

Key differences – ACA Inc constitution and draft ACA Ltd constitution

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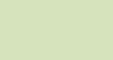
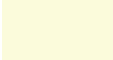
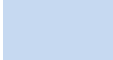
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This is a summary of the key differences between the two constitutions; not every single difference. Only those matters raised by Member and/or Council in the lead up to the proposed structure change, along with key legal amendments, are captured in this table.

PART A – ABOUT THE COMPANY			
Matter	ACA Inc constitution	ACA Ltd constitution	Comment
Governing legislation	Incorporated association under the Associations Incorporation Act 1985 (SA)	Company limited by guarantee under the Corporations Act 2001 (Cth)	Deregistration with South Australia Consumer and Business Services followed by registration with the Australian Securities and Investments Commission will occur following approval by Members at the Special General Meeting scheduled for 9 November 2025. Note that CLGs that are registered charities do not have to comply with several major requirements in the Corporations Act. Instead, this means that ACA Ltd must comply with similar ACNC requirements.
Charitable status	Australian Charities and Not for profits Commission	Australian Charities and Not for profits Commission	No change
ABN ARBN	66 214 557 257 670 733 089	A new ACN (Australian Company Number) and ABN will be issued as part of registration The Australian Registered Body Number (ARBN) will no longer be necessary	As a new entity will be created under ASIC, a new ABN will be issued.
Name	Clause 1 Australasian Corrosion Association Incorporated	Clause 1 Australasian Corrosion Association Limited	Incorporated association to a company limited by guarantee.
Purpose	Clause 5 The purpose of The Association is to be a non-political, not-for-profit organisation established for promoting the co-operation of academic, industrial, commercial and governmental organisations in	Clause 3 The Purpose of the Company is to advance education in the knowledge, prevention, and	This is a reworking of the purpose of the ACA. It still contains all elements of the original purpose but sets the elements out differently. Advancement of education is the underlying element of our purpose and reflects our charitable sub-type.

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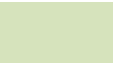
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PART A – ABOUT THE COMPANY			
Matter	ACA Inc constitution	ACA Ltd constitution	Comment
	relation to the dissemination of information on all aspects of corrosion and its prevention or control by promoting lectures, symposia, publications, training and other activities	management of corrosion for the betterment of society and the environment. The Company pursues the Purpose through a range of activities and services that may include: a) dissemination of information and technical resources, b) provision of educational and training courses and events, c) promotion and advocacy for the importance of the management of corrosion, and d) other activities ancillary to or conducive towards the attainment of the Purpose. The Company is a non-political, not-for-profit organisation.	

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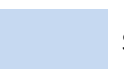
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PART B – MEMBERSHIP			
Matter	ACA Inc constitution	ACA Ltd constitution	Comment
Classes of Membership	Clause 7(c) There will be six classes of membership as follows: 1. Life Members 2. Corporate Members 3. Individual Members 4. Student Members 5. Honorary Members 6. Retired Members	Clause 7.1(b) Two classes of membership: 1. Voting members a. Life Members b. Corporate Members (via their nominated representatives) c. Individual Members d. Retired Members 2. Non-voting members a. Student Members b. Honorary Members c. Corporate Members (the entity) Within these two classes of membership, the Board can create categories of membership in the Bylaws. The same classes of membership will be retained with clarification around Honorary Membership.	Membership will automatically transfer across to ACA Ltd without any action required by members and continue until the next renewal as usual. No change to the current arrangements as to which classes of members vote and don't vote. Honorary Life Members are now called Life Members. A new category is established called Honorary Members for short-term memberships which will be reviewed each year. The Board can create other categories. Clarification of corporate memberships is provided which maintains the current position that a corporate member does not vote as a company but each of its nominated individual representatives vote.
Voting for Directors	Clause 12(d) Council, acting as an electoral college, elects six Directors to the board	Clause 8.1(d) Voting members have the right to vote in the election for elected Directors.	Any vacancies for member-elected Directors on the Board at the AGM will be filled by candidates first approved by the Nominations Committee (chaired by the President) and then voted for by Members.

