

# Songlines Choir Inc

## Rules of Association

### WORDS AND EXPRESSIONS TO HAVE MEANING IN ACT

1. A word or expression that is not defined in these rules, but is defined in the *Associations Incorporation Act 1981* has, if the context permits, the meaning given by the Act.

### NAME

2. The name of the incorporated association is Songlines Choir Inc., herein after called 'the association'.

### OBJECTS

3. The objects of the association are –
  - to further the causes of reconciliation, peace, social justice and environmental responsibility by singing songs centred around these causes; and
  - to make the choir available to sing to all types of audiences; and
  - to encourage members of communities to participate in choral singing; and
  - to develop people's singing abilities, and to encourage them to abandon any notion that they cannot sing; and
  - any other object as the association may from time to time see fit.

### POWERS

4. (1) The association has the powers of an individual.
  - (2) The association may, for example –
    - (a) enter into contracts; and
    - (b) acquire, hold, deal with and dispose of property; and
    - (c) make charges for services and facilities it supplies; and
    - (d) do other things necessary or convenient to be done in carrying out its affairs.
  - (3) The association may take over the funds and other assets and liabilities of the previously unincorporated association known as 'Songlines Choir'.
  - (4) The association may also issue secured and unsecured notes, debentures and debenture stock for the association.

### CLASSES OF MEMBERS

5. (1) The membership of the association consists of –
  - (a) singing members, referred to herein as 'singers'; and
  - (b) associate members
- (2) The numbers of singers and associate members will ordinarily be unlimited. However, from time to time the management committee of the association may limit the number of new singers for special reasons, such as (but not limited to) those of space or practicality.
- (3) Singers may gain membership of the association after at their second rehearsal and may then exercise voting rights;
- (4) Associate members:
  - (a) are not singers, but support the association and its Objects;
  - (b) may serve on the association's management committee; and
  - (c) do not exercise voting rights, except in their capacity as members of the management committee.

### MEMBERSHIP

6. (1) A person who, on the day the association was incorporated, was a member of the unincorporated association and who, on or before a day fixed by the management committee, agrees in writing to become a member of the incorporated association, must be admitted by the management committee to the same class of membership of the association as the member held in the unincorporated association.
- (2) A member of the incorporated association who, before becoming a member, has paid the member's annual subscription for membership of the unincorporated association on or before a day fixed by the management committee, is not liable to pay a further amount of annual subscription for the period before the day fixed by the management committee as the day on which the next annual subscription is payable.
- (3) An applicant for membership of the association, other than the members of the unincorporated association mentioned in subsection (1), must be proposed by 1 member of the association (the "proposer") and seconded by another member (the "seconder").
- (4) An application for membership must be-
  - (a) in writing; and
  - (b) signed by the applicant and the applicant's proposer and seconder; and
  - (c) in the form decided by the management committee.

### MEMBERSHIP FEES

7. (1) The membership fee for each class of membership –
  - (a) is the amount decided by the members from time to time at a general meeting; and
  - (b) is payable when, and in the way, the management committee decides.

### ADMISSION AND REJECTION OF MEMBERS [ This section may need re-working to suit our modus operandi eg 8 (4) the Choir has been doing this job ]

8. (1) The management committee must consider an application for membership at the next meeting of the committee held after it receives -
  - (a) the application; and
  - (b) the appropriate membership fee for the application.
- (2) The management committee must decide at the meeting whether to accept or reject the application.
- (3) If a majority of the management committee members present at the meeting vote to accept the applicant as a member, the applicant must be accepted as a member to the class of membership applied for.
- (4) The secretary of the association must, as soon as practicable after the management committee decides to accept or reject an application, give the applicant a written notice of the decision.

### WHEN MEMBERSHIP ENDS

9. (1) A member may resign from the association by giving a written notice of resignation to the secretary.
  - (2) The resignation takes effect on –
    - (a) the day and at the time the notice is received by the secretary; or

- (3) The management committee may terminate a member's membership if the member –
- is convicted of an indictable offence; or
  - does not comply with any of the provisions of these rules; or
  - has membership fees in arrears for at least 2 months; or
  - fails to renew their membership, in accordance with procedures established by the association; or
  - conducts himself or herself in a way considered to be injurious or prejudicial to the character or interests of the association.
- (4) Before the management committee terminates a member's membership, the committee must give the member a full and fair opportunity to show why the membership should not be terminated.
- (5) If, after considering all representations made by the member, the management committee decides to terminate the membership, the secretary of the committee must give the member a written notice of the decision.
- (6) In this section, a written notice includes a notice sent and received by e-mail.

