

# **Constitution of The New South Wales Council for Intellectual Disability**

**(ACN 001 318 967)**

**(ABN 25 001 318 967)**



**Easy Read**

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# Volume 1 – Introduction and not-for-profit provisions

## 1. Introduction



1.1 Welcome to the constitution of The NSW Council for Intellectual Disability.

The New South Wales Council for Intellectual Disability is also called CID.



### 1.2 What is the constitution?

CID is a company.

There are rules for CID.



The rules are in this constitution.

This constitution is a legal agreement between

- CID and members
- CID and Directors and the Secretary
- Between members





### 1.3 What is in this constitution?

The constitution talks about important things.

CID's work

- how CID works
- how CID is managed



Members

- how to become a member
- the role of members



Directors

- how directors are appointed
- the role of directors



## Meetings

- the process for holding meetings of CID's members and directors



## Finance

- what CID can do with its money
- what happens to CID's money and things CID owns if CID closes down

## 2. Definitions and interpretation



### 2.1 What do the words in bold mean?

There are some words that are not Easy Read.

Here is a list of these words and what they mean.

These words will be in bold.



**ACNC Act** means the Australian Charities and Not-for Profits Commission Act 2012 (Cth),

**Applicable Not-for-Profit Law** means any law about what charities and not-for-profit organisations have to do.

This includes

- ACNC Act,
- Charities Act 2013 (Cth),
- Charitable Fundraising Act,
- Tax Act
- section 150 of the Corporations Act

It also means following any other decisions under any law.





**Board** means CID's Board of Directors.



**Chairperson** means a director who is appointed by the Board as the chairperson of CID.



**CEO or Chief Executive Officer** means an employee appointed by the Board to manage CID.



**Charitable Fundraising Act** means the laws in any State or Territory of Australia that say how fundraising can be done.

This includes Charitable Fundraising Act 1991 (NSW).



**Corporations Act 2001 (Cth)** is a law for companies. CID is a company so has to follow this law.

The Corporations Act is called **the Act** when it is referred to in the constitution.



**Individual Members** means people want to support CID's objects.



**Officer** is the CID Secretary, Treasurer or auditor.



**Office Bearer** means the Chairperson, Vice Chairs, Secretary and Treasurer.



**Organisation Members** means organisations whose purpose aligns with CID's purpose that are members.



**Secretary** means a person appointed as secretary of CID.



**Australian Government**  
**Australian Taxation Office**



**Tax Act** means the Income Tax Assessment Act 1997 (Cth). It includes any changes to the Act or decisions made by the Australian Tax Office.

**Treasurer** means the person appointed as treasurer of CID



**Vice Chair** means a person appointed by the Board as Vice Chair of CID

## 2.2 Rules for the constitution

These rules help you read the constitution



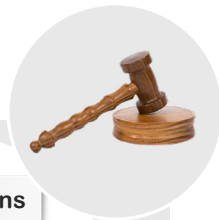
In the constitution words like person can mean one person or more.



You can tell by reading the section if these special rules apply.



Where the constitution gives the name of a law it also includes the regulations.



Regulations are extra information to go with a law.



If the constitution says something has to be done in writing this includes sending it electronically.



An example is by email.



There are headings in the constitution.

This is to help read the constitution.

The headings do not change what the constitution means.



## 3. Objects



### 3.1 The Objects of the Constitution say

- the reason CID has been set up
- what CID wants to achieve



### 3.2 CID promotes the human rights of people with intellectual disability under the Convention on the Rights of Persons with Disabilities.

We do this in all our work.



### 3.3 Information

We provide information about the issues that affect people with intellectual disability.

We share information with

- people with intellectual disability
- their supporters and families
- organisations
- government
- the community



### 3.4 Advocacy

We advocate on the issues that are important for people with intellectual disability.

Our advocacy is led by and includes people with intellectual disability.

We work with other organisations that have the same values and goals as CID.



### 3.5 Inclusion

CID works so that people with intellectual disability

- are included in their community
- are involved in making decisions about their lives
- can get the supports they need.



### 3.6 Projects

CID will do projects to

- build the skills, ability and knowledge of people with intellectual disability
- make sure people with intellectual disability are included in the community





### 3.7 CID powers

**Powers** means what CID can do.

Under **the Act** CID has the same powers

- an individual, and
- a company limited by guarantee

These powers can only be used to do the things listed above as CID's object.

## 4. Income and property



### 4.1 How can CID's income and property be used?

**Income** is CID's money.



**Property** is things that CID owns.



CID's income and property must only be used for its objects.

This means it can only be used for the work that we say is important to CID in the objects section.



### 4.2 Can members be given CID's income and property?

Members cannot be given any of CID's income or property.



#### 4.3 Are directors and committee members paid fees?

CID directors and committee members are not paid for being a director or committee member.



Directors can be paid expenses if they have to pay for something to do their work on the Board.



Directors can be paid for work they do for CID that is not part of their work as directors.



The **Board** must decide what payments can be made to directors.



#### 4.4 What does CID need to do when it receives a donation?

CID can accept gifts or donations of money or property from the public.



If CID accepts

- a gift
- donation of money
- donation of property



CID must issue a receipt if it is required by the laws.

This includes the **Applicable Not-for-Profit Laws**.



4.5 CID will at all times make sure it follows all the **Applicable Not-for-Profit Laws**.

# Volume 2 – Members

## 5. Membership

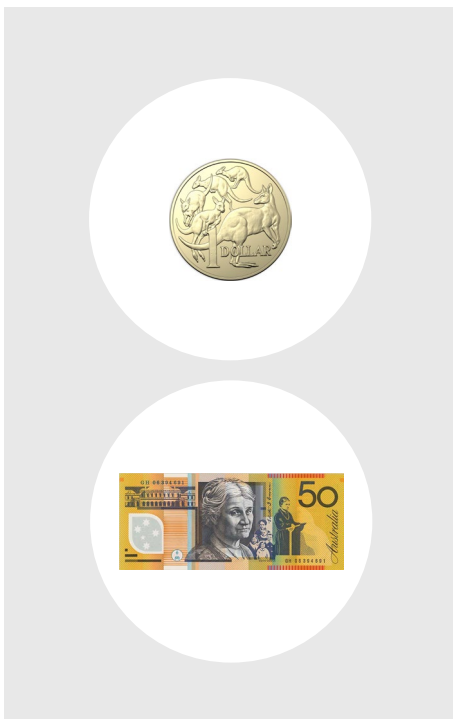


### 5.1 What is the liability of members?

**Liability** means money to be paid by members if CID

- closes down and
- owes money.

This would only need to be paid in very special situations.



The amount members may have to pay is limited to

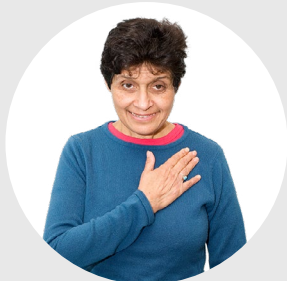
- \$1 for **Individual Members**
- \$50 for **Organisation Members**



## 5.2 Who are the members of CID?

CID members are

- Organisation Members
- Individual Members
- Members with intellectual disability
- Life Members

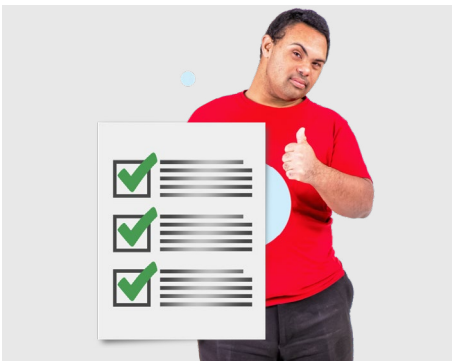




### 5.3 How to apply to be a member

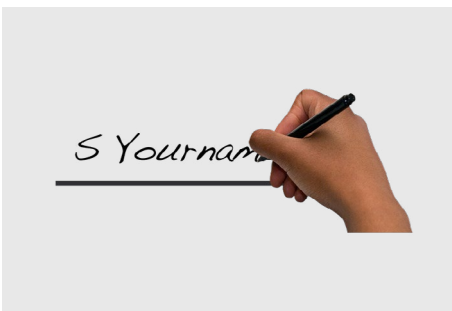
Anyone who wants to be a member must fill out a membership form.