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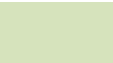
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PART C – GENERAL MEETINGS			
Matter	ACA Inc constitution	ACA Ltd constitution	Comment
Election of elected Directors	Clause 12(e) The Council shall act as the electoral college for the appointment of the Board, in accordance with the Bylaws.	Clause 30 Elections are to be held prior to the Annual General Meeting in accordance with any Bylaws. All voting members are entitled to vote.	The existing board at the time the Company is registered will become the board of ACA Ltd. They will serve out the balance of their terms on the ACA Ltd board, however all terms will be slightly reduced as elections will be held in the lead up to the AGM in June rather than in November at the Council meeting (see Clause 54.4). The announcement of any new Directors will be at the AGM (usually June) as is best practice. Board terms will start and end at the AGM. The revised ACA Bylaws will prescribe any operational processes for the running of the elections.
Calling a General Meeting 14.9	14.2(b) Upon a requisition in writing of not less than 40 members of The Association, the Board shall, within one month of the receipt of the requisition, convene a special general meeting for the purpose specified in the requisition. Every such requisition for a special general meeting shall be signed by the relevant members and shall state the purpose of the meeting.	14.9 Not less than 5% of Voting Members can require the Board to hold a General Meeting.	Specifying a percentage (5%) rather than a number (40) allows for fluctuating membership numbers over time and is aligned with the thresholds in the Corporations Act.
If the Board fails to act on request to hold a general meeting	14.2(c) If a special general meeting is not convened within one month, as required by 14.2b above, the requisitionists, or at least 50% of their number, may convene a special general meeting.	14.11 If the Board does not give notice of the meeting requested by Members within 21 days, any of the Members requesting the meeting may convene the meeting	Easier provision to call a general meeting if the Board does not act as required under the constitution.

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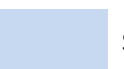
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PART C – GENERAL MEETINGS			
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Removal of a Director		22.11 Members may vote on certain decisions relating to the governance and Constitution of the Company, including: a) amendments to the Constitution, b) changes to the name and type of the Company, c) the removal of Directors pursuant to the Corporations Act, d) the appointment and removal of the Company's auditors, e) approval of Directors' remuneration, and f) the voluntary winding up or deregistration of the Company.	The ACA Inc constitution is silent on the removal of a Director or auditor. The ACA Ltd constitution provides for the removal of a Director . This is the statutory right of members of CLGs under section 203D of the Corporations Act.
Quorum at General Meeting	14.4(a) Quorum at a General Meeting is 40 voting Members present in person or by proxy	18.1 Quorum at a General Meeting is 20 voting Members present in person or by proxy	The quorum for a general meeting must be achievable, otherwise the ACA will not be able to hold the AGM each year. Lowering the quorum from 40 to 20 voting Members means a more practical quorum as currently it can be a struggle to get 40 Members present.

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PART D – BOARD OF DIRECTORS			
Matter	ACA Inc constitution	ACA Ltd constitution	Comment
Board Composition	Clause 10.2 8 Board members consisting of 6 elected and 2 appointed.	Clause 24 8 Directors consisting of 6 Elected and up to 2 Appointed	Board composition remains primarily the same.
Nominations Committee	Currently in the ACA Bylaws	Clause 29.1 The Board will establish a Nominations Committee	How the Nominations committee operates and who is on the committee will continue to be prescribed in the Bylaws. Council members play an important role in the Nominations Committee. As per current practice, the Nominations Committee will continue to assess and approve candidates for election.
Office bearers	Clause 10.3(a) The Board shall annually (at its first meeting after the Council has met to elect persons to the Board) elect, from amongst the members appointed by the Council, a person who shall be the Chairperson.	Clause 34.1 The Board will elect from amongst the Directors the following Office Bearers: a) a Chair, and b) a Vice Chair	This allows for both Chair and Vice Chair of the Board which is happening in practice currently. The process for the Board to elect the Office Bearers is prescribed in the Bylaws. The ACA Inc constitution only allows for the Chair of the Board to be an elected Director. The ACA Ltd constitution allows for the Chair and Vice Chair to be any member of the Board (elected or appointed).
Powers of the Board	Clause 10.1 a) The affairs of The Association shall be managed and controlled by a Board which, in addition to any powers and authorities conferred by these rules, may exercise all such powers and do all such things as are within the objects of The Association, and are not by the	Clause 35.1 The powers of the Board are, subject to the Corporations Act and this Constitution, to: a) control and manage the affairs of the Company, b) exercise all the functions as may be exercised by the Company other than those	Powers are as defined in the Corporations Act rather than the Associations Incorporation Act. These are standard provisions. There would not need to be a Public Officer appointed as this is a provision only for incorporated associations. CLGs must have a