#### **APPEAL AGAINST REJECTION OR TERMINATION OF MEMBERSHIP**

10. (1) A person whose application for membership has been rejected, or whose membership has been terminated, may give the secretary written notice of the person's intention to appeal against the decision.
- (2) A notice of intention to appeal must be given to the secretary within 1 month after the person receives written notice of the decision.
- (3) If the secretary receives a notice of intention to appeal, the secretary must, within 3 months after the day of receipt, call a general meeting to decide the appeal.
- (4) At the meeting, the applicant must be given a full and fair opportunity to show why the application should not be rejected or the membership should not be terminated.
- (5) Also, the management committee and the committee members who rejected the application or terminated the membership must be given an opportunity to show why the application should be rejected or the membership should be terminated.
- (6) An appeal must be decided by a vote of the members present at the meeting.
- (7) If a person whose application has been rejected does not appeal against the decision within 1 month after receiving written notice of the decision, or the person appeals but the appeal is unsuccessful, the secretary must, as soon as practicable, refund the application fee paid by the person.

#### **REGISTER OF MEMBERS**

11. (1) The management committee must keep a register of members.
- (2) The register of members must include the following particulars for each member –
- the full name and residential address of the member;
  - the date of admission as a member;
  - the date of death or resignation of the member;
  - details about the termination or reinstatement of membership;
  - any other particulars the management committee or the members at a general meeting decide.
- (3) The register must be open for inspection at all reasonable times.
- (4) However, before the member may inspect the register, the member must apply to the secretary to inspect it.

#### **SECRETARY**

12. (1) If the association has not elected an interim officer as secretary for the association before its incorporation, the members of the management committee must ensure a secretary is appointed or elected for the association within 1 month after incorporation.
- (2) If a vacancy happens in the office of secretary, the members of the management committee must ensure a secretary is appointed or elected for the association within 1 month after the vacancy happens.
- (3) The secretary must be an individual residing in Queensland, or in another State but not more than 65 km from the Queensland border, who is
- a member of the association elected by the association as secretary; or
  - any of the following persons appointed by the management committee –
    - a member of the association's management committee;
    - a member of the association;
    - another person.
- (4) The management committee may appoint and remove the association's secretary at any time.

#### **MEMBERSHIP OF MANAGEMENT COMMITTEE**

13. (1) The management committee of the association consists of a chair, deputy chair, treasurer, and any other members the association members elect or appoint at a general meeting.
- (2) A member of the management committee, other than the secretary, must be a member of the association.
- (3) At each annual general meeting of the association, the members of the management committee must retire from office, but are eligible, on nomination, for re-election.

#### **ELECTING THE MANAGEMENT COMMITTEE**

14. (1) A member of the management committee may only be elected as follows –
- any 2 members of the association may nominate another member (the "candidate") to serve as a member of the management committee;
  - the nomination must be –
    - in writing; and
    - signed by the candidate and the members who nominated him or her; and
- (2) A list of nominations that have been given to the secretary, at least 7 days before the annual general meeting at which the election is to be held, must be posted in alphabetical order in a conspicuous at the rehearsal site, throughout the rehearsal immediately preceding the annual general meeting.
- (3) Nominations can be accepted up to the start of the meeting and may also be taken from the floor.
- (4) Each member present at the annual general meeting may vote for any number of candidates not more than the number of vacancies;

## **RESIGNATION OR REMOVAL FROM OFFICE OF MANAGEMENT COMMITTEE MEMBER**

15. (1) A management committee member may resign from the committee by giving written notice of resignation to the secretary.
- (2) The resignation takes effect on –
  - (a) the day and at the time the notice is received by the secretary; or
  - (b) if a later day is stated in the notice - the later day.
- (3) A member may be removed from office at a general meeting of the association if a majority of the members present at the meeting vote in favour of removing the member.
- (4) Before a vote of members is taken about removing the member from office, the member must be given a full and fair opportunity to show cause why he or she should not be removed from office.
- (5) A member has no right of appeal against the member's removal from office under this section.

