



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

The Constitution

of the

Real Estate Industry Association

Papua New Guinea

June 2006



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

Table of Contents

Part 1 - Preliminary

1. Name
2. Objects and Purposes
3. Interpretation

Part 2 - Membership

4. Classes of Membership
5. Membership Qualifications
6. Nomination for Membership
7. Cessation of Membership
8. Membership Entitlements
9. Resignation of Membership
10. Register of Members
11. Fees and Subscriptions
12. Member's Liabilities
13. Disciplining of Members
14. Right of Appeal of Disciplined Member

Part 3 - The Committee

15. Powers of the Committee
16. Constitution and Membership
17. Election of Members
18. Secretary
19. Treasurer
20. Casual Vacancies
21. Removal of Member



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

22. Meeting and Quorum

23. Delegation by Committee to Sub-Committee

24. Voting and Decisions

Part 4 - General Meetings

25. Holding of Annual General Meeting

26. Calling of and Business at Annual General Meeting

27. Calling of Special General Meetings

28. Notice

29. Procedure

30. Presiding Member

31. Adjournment

32. Making of Decisions

33. Special Resolution

34. Voting

35. Appointment of Proxies

36. Resolutions

Part 5 - Miscellaneous

37. Source of Funds

38. Management of Funds

39. Alteration of Objects, Purposes and Rules

40. By-Laws

41. Audit and Accounts

42. Common Seal

43. Custody of Books

44. Inspection of Books

45. Service of Notices



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

Part 6 - Regulations

46. Auditing of Funds Held in Trust by Members

47. Code of Ethics

Appendices

1. Application for Membership

2. Form of Appointment of Proxy

3. Code of Ethics

4. Membership Renewal Form

5. Notification of Members Representatives



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

PART 1 - PRELIMINARY

1. NAME

The name of the Association is the name as stated in the application to incorporate the Association submitted to the Registrar of Companies or any other name adopted by the association and approved by the Registrar of Companies.

2. OBJECTS AND PURPOSES

The objects and purposes of the Association are:

- (a) to act as a lobby group for the real estate industry; and
- (b) to foster goodwill and harmony between members of the Association; and
- (c) to represent the industry on matters and issues affecting it; and
- (d) ensure to as great an extent as possible that members adhere to the prescribed Code of Ethics of the Association; and
- (e) to do all that is possible towards maintaining integrity and honesty in the dealings of its members; and
- (f) work with and encourage a close relationship with other Associations, Government Departments, individuals and corporations involved in real estate, property ownership, management and development, building and construction, valuation and appraisal or other activity related in any way with the real estate industry.
- (g) support the introduction of and ongoing provision of educational courses for members, their employees and others in related industries in the best practice principles and methods of professional real estate industry.
- (h) to apply the profits (if any) or any other income in promoting its object; and
- (i) to prohibit the payment of any dividend or payment in the nature of a dividend to its members; and
- (j) to do all such things as are incidental or conducive to the attainment of the objects or any of them.

3. INTERPRETATION

3.1 In these Rules, except in so far as the context or subject-matter otherwise indicates or requires:

"Association" means the association incorporated under the Act referred to in Rule.

"Ordinary member" means a member of the committee who is not an office-bearer of the Association as referred to in Rule 16.2.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

"Real estate industry" means the activities of being involved in the ownership, management, lease, sale, valuation and appraisal, brokerage, development and consulting in respect of real property and improvements situated thereon in Papua New Guinea.

"Real estate agent" means:

- (a) a natural person or corporation who acts as an agent for others in respect of the lease, sale, valuation, consulting on or management of real property and any improvements located thereon; and
- (b) operates in a businesslike manner from commercial premises specifically set aside for the purpose of being a real estate agent; and
- (c) proclaims through signage fixed to the place of conducting business to be engaged in the activities of a real estate agent; and
- (d) employs one or more people.

"Real estate person" means:

- (a) a natural person who is a director or owner of a business operating in the real estate industry, or,
- (b) a natural person who is employed in real estate activities for a salary, fee or share in commission; and
- (c) is employed on either a part-time or full-time basis by a real estate agent.

