptions

There is no annual subscription fee above those required to be a member in good standing of SPE (International).

5.3 Resignations

A member resigns from the Association when they either

- a) do not reside or work in South Australia or elect to no longer be affiliated with the South Australian section (as defined in Section 5.1 c)) and inform SPE (International) of their change in details; or
- b) cease to be a financial member of SPE (International)

5.4 Expulsion of a member

- a) Subject to giving a Member an opportunity to be heard or to make a written submission, the Committee may recommend a Member for review upon a charge of conduct detrimental or injurious to the interests of the Association and SPE (International).
- b) Particulars of the charge shall be communicated to the Member at least one month before the meeting of the Committee at which the matter will be determined. The Member may prepare a written submission and make representation at the Committee meeting where the matter will be determined.
- c) The determination of the Committee shall be communicated to the Member and as appropriate the matter will be recommended to SPE (International) for review, appeal and action. Any Member ceasing to be a member of SPE (International) will cease to be a Member of the Association.

5.5 Register of members

A register of members must be kept and shall contain:

- a) the name and address of each member
- b) the date on which each member was admitted to SPE (International)

6 The Committee

6.1 Powers and duties

- a) The affairs of the Association shall be managed and controlled by the Committee which, in addition to any powers and authorities conferred by these rules, may exercise all such powers and do all such things as are within the objects of the Association, and are not by the Act or by these rules required to be done by the Association in General Meeting.
- b) The Committee has the management and control of the funds and other property of the Association.
- c) The Committee shall have authority to interpret the meaning of these rules and any other matter relating to the affairs of the Association on which these rules are silent.
- d) The Committee shall appoint a public officer as required by the Act.ⁱⁱ The public officer, who must be a resident of South Australia, shall be selected from the Management Committee Officers defined in Section 6.1 (a) i.
- e) The public officer shall, in the event of a change of address and contact details, register the change of details within 30 days in accordance with the Act.

6.2 Appointment

- a) The Committee shall be comprised of:
- i) the Management Committee Officers:
 - Chairman
 - Programme Chairman
 - Membership Chairman
 - Secretary
 - Treasurer
 - ii) other Operations Committee Officers to be filled as the Committee deems necessary and may include:
 - Young Professional Liaison Officer
 - Internet Officer
 - Publications Officer
 - Continuing Education Officer
 - Student Chapter Liaison Officer
 - Scholarship Officer
 - The immediate Past Chairman
 - Vice Chairman
 - Australia/NZ/PNG Council Representative
 - Community Liaison Officer
 - Functions Officer
 - Sponsorship Officer
 - Engineers Australia Liaison Officer
 - PESA Representative
- b) A Committee Member shall be a natural person.
- c) With the exception of the immediate Past Chairman, the Officers of this Section shall be elected annually at the Annual General Meeting. A retiring Committee Member shall be eligible to stand for re-election without nomination.
- d) The Chairman may only stand for re-election once and must, if re-elected, retire at the following Annual General Meeting.
- e) The immediate Past Chairman role is not open for election and shall be vacated at the Annual General Meeting at which the Chairman retires and shall be filled by the retiring Chairman.
- f) No other person shall be eligible to stand for election unless a member of the Association has nominated that person at least 20 business days before the meeting by delivering the nomination of that person to the Secretary of the Association. The nomination shall be signed by the proposer and by the nominee.
- g) Notice of all persons seeking election to the Committee shall be given to all members of the Association with the notice calling the meeting at which the election is to take place.
- h) The Committee may appoint a Member to fill a casual vacancy, and such a Committee Member shall hold office until the next Annual General Meeting of the Association and shall be eligible for election to the Committee without nomination.
- i) In the event that the election process, disqualification, resignation, removal or retirement of a Member of Committee results in a vacancy of the public officer, the Committee shall appoint a public officer (refer Section 6.1 (d)) and register the appointment within one month as required by the Act.

6.3 Duties of Officers

- a) The Chairman, or in the absence of the Chairman the Vice Chairman, shall preside at all Meetings of the Committee, at the Annual General Meeting and other General and Special General Meetings; or
- b) if the Chairman and the Vice Chairman are not present within five minutes after the time appointed for holding the meeting, or he or she is present but declines to take or retires from the chair, such one of the remaining Members of the Committee as may be chosen by the Members present shall preside.
- c) The Secretary's duties shall include, but are not limited to
 - i. calling Meetings of the Committee and all meetings of the Association, including preparing notices of a meeting and of the business to be conducted at the meeting in consultation with the Chairman; and
 - ii. keep minutes of meetings as described in Section 8.
- d) The Treasurer shall keep and retain such accounting records as are described in Section 9.