## **VACANCIES ON MANAGEMENT COMMITTEE**

16. (1) If a casual vacancy happens on the management committee, the continuing members of the committee may appoint another member of the association to fill the vacancy until the next annual general meeting.
- (2) The continuing members of the management committee may act despite a casual vacancy on the management committee.
- (3) However, if the number of committee members is less than the number fixed under these rules as a quorum of the management committee, the continuing members may act only to –
  - (a) increase the number of management committee members to the number required for a quorum; or
  - (b) call a general meeting of the association.

## **FUNCTIONS OF MANAGEMENT COMMITTEE**

17. (1) Subject to these rules or a resolution of the association members carried at a general meeting, the management committee –
  - (a) has the general control and management of the administration of the affairs, property and funds of the association; and
  - (b) has authority to interpret the meaning of these rules and any matter relating to the association on which the rules are silent.
- (2) The management committee may exercise the powers of the association –
  - (a) to borrow, raise or secure the payment of amounts in a way the association members decide; and
  - (b) to secure the amounts mentioned in paragraph (a) or the payment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the association in any way, including by the issue of debentures (perpetual or otherwise) charged upon the whole or part of the association's property, both present and future; and
  - (c) to purchase, redeem or pay off any securities issued; and
  - (d) to borrow amounts from members and pay interest on the amounts borrowed; and
  - (e) to mortgage or charge the whole or part of its property; and
  - (f) to issue debentures and other securities, whether outright or as security for any debt, liability or obligation of the association; and
  - (g) to provide and pay off any securities issued; and
  - (h) to invest in a way the members of the association may from time to time decide.
- (3) For sub-section (2)(d), the rate of interest must not be more than the current rate being charged for overdrawn accounts on money lent (regardless of the term of the loan) by –
  - (a) the financial institution for the association; or
  - (b) if there is more than 1 financial institution for the association - the financial institution nominated by the association.

## **MEETINGS OF MANAGEMENT COMMITTEE**

18. (1) Subject to subsections (2) to (16), the management committee may meet and conduct its proceedings as it considers appropriate.
- (2) The management committee must meet at least once every 4 months to exercise its functions.
- (3) The committee must decide how a meeting is to be called.
- (4) Notice of a meeting is to be given in the way decided by the committee.
- (5) If the secretary receives a written request signed by at least 33% of the management committee members, the secretary must call a special meeting of the committee.
- (6) A request for a special meeting must state –
  - (a) why the special meeting is being called; and
  - (b) the business to be conducted at the meeting.
- (7) At a management committee meeting, more than 50% of the members elected or appointed to the committee as at the close of the last general meeting of the members form a quorum.
- (8) A question arising at a committee meeting is to be decided by a majority vote of committee members present at the meeting and, if the votes are equal, the question is decided in the negative.
- (9) A management committee member must not vote:
  - (a) on a question about a contract or proposed contract with the association if the member has an interest in the contract or proposed contract, and if the member does vote the member's vote must not be counted, or
  - (b) on a payment or other related decision if the member has an interest in the payment or decision that would represent a conflict of interest.
- (10) The secretary must give each management committee member at least 14 days notice of a special meeting of the committee.
- (11) A notice of a special meeting must state –
  - (a) the day, time and place of the meeting; and
  - (b) the business to be conducted at the meeting.
- (12) The chair or, if there is no chair or if the chair is not present within 10 minutes after the time fixed for a management committee meeting, the deputy chair is to preside as chairperson at the meeting.
- (13) If the chair and the deputy chair are absent from a management committee meeting, the members may choose 1 of their number to preside as chairperson at the meeting.
- (14) If a quorum is not present within 30 minutes after the time fixed for a management committee meeting called on the request of committee members, the meeting lapses.
- (15) If a quorum is not present within 30 minutes after the time fixed for a management committee meeting called other than on the request of

committee members, the meeting is to be adjourned to –

(a) the same day, time and place in the next week; or

(b) a day, time and place decided by the committee.

(16) If, at the adjourned meeting mentioned in subsection (15), a quorum is not present within 30 minutes after the time fixed for the meeting, the meeting lapses.

(17) In this section, a written request includes a request sent by e-mail from a member of the committee.

#### **DELEGATION OF MANAGEMENT COMMITTEE POWERS**

19. (1) The management committee may delegate the whole or part of its powers to a subcommittee consisting of the association members considered appropriate by the committee.