"secretary" means:

- (a) the person holding office under the Rules as a secretary of the Association; or
- (b) where no such person holds that office, the public officer of the Association.

"Special general meeting" means a general meeting of the Association other than an annual general meeting.

"The Act" means the Associations Incorporation Act (Chapter No. 142).

"The Regulation" means the Associations Incorporation Regulation made under the Act.

3.2 The provisions of the Interpretation Act apply to and in respect of these Rules in the same manner as those provisions would so apply if these Rules were an instrument made under the Act.

PART 2 - MEMBERSHIP

4. CLASSES OF MEMBERSHIP

4.1 In accordance with these rules the Association may admit persons or corporations to the following classes of membership:

- (a) Full members



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

(b) Associate members.

(c) Probationary Members

4.2 Full Members are eligible to vote at general meetings, to stand for election as office bearers and Committee and to take part in the Associations activities.

4.3 Associate Members are not eligible to vote at general meetings, nor stand as office bearers or Committee but otherwise can take part in the Associations activities.

4.4 Probationary Members are not eligible to vote at general meetings, nor stand as office bearers or Committee, but otherwise can take part in the Associations activities.

5. MEMBERSHIP QUALIFICATIONS

5.1 FULL MEMBER

A person is qualified to be a FULL member of the Association if the person is a natural person or is a corporation who:

- (a) has been nominated for membership of the Association as provided by Rule 6; and
- (b) has been approved for membership of the Association by the Committee of the Association; and
- (c) is currently operating in the Real Estate Industry in Papua New Guinea; and
- (d) if is operating as a Real Estate Agent holds a current Audit Certificate as provided by Rule 46; and
- (e) and in the case of a foreign enterprise has a current IPA Certification permitting trading as Real Estate Agents in Papua New Guinea.

5.2 ASSOCIATE MEMBER

A natural person but not a corporation is qualified to be an Associate member of the Association if the person:

- (a) has been nominated for membership of the Association as provided by Rule 6; and
- (b) has been approved for associate membership of the Association by the Committee of the Association; and
- (c) is either currently:
 - (i) a real estate person engaged in the real estate industry in Papua New Guinea; or
 - (ii) has qualifications acceptable to the Committee of the Association; or
 - (iii) has undertaken approved training courses which may be required by the Committee of the Association.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

5.3 PROBATIONARY MEMBER

(a) A person is qualified to be a probationary member of the Association if the person is a natural person or is a corporation who:

(i) satisfies the requirements to be a full member of the Association as provided by rule 5.1 above excepting that by virtue of being a new enterprise or operator is unable to satisfy rule 5.1.(d); and

(ii) if a real estate agent undertakes to furnish the Association with an Audit Certificate as required by rule 5.1.(d) above within sixty (60) days of completion of six (6) months membership of the Association.

(b) Probationary membership can be granted for a maximum period of one year and is not renewable.

(c) After satisfying the requirements of rule 5.3(a)(ii) above the probationary member will grant full membership of the Association.

5.4 Where a full or probationary member is a corporation, the corporation must have a nominated representative with a nominated alternate, both of whom are required to be associate members of the Association, who will be the nominated representatives of the corporation in any activities related to the Association. The corporation may alter its representatives at any time by advice in writing to the secretary on the prescribed form in Appendix 5.

6. NOMINATION FOR MEMBERSHIP

6.1 A nomination of a person for membership of the Association:

(a) shall be made in writing by a member of the Association and seconded by a member of the Association in the form set out in Appendix 1 to these Rules; and

(b) shall be lodged with the secretary of the Association.

6.2 As soon as practicable after receiving a nomination for membership, the secretary shall refer the nomination to the Committee which shall determine whether to approve or to reject the nomination.

6.3 Where the Committee determines to approve a nomination for membership, the secretary shall, as soon as practicable after that determination, notify the nominee of that approval and request the nominee to pay within the period of one month after receipt by the nominee of the notification the sum payable under these Rules by a member as nomination fee and annual subscription.

6.4 The Secretary shall, on payment by the nominee of the amounts referred to in Clause 6.3 within the period referred to in that clause, enter the nominee's name in the register of members and upon the name being so entered, the nominee becomes a member of the Association.