6.4 Proceedings of Committee

- a) The Committee shall meet together for the dispatch of business, not less than once every three months, at such place and such times as the Committee may determine.
- b) Questions arising at any meeting of the Committee shall be decided by a majority of votes, and in the event of equality of votes the Chairman shall have a casting vote in addition to a deliberative vote.
- c) A quorum for a meeting of the Committee must include the Chairman or Vice-Chairman and be comprised of at least two Management Committee Officers and any three Operations Committee Officers.
- d) A Member of the Committee having a direct or indirect pecuniary interest in a contract or proposed contract with the Association must disclose the nature and extent of that interest to the Committee as required by the Act, and shall not vote with respect to that contract or proposed contract. The Member of the Committee must disclose the nature and extent of his or her interest in the contract at the next Annual General Meeting of the Association.

6.5 Disqualification of Committee Members

The office of a Committee Member shall become vacant if a Committee Member is:

- disqualified from being a Committee Member by the Act
- expelled as a Member under these rules
- permanently incapacitated by ill health
- absent without apology from more than four meetings in a financial year
- removed by the Committee as described in Section 6.6

6.6 Removal of a Member of the Committee

- a) Subject to giving the Member of the Committee an opportunity to be heard or to make a written submission, the Committee may resolve at a meeting of the Committee to remove a Member of the Committee before the expiration of the Member's term of office.
- b) Particulars of the reason for removal shall be communicated to the Member of the Committee at least one month before the meeting of the Committee at which the matter will be

determined. The Member of the Committee may prepare a written submission and make representation at the Committee meeting where the matter will be determined.

- c) In the event of an adverse determination, the Committee shall, if necessary, appoint another Member to fill the vacant position until the expiration of the term of the removed Member of the Committee. If the position so vacated is the Past-Chairman, the position is to remain vacant until the Chairman retires.

7 General Meetings

7.1 Annual General Meetings

- a) The Committee shall call an Annual General Meeting in accordance with the Act and these rules, to be held as closely as practical to 1st April but no later than 3 months from the end of the Association's financial year.
- b) The order of the business at the meeting shall be:
 - i. the confirmation of the minutes of the previous Annual General Meeting and of any Special General Meeting held since that meeting
 - ii. the consideration of the accounts and reports of the Committee and the auditor's report if required under Section 9.3
 - iii. the election of Committee Members
 - iv. the appointment of auditors if required under Section 9.3
 - v. any other business requiring consideration by the Association in General Meeting.

7.2 Special General Meeting

- a) The Committee may call a Special General Meeting of the Association at any time.
- b) Upon a requisition in writing of not less than 5% of the total number of Members of the Association, the Committee shall, within one month of the receipt of the requisition, convene a Special General Meeting for the purpose specified in the requisition.
- c) Every requisition for a Special General Meeting shall be signed by the relevant members and shall state the purpose of the meeting.

7.3 Notice of General Meetings

- a) Subject to 7.3b, at least 14 days (for the avoidance of doubt, 10 business days) notice of any General Meeting shall be given to members. The notice shall set out where and when the meeting will be held, and particulars of the nature and order of the business to be transacted at the meeting.
- b) Notice of a meeting at which a Special Resolution is to be proposed shall be given at least 21 days (15 business days) prior to the date of the meeting.
- c) A notice may be given by the Association to any member by serving the member with the notice personally, or by sending it by email to the address appearing in the register of members. (See Section 5.5.)
- d) Where a notice is sent by email:
 - i. the service is effected by properly addressing the email containing the notice, and

- ii. unless the contrary is proved, service will be taken to have been effected at the time at which the email would be delivered in the ordinary course of email communication.

7.4 Proceedings at General Meetings

- a) Ten Members present personally or by proxy shall constitute a quorum for the transaction of business at any General Meeting.
- b) If within 30 minutes after the time appointed for the meeting a quorum of members is not present, a meeting convened upon the requisition of members shall lapse. In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place and if at such adjourned meeting a quorum is not present within 30 minutes of the time appointed for the meeting the members present shall form a quorum.

7.5 Voting at General Meetings

- a) Subject to these rules, every member of the Association has only one vote at the meeting.
- b) Subject to these rules, a question for decision at a General Meeting, other than a Special Resolution, must be determined by a majority of members who vote in person or, where proxies are allowed, by proxy, at that meeting.
- c) Unless a poll is demanded by at least five members, a question for decision at a General Meeting must be determined by a show of hands.

7.6 Poll at General Meetings

- a) If a poll is demanded by at least five members, it must be conducted in a manner specified by the person presiding and the result of the poll is the resolution of the meeting on that question.
- b) A poll demanded for the election of a person presiding or on a question of adjournment must be taken immediately, but any other poll may be conducted at any time before the close of the meeting.