This is a form set by the **Board** for applications



The form says you

- agree to be a member,
- will pay the membership fee if there is one
- agree with the constitution and Ethical Framework



You must

- sign the application



## 5.4 Do members have to pay fees to be a member?

The Board decides if members need to pay a fee to

- apply to be a member or
- continue to be a member.



The Board decides when the fees are due.

A person must pay the fee if there is one.



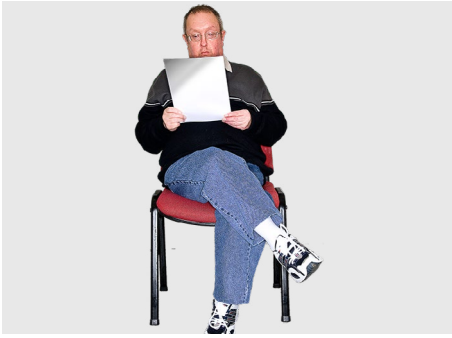
## 5.5 How does CID decide who can be a member?

The **Board** decides whether someone can be a member.



The **Board** can say no to someone being a member.

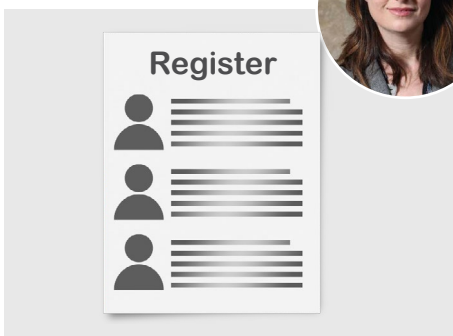
The Board does not have to give a reason why.



If the **Board** says no to someone being a member

- they will be told in writing
- the membership fees will be given back.

If the **Board** approves someone being a member the **CEO** or delegate will tell the new member in writing



## 5.6 Register of members

The **CEO** must keep a register of members.

This is a list.



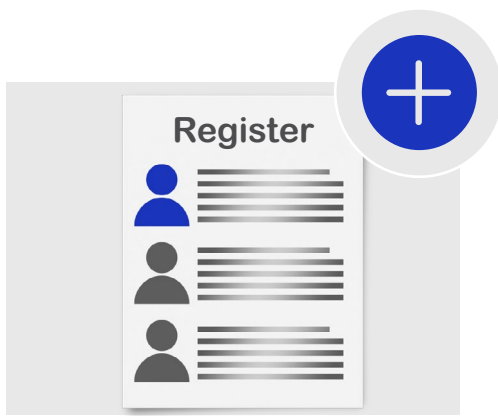
The list must include

- their name
- their address
- the date they became a member
- the membership type
- the date someone stopped being a member

It must have this information

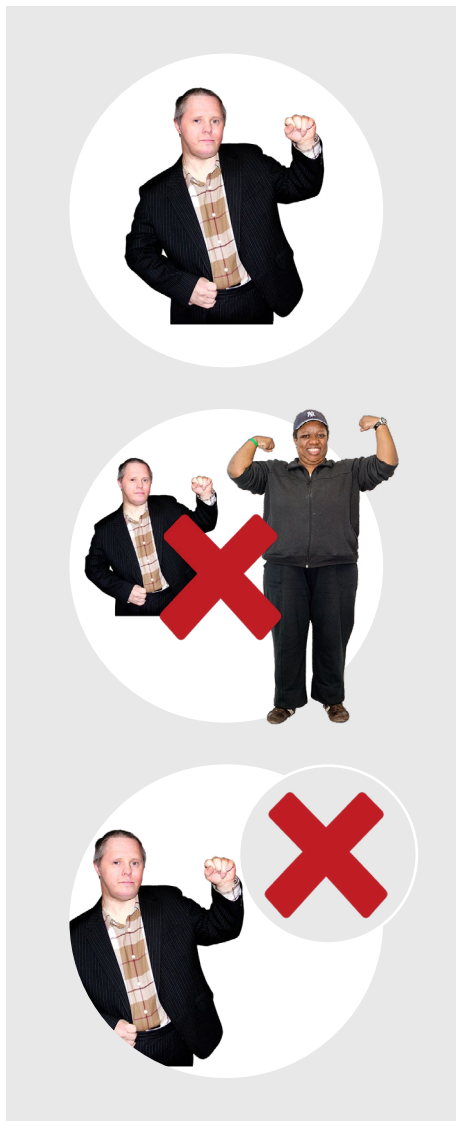
- about all members and
- people who stopped being members in the last 7 years





### 5.7 When does a new member become a member?

If the **Board** approves a new member they are a member when their information is put in the register of members.

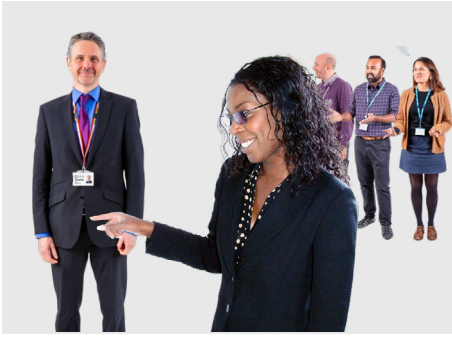


### 5.8 Members rights

The Constitution explains what rights members have.

Members cannot give their rights as a member to anyone else.

A member's rights end when they stop being a member of CID.



## 5.9 How do Organisation Members attend meetings and vote?

When an organisation is a member they nominate someone to represent them.

This person can

- attend meetings
- make a vote for the Organisation Member

This person is called the **Organisation Member Representative**.



An **Organisation Member** can appoint more than 1 representative.

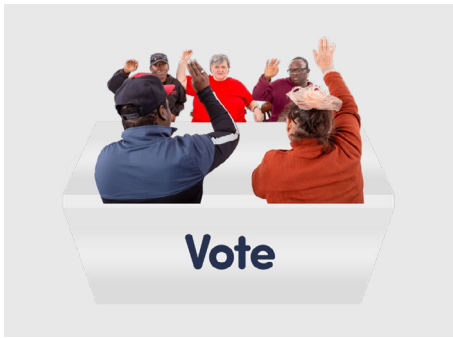
Only 1 representative can be the **Organisation Member Representative** at a time and

- attend meetings
- vote for the **Organisation Member**



When an organisation chooses a representative they can tell the person what to do.





### 5.11 How many votes do members have at a meeting?

Every member gets 1 vote.



### 5.12 What is an Honorary Life Member?

The Board can recommend someone be an **Honorary Life Member** of CID.

We call this a Life Member.



At the AGM members vote to decide if the person will be a **Life Member**.

A Life Member can do the same things as an Individual Member.



## 6. Membership fees



### 6.1 Do members have to pay for membership?

The Board decides if members have to pay for membership.