7. CESSATION OF MEMBERSHIP

A person ceases to be a member of the Association if the person:

(a) dies;



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

(b) resigns that membership; or

(c) is expelled from the Association.

(d) in the case of a corporation, has a liquidator or receiver appointed voluntarily or by order of the Court

8. MEMBERSHIP ENTITLEMENTS NOT TRANSFERABLE

A right privilege or obligation which a person has by reason of being a member of the Association:

(a) is not capable of being transferred or transmitted to another person; and

(b) terminates upon cessation of the person's membership

9. RESIGNATION OF MEMBERSHIP

9.1 A member of the Association is not entitled to resign that membership except in accordance with this Rule.

9.2 A member of the Association who has paid all amounts payable by the member to the Association in respect of the member's membership may resign from membership of the Association by giving notice (being not less than one month or not less than such other period as the committee may determine) in writing to the Secretary of the member's intention to resign and upon the expiration of the period of notice, the member ceases to be a member.

9.3 A member of the Association who has not paid all fees and subscriptions due under Rule 11.2 by the date specified in Rule 11.2(a) is deemed to have resigned one month after the date specified in Rule 11.2(a).

9.4 Where a member of the Association ceases to be a member pursuant to Clause 9.2 or 9.3, and in every other case where a member ceases to hold membership, the Secretary shall make an appropriate entry in the register of members recording the date on which the member ceased to be a member.

10. REGISTER OF MEMBERS

10.1 The public officer of the Association shall establish and maintain a register of members of the Association specifying the name and address of each person who is a member of the Association together with the date on which the person became a member.

10.2 The register of members shall be kept at the principal place of administration of the Association and shall be open for inspection, free of charge, by any member of the Association at any reasonable hour.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

11. FEES AND SUBSCRIPTIONS

11.1 A member of the Association shall, upon admission to membership, pay to the Association a nomination fee which will be determined by the Committee or, where some other amount is determined from time to time by the Committee, that other amount.

11.2 In addition to any amount payable by the member under Clause 11.1, a member of the Association shall pay to the Association an annual membership fee determined by the Committee or, where some other amount is determined from time to time by the Committee, that other amount:

(a) except as provided by paragraph (b), before 1 March in each calendar year; or

(b) where the member becomes a member on or after 1 March in any calendar year, upon becoming a member and before 1 March in each succeeding calendar year.

12. MEMBER'S LIABILITIES

The liability of a member of the Association to contribute towards the payment of the debts and liabilities of the Association or the cost, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the member in respect of membership of the Association as required by Rule 11.

13. DISCIPLINING OF MEMBERS

13.1 Where the Committee is of the opinion that a member of the Association:

(a) has refused or neglected to comply with a provision or provisions of these Rules; or

(b) has wilfully acted in a manner prejudicial to the interests of the Association, the Committee may, by resolution:

(1) expel the member from the Association; or

(2) suspend the member from membership of the Association for a specified period.

13.2 A resolution of the Committee under clause 13.1 is of no effect unless the Committee, at a meeting held not earlier than fourteen (14) days and not later than one month after service on the member of a notice under clause 13.3, confirms the resolution in accordance with this Rule.

13.3 Where the Committee passes a resolution under Clause 13.1, the secretary shall, as soon as practicable, cause a notice in writing to be served on the member:

(a) setting out the resolution of the Committee and the grounds on which it is based;

(b) stating that the member may address the Committee at a meeting to be held not earlier than fourteen (14) days and not later than one month after service of the notice;

(c) stating the date, place and time of that meeting; and



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

(d) informing the member that the member may do either or both of the following:

(i) attend and speak at that meeting.

(ii) submit to the Committee at or prior to the date of that meeting written representations relating to the resolution.

13.4 At a meeting of the Committee held as referred to in Clause 13.3, the Committee shall:

(a) give to the member an opportunity to make oral representations;

(b) give due consideration to any written representations submitted to the Committee by the member at or prior to that meeting; and

(c) by resolution determine whether to confirm or revoke the resolution.

13.5 Where the Committee confirms a resolution under Clause 13.4, the secretary shall, within seven (7) days after that confirmation, by notice in writing inform the member of the fact and of the member's right to appeal under Rule 14.