7.7 Special and ordinary resolutions

- a) A Special Resolution is defined in Section 3 of the Act. A Special Resolution means a resolution passed at a duly convened meeting of the Members of the Association where
 - i. At least 21 days written notice specifying the intention to propose the resolution has been given to all Members of the Association; and
 - ii. It is passed at the meeting by a majority of not less than three quarters of such Members of the Association as, being able to do so, vote in person or, where proxies are allowed, by proxy, at the meeting
- b) An ordinary resolution is a resolution passed by a simple majority at a General Meeting.

7.8 Proxies

A Member shall be entitled to appoint in writing a natural person who is also a member of the Association to be their proxy, and attend and vote at any General Meeting of the Association.

8 Minutes

- a) Proper minutes of all proceedings of General Meetings of the Association and of Meetings of the Committee, shall be entered within one month after the relevant meeting in minute books kept by the Secretary for the purpose. The minute book may be an electronic file and must be capable of being reproduced in written form at any time (refer Section 62C (1) (b) of the Act).
- b) The minutes kept pursuant to this rule must be confirmed by the Members of the Association or the Members of the Committee (as relevant) at a subsequent meeting.
- c) The minutes kept pursuant to this rule shall be signed by the Member who presided at the meeting at which the proceedings took place or by the Member presiding at the meeting at which the minutes are confirmed.
- d) Where minutes are entered and signed they shall, until the contrary is proved, be evidence that the meeting was convened and duly held, that all proceedings held at the meeting shall be deemed to have been duly held, and that all appointments made at a meeting shall be deemed to be valid.
- e) The minute book of proceedings of general meetings must be made available for inspection by any Member without charge.

9 Financial reporting

9.1 Financial year

The Financial Year of the Association shall be the period commencing on 1 April and ending on 31 March of the following year.

9.2 Accounts to be kept

The Association shall keep and retain such accounting records as are necessary to correctly record and explain the financial transactions and financial position of the Association in accordance with the Act for 7 years after the completion of the transactions to which they relate.

9.3 Requirements for Prescribed Associations

There are additional requirements under the Act for Prescribed Associations.

The Committee shall determine, following the end of each Financial Year, whether the Association is a Prescribed Association based on gross receipts (refer endnote 1) as described in Section 3 of the Act and, if it is determined that the Association is a Prescribed Association, undertake the following

- a) The accounts, together with the auditor's report on the accounts, the Committee's statement and the Committee's report, shall be laid before Members at the Annual General Meeting (refer Section 35 (6) of the Act).
- b) The annual [periodic] return shall be lodged with CBS within six months after the end of each financial year. It must be accompanied by a copy of the accounts, the auditor's report, the Committee's statement and the Committee's report (refer to Section 36 (1) of the Act).
- c) At each Annual General Meeting, the Members shall appoint a person to be auditor of the Association (refer to Sections 35 (2) (b) and 35 (4) of the Act for qualifications of auditor).

- d) The auditor shall hold office until the next Annual General Meeting and is eligible for re-appointment.
- e) If an appointment of an auditor is not made at an Annual General Meeting, the Committee shall appoint an auditor for the current financial year.

10 Prohibition against securing profits for members

The income and capital of the Association shall be applied exclusively to the promotion of its objects and no portion shall be paid or distributed directly or indirectly to members or their associates except as bona fide remuneration of a member for services rendered or expenses incurred on behalf of the Association.

11 Winding up

The Association may be wound up in the manner provided for in the Act.

12 Application of surplus assets

On the dissolution of the Association, all funds remaining after the payment of its debts shall be turned over to the parent corporation, the Society of Petroleum Engineers (International). This Rule is not amendable during the existence of the Association.

13 Rules

- a) With the exception of Section 12, these rules may be altered by Special Resolution of the Members of the Association.
- b) The alteration shall be registered with CBS, Corporate Affairs Commission, as required by the Act.
- c) The registered rules shall bind the association and every Member to the same extent as if they have respectively signed and sealed them, and agreed to be bound by all of the provisions thereof.
- d) An alteration to the rules comes into force at the time that the alteration is passed. This does not apply to an alteration to the name of the Association which does not come into force until registered by CBS, Corporate Affairs Commissionⁱⁱⁱ.

ⁱ In 2014 a Prescribed Association has gross annual receipts of less than \$500,000 – refer to Regulations

ⁱⁱ Notice of appointment and any change in the identity or address of the public officer are to be lodged within one month after the change (Form 10) with Consumer and Business Services (CBS), Chesser House, 91-97 Grenfell Street, Adelaide 5000; postal address: GPO Box 1719, Adelaide 5001.

ⁱⁱⁱ See address in endnote ii above.