The Board decides when the fees have to be paid.



### 6.2 What happens when a member does not pay membership fees?

The Board can decide what happens if someone does not pay the membership fee.



## 7. End of membership



### 7.1 How does a member stop being a member?

A member can stop being a member any time.

They need to tell the **CEO** they want to stop being a member.

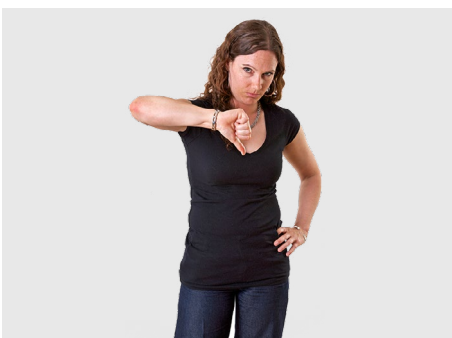
The member must pay any membership fees they owe.



### 7.2 Can the Board decide to end a membership?

The Board can decide to end a membership.

The Board does this at a Board meeting.



The Board can end a membership because

- The member does not follow the rules of the constitution
- The member does things that are bad for CID.



The Board must tell the member it wants to end their membership.



The Board must give the member reasonable time to reply.



The Board must invite the member to the meeting.

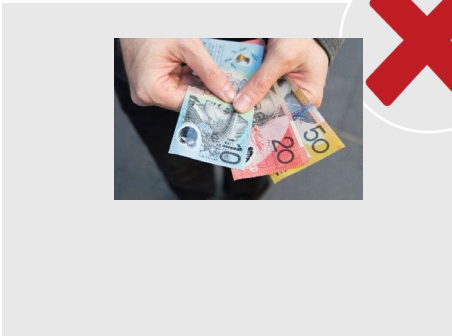


The Board must say whose membership they want to end.

The Board will listen to anything the member says.



The Board will decide whether to cancel the membership.



**7.3 Do members get their fees back when their membership ends?**

A member does not get their fees back when their membership ends.

# Volume 3 – CID Meetings

## 8. Meetings



### 8.1 What is a general meeting?

A general meeting is a meeting with CID's

- Directors
- Members



### 8.2 What is an Annual General Meeting?

CID must have at least 1 general meeting every year.



This is called the **Annual General Meeting**.

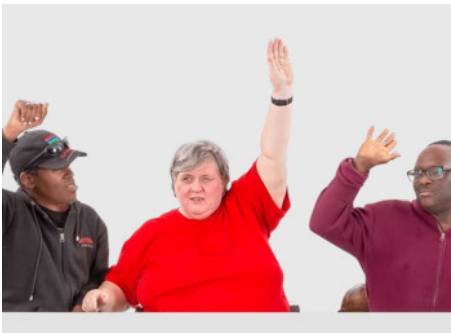
It is called AGM for short.



### 8.3 When does CID have a general meeting?

The Board can decide when to have a general meeting.

The Board can do this any time.



### 8.4 Members can ask for a general meeting

Members can also ask to have a general meeting.



The members have to write to the Board.

At least 10 percent of CID members must ask for the general meeting.



### 10 percent means

- When there are 100 members
- 10 members must want the meeting.



### 8.5 How does CID invite people to a general meeting?

The Board must tell all the members there will be a meeting.

This is called sending a notice.



The notice must be sent at least 21 days before the meeting.

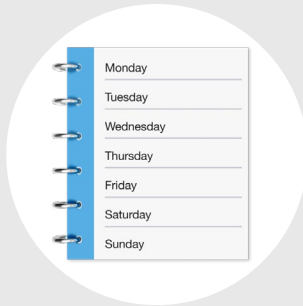


The members can decide that the notice can be shorter.



The notice must give

- address of the meeting (if any)



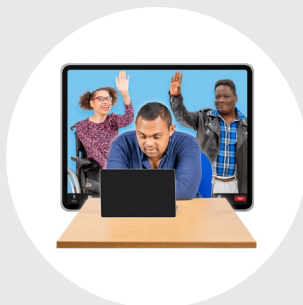
- the date



- the time



- what the meeting is about



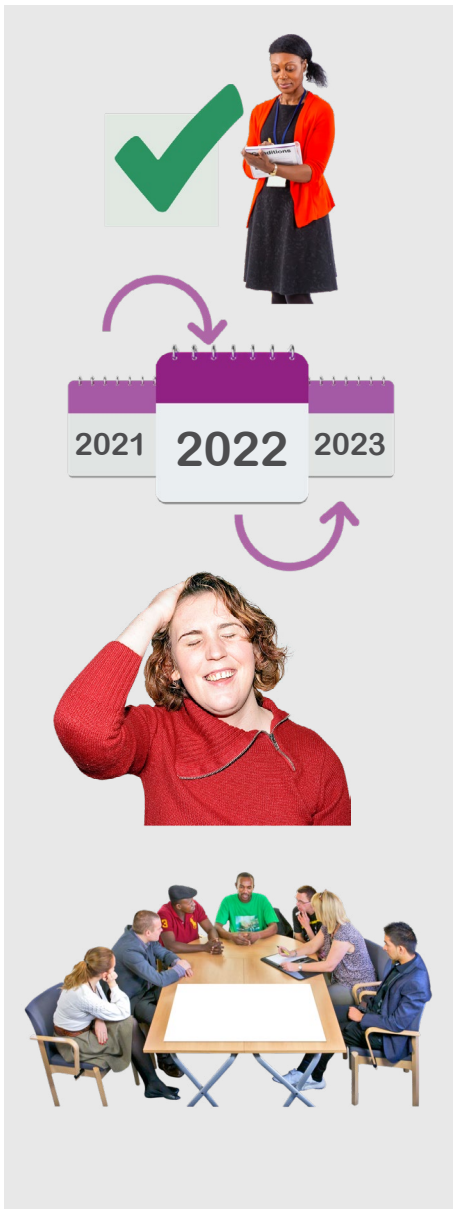
- what technology will be used at the meeting (if any).



**Technology** means it will be online like on Zoom.

The notice does not have to say anything about

- reports about CID's money
- election of directors
- election or pay for auditors.



**Auditors** check CID's business records to make sure they are right.

They do this once each year.

Sometimes a member may not get a notice by mistake.

If this happens members at the general meeting can still make decisions.

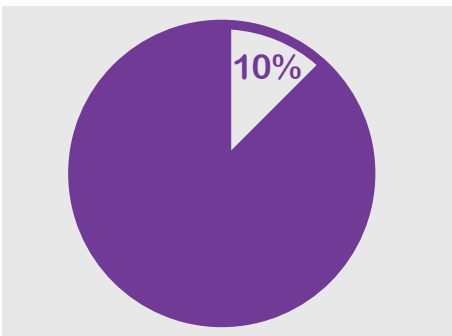




## 8.6 Who must get a notice?

CID must send a notice to all

- Members
- Auditor
- Directors



## 8.7 How many members must be at a general meeting?

At least 10 percent of members must be at the meeting.



This is called a **quorum**.

They can be at the meeting

- In person
- Online

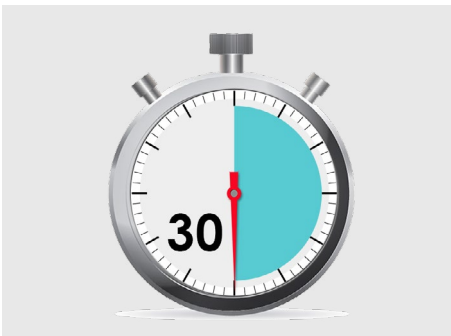


The number of CID members changes.