13.6 A resolution confirmed by the Committee under Clause 13.4 does not take effect:

(a) until the expiration of the period within which the member is entitled to appeal against the resolution where the member does not exercise the right of appeal within the period; or

(b) where, within that period, the member exercises the right of appeal unless and until the Association confirms the resolution pursuant to Rule 13.4.

14. RIGHT OF APPEAL OF DISCIPLINED MEMBER

14.1 A member may appeal to the Association in general meeting against a resolution of the Committee which is confirmed under Rule 13.4 within seven (7) days after notice of the resolution is served on the member by lodging with the secretary a notice to that effect.

14.2 Upon receipt of a notice from a member under Clause 14.1, the Secretary shall notify the Committee which shall convene a general meeting of the Association to be held within twenty-one (21) days after the date on which the secretary received the notice.

14.3 At a general meeting of the Association convened under clause 14.2:

(a) no business other than the question of the appeal shall be transacted;

(b) the Committee and the member shall be given the opportunity to state their respective cases orally or in writing or both; and

(c) the members present shall vote by secret ballot on the question of whether the resolutions should be confirmed or revoked.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

14.4 If at the general meeting the Association passes a special resolution in favour of the confirmation of the resolution, the resolution is confirmed.

PART 3 - THE COMMITTEE

15. POWERS, ETC OF THE COMMITTEE

The Committee shall be called the Committee of Management of the Association and, subject to the Act, the Regulations and these Rules and to any resolution passed by the Association in general meeting:

- (a) shall control and manage the affairs of the Association;
- (b) may exercise all such functions as may be exercised by the Association other than those functions that are required by these Rules to be exercised by a general meeting of members of the Association; and
- (c) has power to perform all such acts and do all such things as appear to the Committee to be necessary or desirable for the proper management of the affairs of the Association.

16. CONSTITUTION AND MEMBERSHIP

16.1 The Committee shall consist of:

- (a) the office-bearers of the Association; and
- (b) no more than three but never less than one ordinary member, each of whom shall be elected at the annual general meeting of the Association pursuant to Rule 16.

16.2 The office-bearers of the Association shall be:

- (a) the President;
- (b) the Vice-president;
- (c) the Treasurer; and
- (d) the Secretary.

16.3 Each member of the Committee shall, subject to these Rules, hold office until the conclusion of the annual general meeting in the subsequent year following the date of the member's election, but is eligible for re-election.

16.4 In the event of a casual vacancy occurring in the membership of the Committee, the Committee may appoint a member of the Association to fill the vacancy and the member so appointed shall hold office, subject to these Rules, until the conclusion of the annual general meeting next following the date of the appointment.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

17. ELECTION OF MEMBERS

17.1 Nominations of candidates for election as office-bearers of the Association or as an ordinary member of the Committee:

(a) shall be made in writing, signed by two (2) members of the Association and accompanied by the written consent of the candidate (which may be endorsed on the form of nomination); and

(b) shall be delivered to the secretary of the Association not less than seven (7) days before the date fixed for the holding of the annual general meeting at which the election is to take place.

17.2 If insufficient nominations are received to fill all vacancies on the Committee, the candidates nominated shall be deemed to be elected with effect from the conclusion of the annual general meeting and further nominations in respect of the unfilled vacancies shall be received at the annual general meeting.

17.3 If insufficient further nominations are received, any vacant positions remaining on the Committee after the conclusion of the annual general meeting shall be deemed to be casual vacancies.

17.4 If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated shall be deemed to be elected with effect from the conclusion of the annual general meeting.

17.5 If the number of nominations received exceeds the number of vacancies to be filled, a ballot shall be held.

17.6 The ballot for the election of office-bearers and ordinary member of the Committee shall be conducted at the annual general meeting in such usual and proper manner as the Committee may direct.

17.7 A nomination of a candidate for election under this clause is not valid if that candidate has been nominated for election to another office at the same election.

18. SECRETARY

18.1 The Secretary of the Association shall, as soon as practicable after being appointed as secretary, lodge notice with the Association of his or her address.