(2) A subcommittee may only exercise delegated powers in the way the management committee decides.

(3) A subcommittee may elect a chairperson of its meetings.

(4) If a chairperson is not elected, or if the chairperson is not present within 10 minutes after the time fixed for a meeting, the members present may choose 1 of their number to be chairperson of the meeting.

(5) A subcommittee may meet and adjourn as it considers appropriate.

(6) A question arising at a subcommittee meeting is to be decided by a majority vote of the members present at the meeting and, if the votes are equal, the question is decided in the negative.

#### **ACTS NOT AFFECTED BY DEFECTS OR DISQUALIFICATIONS**

20. (1) An act performed by the management committee, a subcommittee or a person acting as a member of the management committee is taken to have been validly performed.

(2) Subsection (1) applies even if the act was performed when –

(a) there was a defect in the appointment of a member of the management committee, subcommittee or person acting as a member of the management committee; or

(b) a management committee member, subcommittee member or person acting as a member of the management committee was disqualified from being a member.

#### **RESOLUTIONS OF MANAGEMENT COMMITTEE WITHOUT MEETING**

21. (1) A written resolution signed by each member of the management committee for the time being entitled to receive notice of a committee meeting is as valid and effectual as if it had been passed at a committee meeting that was properly called and held.

(2) A resolution mentioned in subsection (1) may consist of several documents in like form, each signed by 1 or more members of the committee.

(3) A signed document mentioned in subsection (1) may consist of a document sent by e-mail from the signatory.

#### **FIRST GENERAL MEETING**

22. (1) The first general meeting must be held not less than 1 month, and not more than 3 months, after the day the association is incorporated.

(2) The management committee must decide where the meeting is to be held.

(3) The business to be conducted at the first general meeting must include the appointment of an auditor.

#### **FIRST ANNUAL GENERAL MEETING**

23. The first annual general meeting must be held within 18 months after the day the association is incorporated.

#### **SUBSEQUENT ANNUAL GENERAL MEETINGS**

24. Each subsequent annual general meeting must be held –

(a) at least once each year, and

(b) within 6 months after the end of the association's previous financial year.

#### **BUSINESS TO BE CONDUCTED AT ANNUAL GENERAL MEETING**

25. The following business must be conducted at each annual general meeting –

(a) receiving the statement of income and expenditure, assets, liabilities and mortgages, charges and securities affecting the property of the association for the last financial year; this statement is required to be prepared under the Associations Incorporation Act 1981, section 59 (Audit and statement).

(b) receiving the auditor's report on the financial affairs of the association for the last financial year;

(c) presenting the audited statement to the meeting for adoption;

(d) electing members of the management committee;

(e) appointing an auditor.

#### **SPECIAL GENERAL MEETING**

26. (1) The secretary may only call a special general meeting by giving each member notice of the meeting within 14 days after –

(a) being directed to call the meeting by the management committee; or

(b) being given a written request signed by –

(i) at least 33% of the members of the association presently on the management committee; or

(ii) at least the number of ordinary members of the association equal to double the number of members of the association presently on the management committee plus 1; or

(c) being given a written notice of an intention to appeal against the decision of the management committee –

(i) to reject an application for membership; or

(ii) to terminate a person's membership.

(2) A request mentioned in subsection (1)(b) must state –

(a) why the special general meeting is being called; and

(b) the business to be conducted at the meeting.

(3) In this section, a written notice includes notification by e-mail to members who have supplied valid e-mail addresses.

## NOTICE OF GENERAL MEETING

27. (1) The secretary may call a general meeting of the association.
- (2) The secretary must give at least 14 days notice of the meeting to each association member.
- (3) The management committee may decide the way in which the notice must be given.
- (4) However, notice of the following meetings must be given in writing –
  - (a) a meeting called to hear and decide the appeal of a member against the rejection or termination of the member's membership by the management committee; or
  - (b) a meeting called to hear and decide a proposed special resolution of the association.
- (5) A notice of a general meeting must state the business to be conducted at the meeting.
- (6) In this section, a notice in writing includes notification by e-mail to members who have supplied valid e-mail addresses.