This means the quorum is not the same number every time.

There must be enough people for a quorum for the whole meeting.



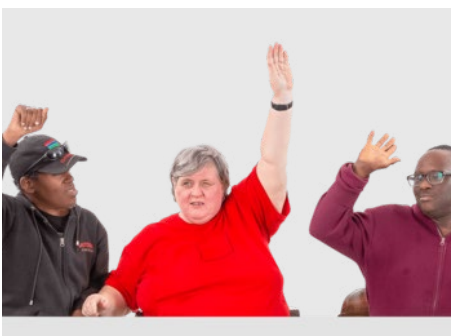
There must be a quorum in 30 minutes from the meeting start time.

The meeting must be **adjourned** if there is not a quorum after 30 minutes.



**Adjourned** means the meeting is put off to another date.

The Board will decide on a new date for the meeting.

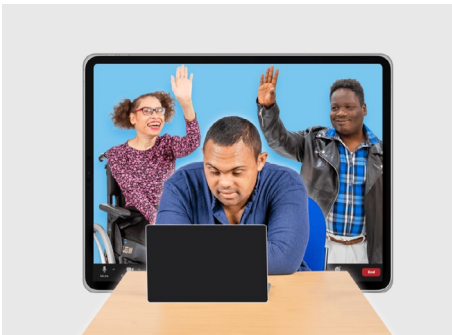


If the members asked for the meeting there will be no new meeting.



At the new meeting if there is not a quorum in 30 minutes the meeting can happen if

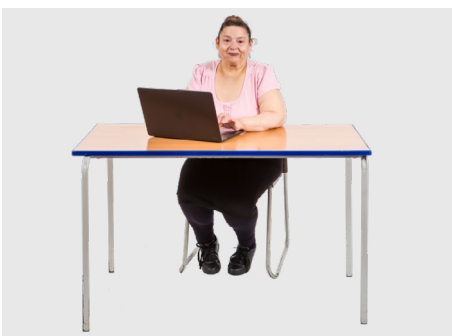
- All directors are at the meeting and
- 2 members



### **8.8 Can CID use technology to hold meetings?**

CID can use technology to hold general meetings including:

- by having meetings using only technology; and
- by having meetings where people can attend in person or by using technology.



People who use technology get counted as being at the meeting.

They are counted in the quorum.



## 8.9 Who is the chairperson at a meeting?

The **Chairperson** is the person who runs the meeting.



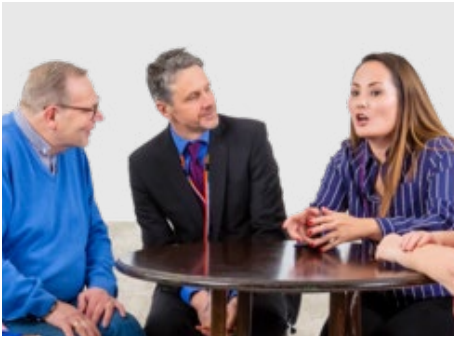
The Chairperson of the Board is the chairperson at a general meeting.



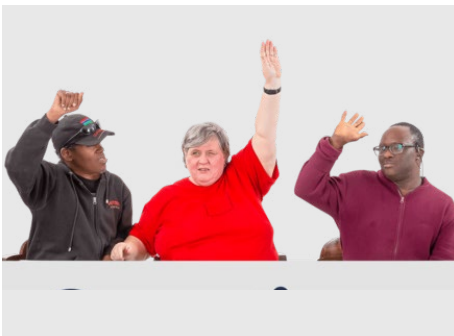
The Chairperson cannot be more than 15 minutes late to the meeting.



If the Chairperson is not there after 15 minutes the Vice Chair will run the meeting.



A **Vice Chair** is someone who does the work of the Chairperson when they cannot come to a meeting.



If there is

- no Vice Chair or
- they do not want to be the chair at the meeting

the members can vote for someone to run the meeting.

## 8.10 Adjourning meetings

To adjourn a meeting means to stop the meeting and set a new meeting time.

The members can ask the chairperson to adjourn a meeting.

The chairperson will choose a new date and time.

At the new meeting members can only talk about topics from the meeting that was adjourned.

They cannot talk about any new topics.

If the meeting is adjourned for more than 30 days CID must follow the rules for inviting members to the new meeting.



## 8.11 How do members vote at a general meeting?



Members put their hand up to vote.



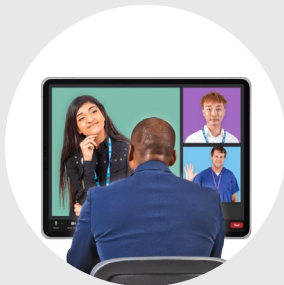
The chairperson can ask for a secret vote.



At least 5 members or members with 5% of votes can also ask for a secret vote.



A **secret vote** means members vote on a piece of paper.



The chairperson can decide to do the secret vote in a different way.

This could be voting online.



When there is a vote the chairperson says how the members have voted.

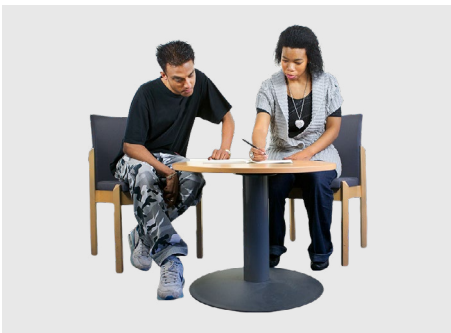


The chairperson's announcement is proof of the result.

There will be no change if the same number of members vote for and against a resolution



To be able to vote a member has to have paid their fees.



Sometimes a member may have someone who makes decision for them.

That person can vote for the member.





## 8.12 Voting by proxy

A member can appoint a person to vote for them if they cannot attend a general meeting to vote on changes to the constitution.

This is called a proxy.



A proxy is appointed on a form sent with the AGM notice.

The form must be received by CID 2 days before the AGM.



The form must be sent to the address or email address in the AGM notice.

A form appointing a proxy can say that a proxy has to vote a certain way.

The proxy must also be a CID member.

# Volume 4 - Board

## 9. Board

### 9.1 Number of Directors

The people on the **Board** are called directors.

There must be at least 6 directors.

There can be up to 15 directors.



Half or more of the directors must be people with intellectual disability.



Members can vote to have more or less directors.

This vote can happen through an **ordinary resolution**.

## 9.2 How does a person become a director?

Any member can nominate another member to be a director.

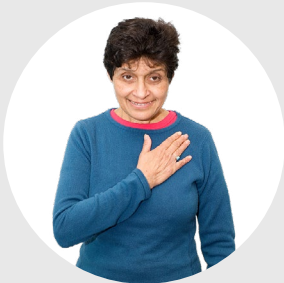
Nominations have to be in writing.

You can nominate yourself to be a director.

If you nominate yourself you need to sign the nomination to say you agree to be a director if you are elected.

If you are nominating someone else you need to sign the nomination.

The person you are nominating has to sign to say they agree to be a director if they are elected.





People who need help with writing can sign the form in any way or have someone sign for them.



Nominations have to be sent to the CEO.



Nominations have to be made at least 28 days before CID's Annual General Meeting.