18.2 It is the duty of the Secretary to keep minutes of:

(a) all appointments of office-bearers and members of the Committee;

(b) the names of members of the Committee present at a committee meeting or a general meeting; and

(c) all proceedings at Committee meetings and general meetings.

18.3 Minutes of proceedings at a meeting shall be signed by the chairperson of the meeting or by the chairperson of the succeeding meeting.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

19. TREASURER

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

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

20. CASUAL VACANCIES

For the purposes of these Rules, a casual vacancy in the office of a member of the Committee occurs if the member:

- (a) dies;
- (b) ceases to be a member of the Association;
- (c) becomes an insolvent under administration within meaning of the Insolvency Act;
- (d) in the case of a corporate member, has a liquidator or receiver appointed voluntarily or by order of the Court;
- (e) resigns office by notice in writing given to the Secretary;
- (f) is removed from office under Rule 21;
- (g) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health; or
- (h) is absent without the consent of the Committee from all meetings of the Committee held during a period of six (6) months.

21. REMOVAL OF MEMBER

21.1 The Association in a general meeting may by resolution remove any member of the Committee from office before the expiration of the member's term of office and may by resolution appoint another person to hold office until the expiration of the term of office of the member so removed.

21.2 Where a member of the Committee to whom a proposed resolution referred to in Clause 21.1 relates makes representations in writing to the Secretary or President (not exceeding reasonable length) and requests that the representations be notified to the members of the Association, the secretary or the president may send a copy of the representations to each member of the Association or, if they are not so sent, the member is entitled to require that the representations be read out at the meeting at which the resolution is considered.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

22. MEETING AND QUORUM

22.1 The Committee shall meet at least three (3) times in each period of twelve (12) months at such place and time as the Committee may determine.

22.2 Additional meetings of the Committee may be convened by the President or by any member of the Committee.

22.3 Oral or written notice (including internet communication) of a meeting of the Committee shall be given by the secretary to each member of the Committee at least three (3) days (or such other period as may be unanimously agreed upon by the members of the Committee) before the time appointed for the holding of the meeting.

22.4 Notice of a meeting given under Clause 22.3 shall specify the general nature of the business to be transacted at the meeting and no business other than that business shall be transacted at the meeting except business which the Committee members present at the meeting unanimously agree to treat as urgent business.

22.5 Any three (3) members of the Committee constitute a quorum for the transaction of the business of a meeting of the Committee.

22.6 No business shall be transacted by the Committee unless a quorum is present and if within half an hour of the time appointed for the meeting a quorum is not present, the meeting stands adjourned to the same place and at the same hour of the same day in the following week.

22.7 If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the meeting shall be dissolved.

22.8 At a meeting of the Committee:

(a) the president or, in the President's absence, the Vice-president shall preside; or

(b) if the President and the Vice-president are absent or unwilling to act, such one of the remaining members of the Committee, as may be chosen by the members present at the meeting, shall preside.

22.9 Members of the Committee may participate in a meeting of the Committee by means of a conference telephone or other communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at such meeting.

23. DELEGATION BY COMMITTEE TO SUB-COMMITTEE

23.1 The Committee may, by instrument in writing, delegate to one or more sub-committees (consisting of such member or members of the Association as the Committee thinks fit) the exercise of such of the functions of the Committee as are specified in the instrument, other than:

(a) this power of delegation; and

(b) a function which is a duty imposed on the Committee by the Act or by any other law.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

23.2 The Committee shall, by instrument in writing appoint a Standing Consultative Sub-committee under the chairmanship of a Member of the Committee, comprising Associate Members, for the purpose of consultation and liaison between the Associate Membership and the Committee.

23.3 A function the exercise of which has been delegated to a sub-committee under this Rule may, while the delegation remains unrevoked, be exercised from time to time by the sub-committee in accordance with the terms of the delegation.

23.4 A delegation under this section may be made subject to such conditions or limitations as to the exercise of any function the subject thereof, or as to time or circumstances, as may be specified in the instrument of delegation.

23.5 Notwithstanding any delegation under this Rule, the Committee may continue to exercise any function delegated.

23.6 Any act or thing done or suffered by a sub-committee acting in the exercise of a delegation under this Rule has the same force and effect as it would have if it had been done or suffered by the Committee.