## QUORUM FOR, AND ADJOURNMENT OF, GENERAL MEETING

28. (1) Subject to subsection (5), at a general meeting the number of members equal to double the number of members of the association presently on the management committee plus 1 form a quorum.
- (2) No business may be conducted at a general meeting unless a quorum of members is present when the meeting proceeds to business.
- (3) If a quorum is not present within 30 minutes after the time fixed for a general meeting called on the request of members of the management committee or the association, the meeting lapses.
- (4) If a quorum is not present within 30 minutes after the time fixed for a general meeting called other than on the request of members of the management committee or the association, the meeting is to be adjourned to –
  - (a) the same day, time and place in the next week; or
  - (b) a day, time and place decided by the management committee.
- (5) If at an adjourned meeting, a quorum under subsection (1) is not present within 30 minutes after the time fixed for the meeting, the members present form a quorum.
- (6) The chairperson may, with the consent of any meeting at which a quorum is present, and must if directed by the meeting, adjourn the meeting from time to time and from place to place.
- (7) If a meeting is adjourned under subsection (6), only the business left unfinished at the meeting from which the adjournment took place may be conducted at the adjourned meeting.
- (8) The secretary is not required to give the members notice of an adjournment or of the business to be conducted at an adjourned meeting unless a meeting is adjourned for at least 30 days.
- (9) If a meeting is adjourned for at least 30 days, notice of the adjourned meeting must be given in the same way notice is given for an original meeting.
- (10) In this rule - "member" includes a person attending as a proxy or representing a corporation that is a member.

## PROCEDURE AT GENERAL MEETING

29. (1) Subject to these rules, at each general meeting –
  - (a) the chair or, if there is no chair or if the chair is not present within 15 minutes after the time fixed for the meeting or is unwilling to act, the deputy chair is to preside as chairperson; and
  - (b) if the deputy chair is absent or unwilling to act as chairperson, the members present must elect 1 of their number to be chairperson of the meeting; and
  - (c) the chairperson must conduct the meeting in a proper and orderly way; and
  - (d) each question, matter or resolution must be decided by a majority of votes of the members present; and
  - (e) each member present and entitled to vote is entitled to 1 vote only and, if the votes are equal, the chairperson has a casting vote as well as a primary vote; and
  - (f) a member is not entitled to vote at a general meeting if the member's annual subscription is in arrears at the date of the meeting; and
  - (g) voting may be by a show of hands or a division of members, unless at least 20% of the members present demand a secret ballot; and
  - (h) if a secret ballot is held, the chairperson must appoint 2 members to conduct the secret ballot in the way the chairperson decides; and
  - (i) the result of a secret ballot as declared by the chairperson is taken to be a resolution of the meeting at which the ballot was held; and
  - (j) a member may vote in person or by proxy or by attorney and –
    - (i) on a show of hands, each person present who is a member or a representative of a member has 1 vote; and
    - (ii) in a secret ballot, each member present in person or by proxy or by attorney or other properly authorised representative has 1 vote; and
  - (k) an instrument appointing a proxy must be in writing; and –
    - (i) if the appointor is an individual - signed by the appointor or the appointor's attorney properly authorised in writing; or
    - (ii) if the appointor is a corporation - either under seal or signed by a properly authorised officer or attorney of the corporation; and
  - (l) a proxy may be a member of the association or another person; and
  - (m) the instrument appointing a proxy is taken to confer authority to demand or join in demanding a secret ballot; and
  - (n) if someone wants to give a member an opportunity to vote for or against a resolution, the instrument appointing a proxy must be in the following or like form –

**songlines** Choir Inc.

I, \_\_\_\_\_ of \_\_\_\_\_, being a member of the association, appoint \_\_\_\_\_ of \_\_\_\_\_, as my proxy to vote for me on my behalf at the (annual) General Meeting of the association, to be held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and at any adjournment of the meeting.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signature:

**This form is to be used \*in favour of \*against the resolution. \*Strike out whichever is not wanted.**

**(Unless otherwise instructed, the proxy may vote as the proxy considers appropriate.); and**

- (o) each instrument appointing a proxy must be given to the secretary before the start of the meeting or adjourned meeting at which the person named in the instrument proposes to vote; and
- (p) the secretary must ensure full and accurate minutes of questions, matters, resolutions and other proceedings of each management committee meeting and general meeting are entered in a minute book; and
- (q) the secretary must ensure the minute book for each general meeting is open for inspection at all reasonable times by any financial member who previously applies to the secretary for the inspection.