**Organisation members** cannot be on the Board.



**Vote**

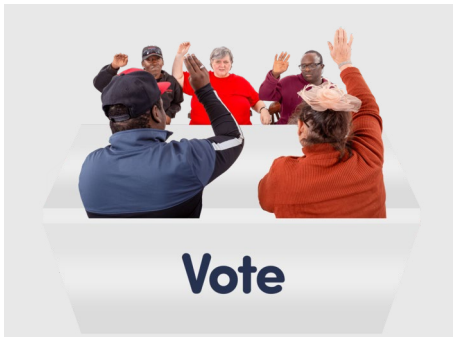


### 9.3 Voting

If there are more people nominated than available places on the **Board** there will be a vote.

Voting papers will be sent to every member at least 21 days before the Annual General Meeting.

This is also called the AGM.



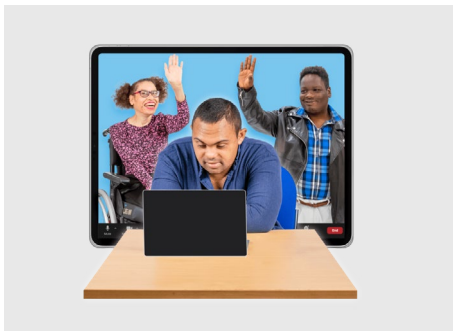
Every member can vote for who they want to be on the **Board**.

To vote you use the voting paper.



The voting paper must be

- sent to CID at least 7 days before the AGM or
- put in the voting box at the AGM

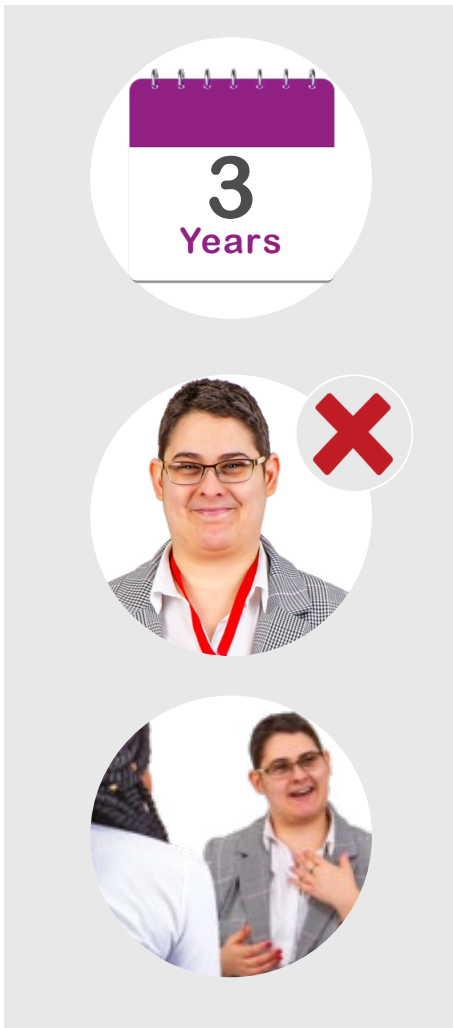


If a member is attending online they can verbally tell a CID staff member or the CEO who they want to vote for.



You can only be a director if you

- are over 18 years old
- have agreed in writing to be a director.  
Someone can ask for another person to write for them
- are a CID member
- are allowed to be a director by **the Act**



## 9.4 How long can a person be a director?

A person is appointed as a director for 3 years.

This is called a 3 year term.

After 3 years the term ends.

This means they stop being a Board member.

They can nominate to be a director again.



## 9.5 What stops a person being a director?

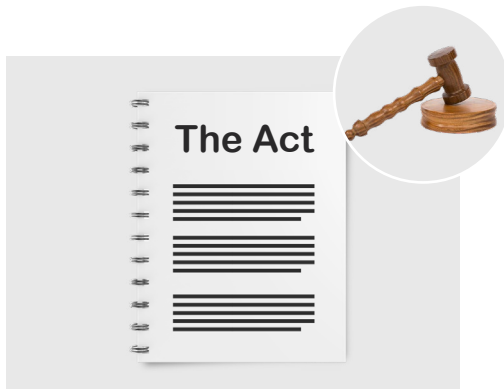
There are things that stop a person being a director.

This list explains all the reasons.

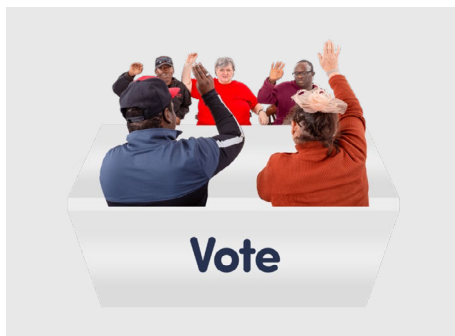
- They become **bankrupt**.

Bankrupt means they have gone through a legal process where the Court says they cannot pay their debts.

The court then makes them bankrupt.



- **The Act** says they cannot be a director.
- The **ACNC Act** says they cannot be a director.
- They tell the Secretary they want to resign and not be a director.
- They are removed by the members.



The members need to have a meeting and vote to remove the person as a director.

Members can choose another person as a director.



This person will be a director for the amount of time that other director had until their term would end.



They can nominate to be a director again.

- A director does not attend 3 **Board** meetings in a row without approval from the Board.
- A director stops being a member of CID.
- The director dies.
- The director has a conflict of interest and does not tell the Board about it.



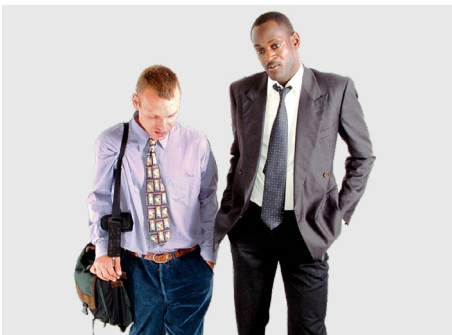


## 9.6 Conflict of interest

If you have a **conflict of interest** you must tell the **Board**.



A **conflict of interest** is if something in your life outside CID makes it hard for you to make a fair decision.



This is called a **material personal interest**. It means you have to have a big involvement with the thing outside CID.



When you have a conflict of interest you must not be part of a meeting while the Board

- discusses it or
- makes a decision



If you do vote your vote will not be counted.



You can be at the meeting or be part of the decision if the other directors decide that is OK.



The directors need to name the director with a conflict and say

- what the conflict is and
- that they think it is OK that the director votes or is at the meeting.



## 9.7 Casual vacancies

A casual vacancy means a director resigns before their 3 year term ends.

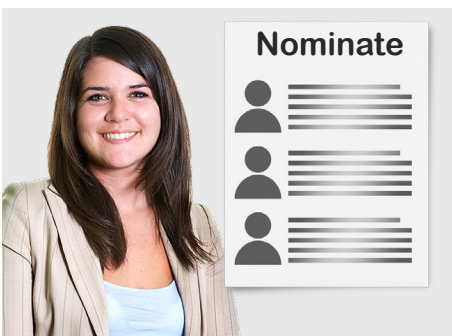


The **Board** can choose a member to be a director.

They will then fill a **Casual Vacancy**.



A director who fills a **Casual Vacancy** will stop being a director at the same date the term of the person they replaced would have ended.



They can nominate again if they want to keep being a director.



## 9.8 What is an Office Bearer?

**Office Bearers** are Board members.

These people have special roles on the Board.



The **Office Bearers** for CID are

- Chairperson
- up to 2 Vice Chairs
- Treasurer
- Secretary



The **Chairperson** is the person who leads the Board of directors.



The **Vice Chairs** lead the Board when the Chairperson is not available.

They support the Chairperson.