23.7 The Committee may, by instrument in writing, revoke wholly or in part any delegation under this Rule.

23.8 A sub-committee may meet and adjourn as it thinks proper.

24. VOTING AND DECISIONS

24.1 Questions arising at a meeting of the Committee or of any sub-committee appointed by the Committee shall be determined by a majority of the votes of members of the Committee or sub-committee present at the meeting.

24.2 Each member present at a meeting of the Committee or of any sub-committee appointed by the Committee (including the person presiding at the meeting) is entitled to one vote but, in the event of equality of votes on any question, the person presiding may exercise a second or casting vote.

24.3 Subject to Rule 22.5, the Committee may act notwithstanding any vacancy on the Committee.

24.4 Any act or thing done or suffered, or purporting to have been done or suffered, by the Committee or by a sub-committee appointed by the Committee, is valid and effectual notwithstanding any defect that may afterwards be discovered in the appointment or qualification of any member of the Committee or sub-committee.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

PART 4 - GENERAL MEETING

25. HOLDING OF ANNUAL GENERAL MEETING

25.1 With the exception of the first annual general meeting of the Association, the Association shall, at least once in each calendar year and within the period of six (6) months after the expiration of each financial year of the Association, convene an annual general meeting of its members.

25.2 The Association shall hold its first annual general meeting:

- (a) within the period of eighteen (18) months after its incorporation under the Act; and
- (b) within the period of six (6) months after the expiration of the first complete financial year of the Association.

26. CALLING OF AND BUSINESS AT ANNUAL GENERAL MEETINGS

26.1 The annual general meeting of the Association shall, subject to the Act and to Rule 25, be convened on such date and at such place and time as the Committee thinks fit.

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

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

26.3 An annual general meeting shall be specified as such in the notice convening it.

27. CALLING OF SPECIAL GENERAL MEETINGS

27.1 The Committee may, whenever it thinks fit, convene a special general meeting of the Association.

27.2 The Committee shall, on the requisition in writing of not less than twenty percent (20%) of the total number of members, convene a special general meeting of the Association.

27.3 A requisition of members for a special general meeting:

- (a) shall state the purpose or purposes of the meeting.
- (b) shall be signed by the members making the requisitions;



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

(c) shall be lodged with the secretary; and

(d) may consist of several documents in a similar form, each signed by one or more of the members making the requisition.

27.4 If the Committee fails to convene a special general meeting to be held within one (1) months after the date on which a requisition of members for the meeting is lodged with the secretary, any one or more of the members who made the requisition may convene a special general meeting to be held not later than three (3) months after that date.

27.5 A special general meeting convened by a member or members as referred to in Clause 27.4 shall be convened as nearly as is practicable in the same manner as general meetings are convened by the Committee and any member who thereby incurs expense is entitled to be reimbursed by the Association for any expense so incurred.

28. NOTICE

28.1 Except where the nature of the business proposed to be dealt with a general meeting requires a special resolution of the Association, the secretary shall, at least fourteen (14) days before the date fixed for the holding of the general meeting, cause to be sent by prepaid post to each member at the member's address appearing in the register of members, a notice specifying the place, date and time of the meeting and the nature of the business proposed to be transacted at the meeting.

28.2 Where the nature of the business proposed to be dealt with at a general meeting requires a special resolution of the Association, the secretary shall, at least twenty-one (21) days before the date fixed for the holding of the general meeting, cause notice to be sent to each member in the manner provided in Clause 28.1 specifying, in addition to the matter required under 28.1, the intention to propose the resolution as a special resolution.

28.3 No business other than that specified in the notice convening a general meeting shall be transacted at the meeting except, in the case of an annual general meeting, business which may be transacted pursuant to Rule 26.2.

28.4 A member desiring to bring any business before a general meeting may give notice in writing of that business to the secretary who shall include that business in the next notice calling a general meeting given after receipt of the notice from the member.

29. PROCEDURE

29.1 No item of business shall be transacted at a general meeting unless a quorum of members entitled under these Rules to vote is present during the time the meeting is considering that item.

