

# Mazda MX-5 Club of WA

## Notice of Special General Meeting (Wednesday February 24 at 7pm)

(Coincident with Committee Meeting at WA Mazda State Office, 170 Campbell St, Belmont)

### Amendment to Rule 26 of the Constitution

Members are encouraged to attend the February Committee Meeting of the club, at which time there will also be a **Special General Meeting** to consider the proposed amendment to Rule 26 of the Club Constitution.

While accepting all of the amendments to the Constitution that were passed at the last AGM, the Department of Commerce has pointed out that Rule 26 "Winding Up or Cancellation" no longer complies with the requirements of the Associations Incorporation Act and therefore must be amended by a Special Resolution of our club.

#### Present Rule 26

*In the event of the winding up of the Association, the remaining assets shall, subject to any trusts affecting those assets or any of them, be dealt with or disposed of in accordance with a special resolution of the members at a duly convened meeting, or in the absence of such a resolution, by dividing the assets amongst the members of the Association in equal shares.*

#### Proposed amendment (DoCEP Standard dissolution clause)

*If upon winding up or dissolution of the Association there remains after satisfaction of all its debts and liabilities any property whatsoever, the same must not be paid or distributed among the members, or former members. The surplus property must be given or transferred to another association incorporated under the Act which has similar objects and which is not carried out for the purposes of profit or gain to the individual members, and which association shall be determined by resolution of the members.*

The reason for the Government requiring the change is presumably that under the present rule we (a tax free entity) would be able to distribute assets to our members (a taxable entity). The reality of the situation is that, at some time in the far distant future, when there are no longer sufficient MX-5 members to sustain the club, the remaining members could run down the assets to zero before winding up the club, or could choose to distribute those assets, as indicated in the amendment, to a similar car club.

The main requirements of a Special General Meeting are:

- Members to be given 21 days notice;
- Members informed of the objectives of the meeting;
- Quorum is 10 fully paid members; and
- Proxy form supplied to allow non-attending members to vote.