The **Treasurer** helps the Board to understand the finances better.

The Treasurer looks very closely at the finances.



The **Secretary's** role includes taking minutes of the meetings.



Minutes are notes of what happened at the meeting.



### 9.9 How are Office Bearers appointed?

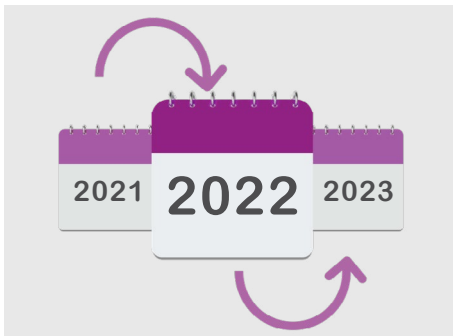
At the Board meeting after the Annual General Meeting the Board decides who will be Office Bearers.

Any director can say they want to be an Office Bearer.

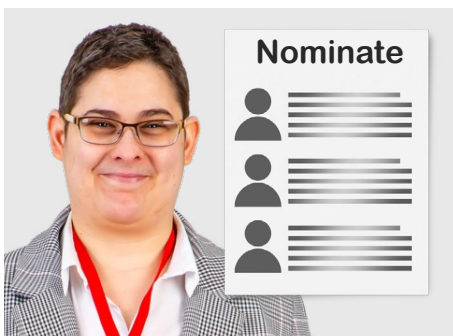


## 9.10 How long can someone be an Office Bearer?

**Office Bearers** do the role for 1 year.



You can be an **Office Bearer** in the same role for 3 years in a row.



At the end of 3 years you have to wait 1 year until you can nominate yourself to hold the same role again.



After 3 years you can hold a different **Office Bearer** role.

You can only be an **Office Bearer** if you are also a director.





### 9.11 Can the Board remove Office Bearers?

The **Board** can remove an Office Bearer at any time.



The Board can put a new Office Bearer in that person's role.



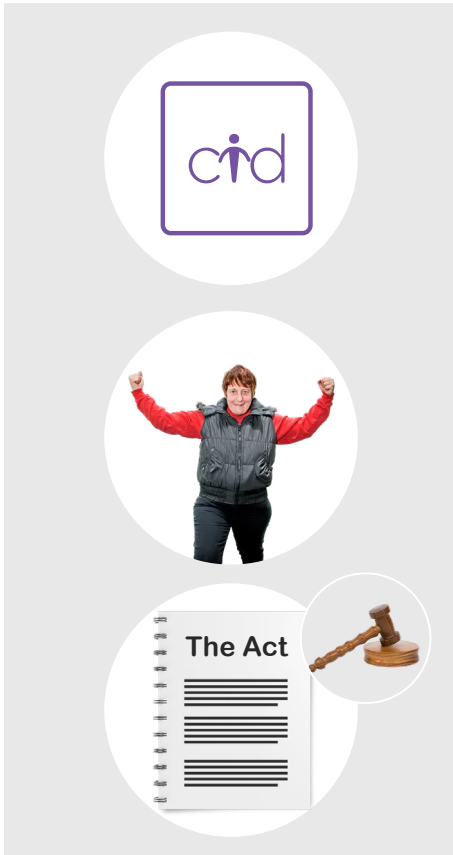
The **Board** can appoint a director as **Office Bearer** if an **Office Bearer** role is vacant.



If a new **Office Bearer** is appointed they stay in the role until the time is up of the **Office Bearer** they replaced.

They can nominate at the end of this time to be an Office Bearer again.

## 10. Role of the Board

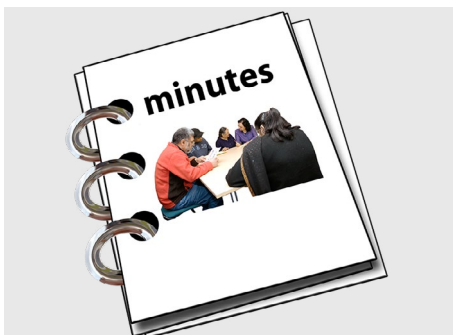


### 10.1 What is the role of the Board?

The **Board** is in charge of CID of the management of CID.

The Board can exercise all **powers** of CID except the things the constitution says are the members' responsibilities.

It must follow the **Act** and this constitution.

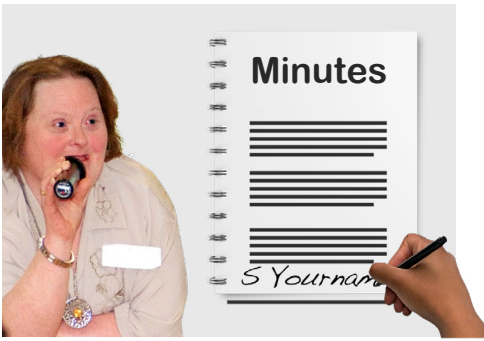


### 10.2 Minutes

The Board must make sure minutes are made of

- all appointments of **Officers**
- names of every director at each general meeting
- names of CID directors at **Board** meetings
- what happens at general meetings of CID and **Board** meetings
- resolutions passed by members and directors without a meeting.





The Chairperson of the meeting must sign the minutes.

They can sign it in handwriting or using technology.



The members can approve the minutes of an Annual General Meeting at the next Annual General Meeting.

## 11. Board meetings and delegating responsibility

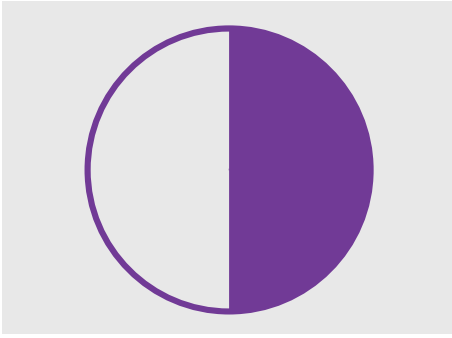


**11.1 How many directors must be at a meeting?**

There must be quorum to hold the meeting.



A quorum means there are enough directors to hold the meeting.

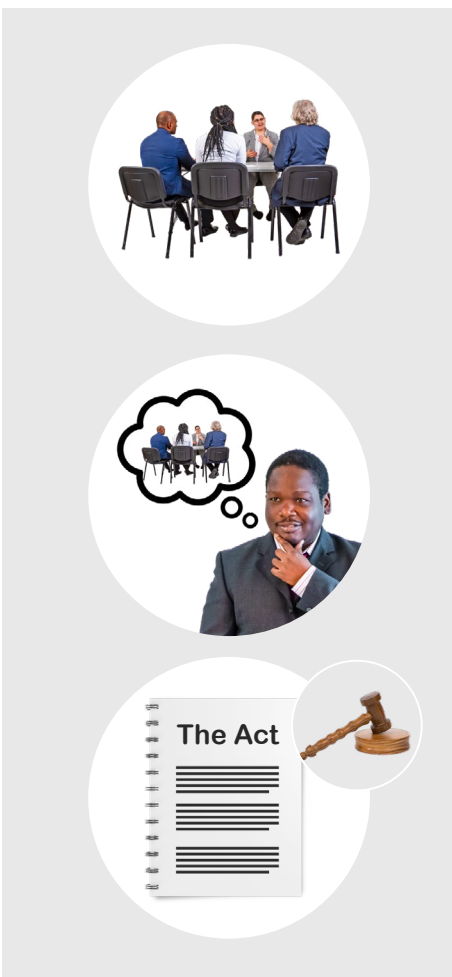


For the Board a quorum is half the number of directors plus 1 or more directors.