29.2 Twenty percent of the registered financial members who are present in person (being members entitled under these Rules to vote at a general meeting) constitute a quorum for the transaction of the business of a general meeting.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

29.3 If within half an hour after the appointed time for the commencement of a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved and in any other case shall stand adjourned to the same day in the following week at the time and (unless another place is specified at the time of the adjournment by the person presiding at the meeting or communicated by written notice to members given before the day to which the meeting is adjourned) at the same place.

29.4 If at the adjourned meeting a quorum is not present within half an hour after the time appointed for the commencement of the meeting, the members present (being not less than 3) shall constitute a quorum.

30. PRESIDING MEMBER

30.1 The president or, in the president's absence, the vice-president, shall preside as chairperson at each general meeting of the Association.

30.2 If the president and the vice-president are absent from a general meeting or unwilling to act, the members present shall elect one of their number to preside as Chairperson at the meeting.

31. ADJOURNMENT

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

31.2 Where a general meeting is adjourned for fourteen (14) days or more, the secretary shall give written or oral notice of the adjourned meeting to each member of the Association stating the place, date and time of the meeting and the nature of the business to be transacted at the meeting.

31.3 Except as provided in Clauses 31.1 and 31.2, notice of an adjournment of a general meeting or of the business to be transacted at an adjourned meeting is not required to be given.

32. MAKING OF DECISIONS

32.1 A question arising at a general meeting of the Association shall be determined on a show of hands and, unless before or on the declaration of the show of hands a poll is demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or carried by a particular majority or lost, or an entry to that effect in the minute book of the Association, is evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

32.2 At a general meeting of the Association, a poll may be demanded by the person or by not less than three (3) members present in person or by proxy at the meeting.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

32.3 Where a poll is demanded at a general meeting, the poll shall be taken:

- (a) immediately in the case of a poll which relates to the election of the chairperson of the meeting or to the question of an adjournment; or
- (b) in any other case, in such manner and at such time before the close of the meeting as the chairperson directs, and the resolution of the poll on the matter shall be deemed to be the resolution of the meeting on that matter.

33. SPECIAL RESOLUTION

A resolution of the Association is a special resolution if it is passed by a majority which comprises not less than three-quarters of such members of the Association as, being entitled under these Rules so to do, vote in person or by proxy at a general meeting of which not less than twenty-one (21) days' written notice specifying the intention to propose the resolution as a special resolution was given in accordance with these Rules.

34. VOTING

34.1 Upon any question arising at a general meeting of the Association, a member has one vote only.

34.2 All votes shall be given personally or by proxy, but no member may hold more than five (5) proxies.

34.3 In the case of an equality of votes on a question at a general meeting, the chairperson of the meeting is entitled to exercise a second or casting vote.

34.4 A member or proxy is not entitled to vote at any general meeting of the Association unless all money due and payable by the member or proxy to the Association has been paid, other than the amount of the annual subscription payable in respect of the then current year.

35. APPOINTMENT OF PROXIES

35.1 Each member shall be entitled to appoint another member as proxy by notice given to the secretary no later than twenty-four (24) hours before the time of the meeting in respect of which the proxy is appointed.

35.2 The notice appointing the proxy shall be in the form set out in appendix 2 to these Rules.

36. RESOLUTIONS

A resolution of the Association may not be made by postal ballot but must be made at a meeting of the Association.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

PART 5 - MISCELLANEOUS

37. SOURCE OF FUNDS

37.1 The funds of the Association shall be derived from nomination fees and annual subscriptions of members, donations and, subject to any resolution passed by the association in general meeting, such other sources as the Committee determines.

37.2 All money received by the Association shall be deposited as soon as practicable and without deduction to the credit of the Association's bank account.

37.3 The Association shall, as soon as practicable after receiving any money, issue an appropriate receipt.

38. MANAGEMENT OF FUNDS

38.1 Subject to any resolution passed by the Association in general meeting, the funds of the Association shall be used in pursuance of the objects of the Association in such manner as the Committee determines.

38.2 All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments shall be signed by any two (2) members of the Committee or employees of the Association, being members or employees authorised to do so by the Committee.

39. ALTERATION OF OBJECTS AND PURPOSES AND RULES

The objects and purposes of the Association (other than those stated at Rule 2(g) and 2(h) and these Rules may be altered, rescinded or added to only by a special resolution of the Association.