- (2) To ensure the accuracy of the minutes recorded under subsection (1)(p) –
- (a) the minutes of each management committee meeting must be signed by the chairperson of the meeting, or the chairperson of the next management committee meeting, verifying their accuracy; and
  - (b) the minutes of each general meeting must be signed by the chairperson of the meeting, or the chairperson of the next general meeting, verifying their accuracy; and
  - (c) the minutes of each annual general meeting must be signed by the chairperson of the meeting, or the chairperson of the next meeting of the association that is a general meeting or annual general meeting, verifying their accuracy.

#### **BY-LAWS [ POLICIES ]**

30. (1) The management committee may make, amend or repeal by-laws, not inconsistent with these rules, for the internal management of the association.  
 (2) A by-law may be set aside by a vote of members at a general meeting of the association.

Our hard won Policies born from experience currently hold little H<sub>2</sub>O – they don't exist in our legal framework. As we *have* named our by-laws 'Policies', an amendment to rules should be registered with Office Fair Trading; or chair should change 'Policies' to 'By-Laws'; or find better name and register. Refer 31.

#### **ALTERATION OF RULES**

31. (1) Subject to the *Associations Incorporation Act 1981*, these rules may be amended, repealed or added to by a special resolution carried at a general meeting (*ie. either a General Meeting or Special General Meeting or Annual General Meeting.*)  
 (2) However an amendment, repeal or addition is valid only if it is registered by the chief executive (Office of Fair Trading, Qld Government).

#### **COMMON SEAL**

32. (1) The management committee must ensure the association has a common seal.  
 (2) The common seal must be –
- (a) kept securely by the management committee; and
  - (b) used only under the authority of the management committee.
- (3) Each instrument to which the seal is attached must be signed by a member of the management committee and countersigned by –
- (a) the secretary; or
  - (b) another member of the management committee; or
  - (c) someone appointed by the management committee.

#### **FUNDS AND ACCOUNTS**

33. (1) The funds of the association must be kept in an account in the name of the association in a financial institution decided by the management committee.  
 (2) Records and accounts must be kept in the English language showing full and accurate particulars of the financial affairs of the association.  
 (3) All amounts must be deposited in the financial institution account as soon as practicable after receipt.  
 (4) If an amount of \$100 or more is paid by cheque, the cheque must be signed by any 2 of the following –
- (a) the chair;
  - (b) the secretary;
  - (c) the treasurer;
  - (d) another member authorised by the management committee for the purpose.
- (5) Cheques, other than cheques for wages, allowances or petty cash recoupment, must be crossed 'not negotiable'.  
 (6) A petty cash account must be kept on the imprest system, and the management committee must decide the amount of petty cash to be kept in the account.  
 (7) All expenditure must be approved or ratified at a management committee meeting.  
 (8) The treasurer must, as soon as practicable after the end of each financial year, ensure a statement containing the following particulars is prepared –
- (a) the income and expenditure for the financial year just ended;
  - (b) the association's assets and liabilities at the close of the year;
  - (c) the mortgages, charges and securities affecting the property of the association at the close of the year.
- (9) If the association is incorporated within 3 months before the end of the association's financial year, subsection (8) does not apply for the financial year in which the association is incorporated.  
 (10) The auditor must examine the statement prepared under subsection (8) and present a report about it to the secretary before the next annual general meeting following the financial year for which the audit was made.  
 (11) The income and property of the association must be used solely in promoting the association's objects and exercising the association's powers.

#### **DOCUMENTS**

34. The management committee must ensure the safe custody of books, documents, instruments of title and securities of the association.

#### **FINANCIAL YEAR**

35. The financial year of the association closes on 30 June in each year.

#### **DISTRIBUTION OF SURPLUS ASSETS TO ANOTHER ENTITY**

36. (1) This section applies if the association –
- (a) is wound-up under Part 10 of the Act viz. Winding-up; and
  - (b) it has surplus assets.
- (2) The surplus assets must not be distributed among the association members.  
 (3) The surplus assets must be given to another entity –
- (a) having objects similar to the association's objects; and
  - (b) the rules of which prohibit the distribution of the entity's income and assets to its members.
- (4) In this section - "**surplus assets**" has the meaning given by Section 92(3) of the Act, viz. Distribution of surplus assets.