If the Board has 15 directors the quorum would be 8.

There must be a quorum for the whole **Board** meeting.



## 11.2 When does the Board have meetings?

The **Board** can have meetings whenever it wants.

The Board can decide how to run the meetings.

Meetings have to follow the rules of **the Act**.



A **quorum** of the **Board** can meet at any time.

The **Secretary** must arrange a **Board** meeting if a director asks them to.



A Director can call a **Board** meeting by giving reasonable notice to other directors.

Notice of meetings can be done in any way the directors agree.



### 11.3 What happens if there are not enough directors?

If there are not enough directors to make a quorum because directors have left the Board the directors must

- appoint new directors. They must follow the casual vacancy rules
- call a general meeting.



#### 11.4 Who is the chairperson of Board meetings?

The **Chairperson** will chair every **Board** meeting.



If there is

- no **Chairperson**
- the **Chairperson** is not at a Board meeting in 15 minutes from the start time

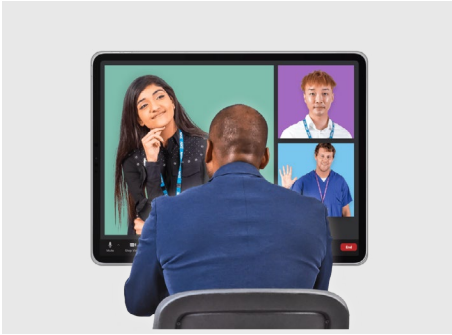
a **Vice Chair** will act as chairperson.



If there are

- no **Vice Chairs** or
- the **Vice Chairs** are not at the meeting 15 minutes from the start time or
- the **Vice Chairs** do not want to be chairperson

the **Board** will pick a **Board** member to be the chairperson for the meeting.



### 11.5 Can technology be used to hold Board meetings?

The Board can use technology to hold a meeting if all directors agree.

Technology is things like video or phone meetings.



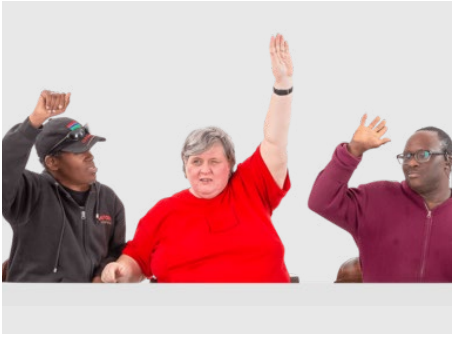
Directors can make a **standing agreement** to use technology at Board meetings.

This means they do not have to agree to use technology before every meeting.



A director can say they do not want to use technology for a Board meeting.

They must say this at least 2 days before the meeting.



## 11.6 How do directors vote at Board meetings?

When there is a vote at a Board meeting the decision is the one that gets the most votes.



If there are the same number of votes for and against a decision it will not be passed.



## 11.7 Can directors vote without a meeting?

Directors can vote about something without a meeting.



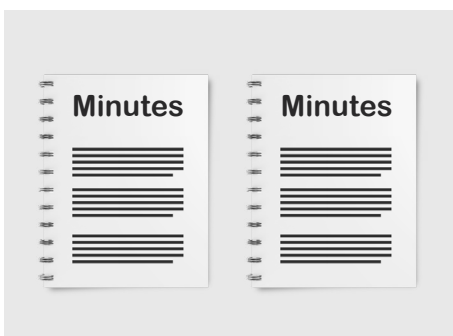
To do this all directors sign a document which has the decision in writing.



The document can be signed electronically or by the directors sending an email agreeing to the decision.



Directors can sign a different copy of the document.



The document must be exactly the same.



The vote is passed when the last director signs.



## 11.8 Can Board responsibilities be given to other people?

Some things can only be decided or done by directors.



For other things the **Board** can delegate powers to a committee.

Delegate means to give the power to another person or group.



Committee members must follow any rules set by the Board.



The **Board** may remove a delegation of power at any time.

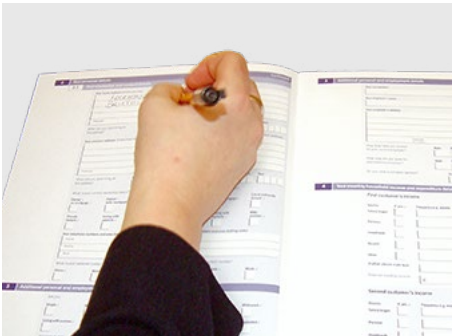
Delegation of power must be recorded in the minutes.





## 11.9 How do committee meetings work?

A committee can meet whenever it decides to.



The parts of the constitution about how the Board meets apply to committee meetings.



This happens as long as the directors have not said that they should be run another way.



## 11.10 What if a director or committee member is not appointed properly

If a director or committee member was not appointed properly is it OK.

The things that person did on the Board of committee are OK.

It is as if they were properly appointed.

## Volume 5 – General

### 12. Finance and administration



#### 12.1 Who is responsible for keeping CID accounts?

The Board must make sure accounts are kept at all times about money received and spent by CID.



The Board must make sure financial documents and reports are prepared where required by the **ACNC Act** or other relevant laws.



The Board must have accounts audited where required by the **ACNC Act** or other relevant laws.



#### 12.2 Do members get a copy of CID's accounts?

The **Board** can decide what the rules are for members who are not Directors viewing CID's financial records and other documents.



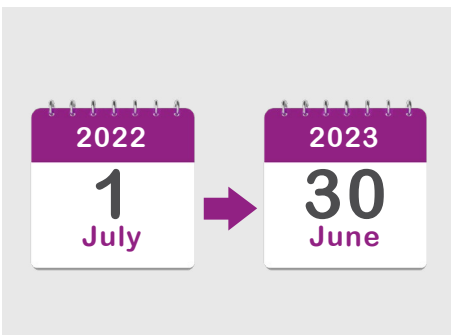
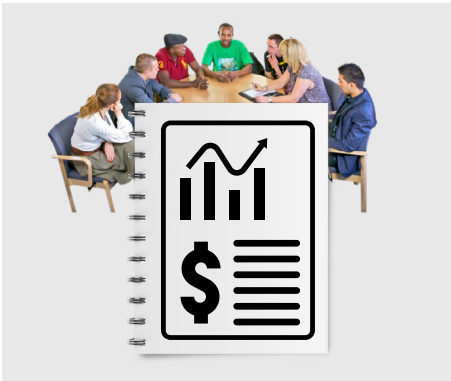
The Board has to follow any rules under **the Act**.

No member has a right to see

- a financial record,
- account, book or
- paper of CID

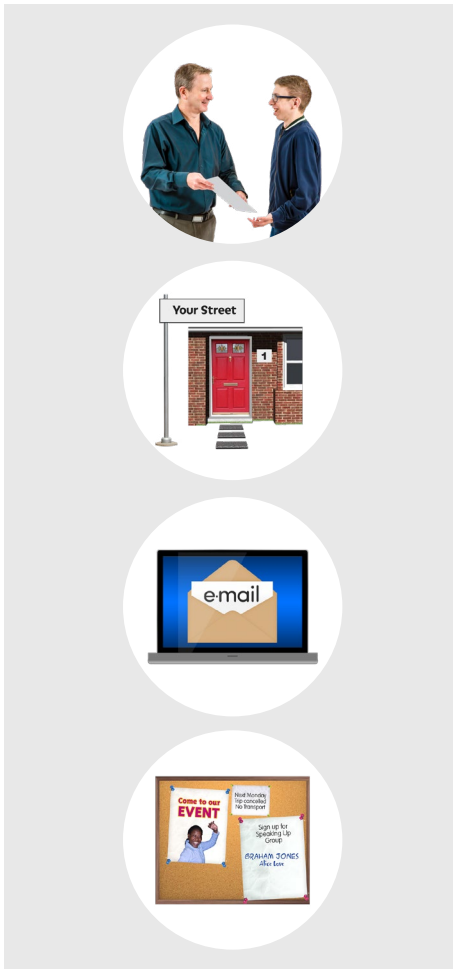
except

- where it is approved by the **Board**,
- in a general meeting or
- as required under the **Act**.