40. BY-LAWS

40.1 The Committee of the Association shall have power from time to time to make, alter and repeal such By Laws as they may deem necessary, appropriate or convenient for the proper conduct and management of the Association and in particular, but not exclusively, in respect of the following matters:

1. Membership Limits
2. Discipline
3. Advertising

40.2 The Committee of the Association shall adopt such means as they deem sufficient to bring to the notice of the members of the Association all such By Laws, amendments and repeals and all By Laws shall so long as they are in force be binding on all members of the Association.



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

41. AUDIT AND ACCOUNTS

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

Powers and duties of the Auditor.

The Auditor shall:-

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

41.1 The Auditor may be removed from office by a special resolution of the Association at a general meeting or at the expiration of his or her tenure of office.

41.2 Should the Auditor resign or should a resolution of no confidence in the Auditor be passed by a special general meeting, the office of the Auditor shall become vacant, and the Committee shall appoint an Auditor to fill the vacancy until the next annual general meeting.

42. COMMON SEAL

42.1 The common seal of the Association shall be kept in the custody of the public officer.

42.2 The common seal shall not be affixed to any instrument except by the authority of the Committee and the affixing of the common seal shall be attested by the signatures either of two (2) members of the Committee or of one (1) member of the Committee and of the public officer or secretary.

42.3 The common seal of the Association shall:-

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



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

43. CUSTODY OF BOOKS, ETC

Except as otherwise provided by these Rules, the public officer shall keep in his or her custody, or under his or her control, all records, books and other documents relating to the Association.

44. INSPECTION OF BOOKS, ETC

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

45. SERVICE OF NOTICES

45.1 For the purposes of these Rules, a notice may be served by or on behalf of the Association upon any member either personally or by sending it by post to the member at the member's address shown in the register of members.

45.2 Where a document is sent to a person by properly addressing, prepaying and posting to the person a letter containing the document, the document shall, unless the contrary is proved, be deemed for the purposes of these Rules to have been served on the person at the time at which the letter would have been delivered in the ordinary course of post.

PART 6 - REGULATIONS

46. AUDITING OF FUNDS HELD IN TRUST BY REAL ESTATE AGENT MEMBERS

46.1 Every member must at their own cost and expense provide a report prepared and signed by a recognised auditor registered as a certified practicing accountant by the appropriate controlling body of the day in Papua New Guinea and is acceptable to the Committee of the Association stating that:

"All Trust Accounts operated by the member have been audited and that all Trust Funds that the member was holding in trust as at the date of the report balance with the accounting record and no shortfalls or debt balances have been found to exist."

46.2 All audit reports will be required to have been completed no earlier than sixty (60) days prior to the renewal date of the member's membership in each financial year.

46.3 All audit reports will identify the institution where the funds for the Trust Accounts that were audited are held and the account number or other suitable form of identification of the account which has been audited.

46.4 The audit report shall contain a declaration signed by the member or in the case of a corporation by its duly authorised signatories under seal stating that:



REAL ESTATE INDUSTRY ASSOCIATION OF PNG

"I/We, the undersigned, being a member/intending member of the Real Estate Industry Association Incorporated, declare that we have revealed all relevant details required for the auditing of Trust Funds held by me/us and that all such funds which have not been paid out in accordance with the instructions of the beneficiary of the trust remain in the Trust Account/s."

47. CODE OF ETHICS

47.1 By becoming or renewing membership a member adopts and agrees to abide by the Code of Ethics of the Association as detailed in Appendix 3 attached.

47.2 The Code of Ethics may only be amended by the members of the Association by special resolution at a General Meeting.

47.3 All members will at the time of renewal of their annual membership signify their acceptance of the Code of Ethics and their commitment to abide by them (which will be incorporated into the membership renewal form appendix 4) by signing their membership renewal form and accepting a renewed membership.

47.4 Any member found to be in breach of the Code of Ethics will be dealt with according to Rule 13 of these Rules.

47.5 The Ethos of the Code of Ethics of the Association will form part of the Association's membership Certificate and must be displayed in a prominent location in the member's place of business.