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	Act or by these rules required to be done by The Association in General Meeting. b) The Board has the management and control of the funds and other property of The Association. c) The Board shall have authority to interpret the meaning of these rules and any other matter relating to the affairs of The Association on which these rules are silent. d) The Board shall appoint a Public Officer as required by the Act. The Executive Officer shall be responsible for providing notice of the appointment to meet the requirements of Consumer and Business Services.	functions that are required by this Constitution or the Corporations Act to be exercised by a General Meeting, and c) perform all such acts and do all such things as appear to the Board to be necessary or desirable for the proper management of the affairs of the Company	Secretary (sometimes called the company secretary). The Board will appoint a Secretary as is the current process and pursuant to clause 46.
Payment to Directors	Clause 5.4 The income, property and capital of The Association shall be applied exclusively to the promotion of its objects and no portion shall be paid or distributed directly or indirectly to members or their associates except as bona fide remuneration of a member for services rendered or expenses incurred on behalf of The Association.	Clause 38.2 Directors are entitled to: a) be reimbursed for reasonable expenses properly incurred by the Director in connection with the affairs of the Company, and b) be paid for any work they do for the Company, other than as a Director, if the amount is no more than a reasonable fee for the work done. Directors are entitled to be paid fees for being a Director, subject to the total amount paid to Directors being approved by the Voting Members at a General Meeting.	Provision to reimburse for legitimate expenses remains unchanged. The payment of a Director fee allows for Directors or a Director to be paid an allowance for their time and services to the Company. The time and commitment from people on the board can be onerous and this provision allows a modest remuneration for time served. This is common practice for not-for-profits of the size and complexity of the ACA. The budget for this would be put to members at an AGM for approval for the upcoming year. There is no plan to provide a budget for this in the immediate future, however the constitution will

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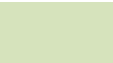
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			allow for this to be enacted if Members approve the budget at the AGM in the future.

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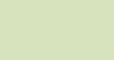
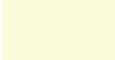
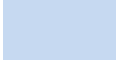
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PART E – STRUCTURAL AND ADMINISTRATIVE MATTERS			
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Council	Clause 12 a) The Council of The Association shall consist of a President and two Vice Presidents who shall be appointed by the Board in conformance with the Bylaws, two Council members appointed by each Branch Committee in accordance with the Bylaws, and the Public Officer. b) The Council shall meet at least once annually. Meetings may be in person or connected by electronic means. c) The meetings of the Council shall be chaired by the President. A quorum for a meeting of the Council is one half of the members provided that there is representation from two thirds of the Branches. d) The Executive Officer, or a person specifically delegated for this task by the Executive Officer, shall attend every Council meeting and is responsible for maintaining a record of the meeting. e) The Council shall act as the electoral college for the appointment of the Board, in accordance with the Bylaws. f) The Council will consider matters referred to it by the Board and may of its own volition provide advice on matters to the Board.	Clause 44 44.1. There will be a Council which will act as a strategic and policy advisory body to the Board. 44.2. The Council will develop its charter or terms of reference to be approved by the Board. The Council must comply with its charter or terms of reference which will specify the Council's role, functions, composition and meeting processes.	Council continues as an advisory body to the Board and a liaison with members, but no longer as a US-style electoral college. Council will have a charter approved by the Board. The operational details as prescribed in (b) to (g) in the ACA Inc constitution will form part of the charter to be developed by Council. These matters have been discussed and agreed with Council to ensure the best outcome for the ACA.

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	g) Any act or thing done or suffered, or purporting to have been done or suffered, by the Council or by a Subcommittee, is valid and effectual despite any defect that may afterwards be discovered in the appointment or qualification of any Council Member or Subcommittee Member.		
Initial members and Directors		Section 54 This section outlines how Members and Directors of ACA Inc will be transferred to ACA Ltd.	Change to yellow