### 12.3 What is CID's financial year?

CID's financial year is the 12 months from 1 July to 30 June every year.



## 12.4 How does CID give notice to a member?

CID can give a notice to any member by

- physically giving it to the member
- sending it by mail to the member's address
- by email address to any email address given by the member

If there is no address for a member the notice can be displayed at CID's office.



## 12.5 When is a notice considered to be delivered?

If a notice is sent by post it has been given

- for a general meeting, on the day after posting
- in any other case, the ordinary time it would take the notice to be delivered by post.

If a notice is sent by email it has been given at the time it was sent.

## 13. Winding up and losing deductible gift recipient status



### 13.1 If CID closes down or stops being a deductible gift recipient

This part talks about what happens to CID if we close down or stop being a **deductible gift recipient**.

A gift can be something like a donation of money.



If CID closes down or stops being a **deductible gift recipient** and there is anything we own it cannot be given to members or former members.



In special circumstances an organisation member or former member that is a charity and meets the requirements in clause 13.3 can be given CID's **Surplus Assets** and **Surplus Gifts**.

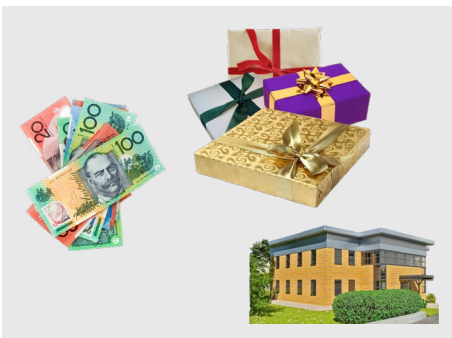


## 13.2 Surplus Assets and Surplus Gifts

**Surplus Assets** means any

- income
- property
- or other things CID owns

that are left after CID pays all the things it owes.



**Surplus Gifts** are any remaining

- Gifts of money made for CID's principal purpose
- Gifts of property like houses and buildings made for CID's principal purpose
- Contributions made in relation to a fundraising event held for CID's principal purpose
- Money received because of such gifts or contributions



### 13.3 What happens to CID's Gift Assets if CID closes down or can no longer receive gifts?

If under the law CID can receive income tax deductible gifts it is called a **deductible gift recipient**.

A law called the **Tax Act** explains what this means.



If CID closes down or is no longer a **deductible gift recipient** then we need to follow what the Tax Act says.

The **Tax Act** says what CID needs to do with any **Surplus Gift**.

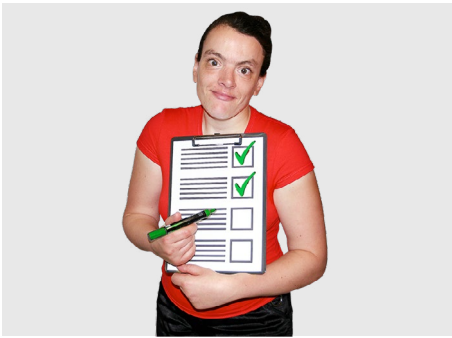


CID can give the **Surplus Gifts** to another organisation.

The organisation can be a

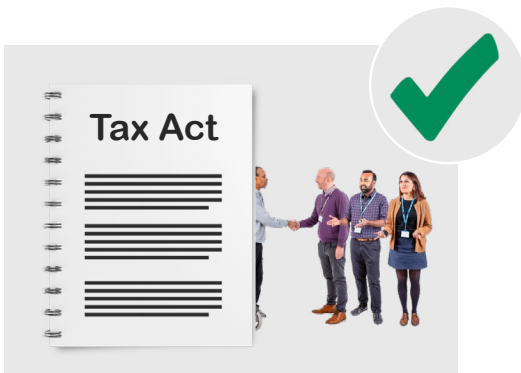
- Fund
- Authority
- Or institution.





The organisation's constitution must say

- it needs to work towards charitable objects only (and the charitable objects must be as similar to CID's as possible)
- it uses its money and property for its charitable objects only
- it cannot pay members
- it cannot pay fees to directors

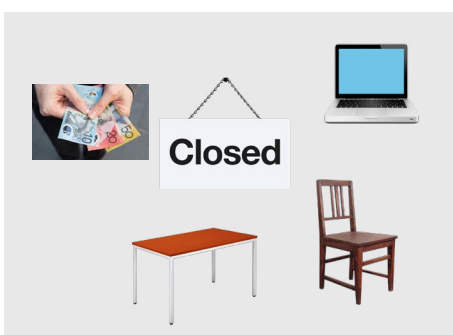


The organisation must also be endorsed as a **deductible gift recipient** under the **Tax Act**.



Members make the decision about which organisation gets the **Surplus Gifts**.

If the members do not choose then the Supreme Court of NSW will choose.

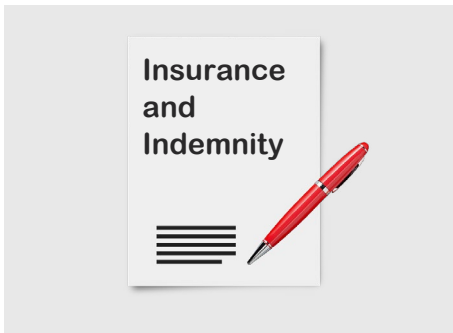


### 13.4 What happens to CID's Surplus Assets if it closes down?

If CID closes down and has any **Surplus Assets** they will follow the same rules as about Surplus Gifts in clause 13.3.



# 14. Insurance



## 14.1 What is insurance?

This part talks about insurance.

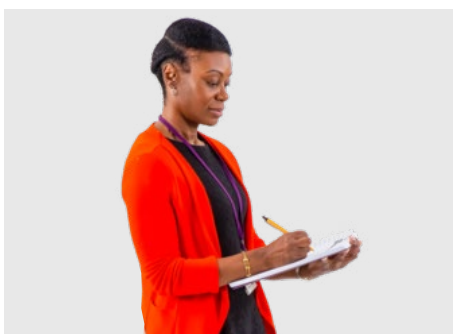


**Insurance** means coverage held by CID to help cover the costs of any legal action against directors, auditors and **Officers** of CID.



## 14.2 Can CID insure directors, Officers and auditors?

Where permitted by the **Act**, CID can insure a director, Officer or auditor or someone who has been a director, Officer or auditor.



This is only for things that they did in their role as director, **Officer** or auditor.

## 15. Legal information



### 15.1 Legal information

There are rules called replaceable rules.

These are under the **Act**.

These can affect some companies.

The replaceable rules do not apply to CID.



While CID is a registered charity it must follow these laws

- the **Act**, except any sections that do not apply to CID while it is a registered charity
- the **Applicable Not-for-Profit Laws**



If the CID Constitution says something different to these laws we need to follow the laws.



If CID is not registered as a charity it must follow the **Act**.



If the CID Constitution says something different to the **Act** we need to follow it.