



PAPUA NEW GUINEA CHAMBER OF RESOURCES & ENERGY

"Helping Papua New Guinea to Develop its Full Potential"

SPECIAL RESOLUTION OF MEMBERS

We the undersigned members of the Association now hereby **RESOLVE** that the Rules of the Association of the Chamber are amended as set out below and that the amendments are approved for all purposes:

1. The following new Rule 2A is inserted after Rule 2:

TYPE OF ASSOCIATION

- 2A. The Chamber was formed and is operated as a Member Benefit Association.

POWER OF THE CHAMBER

2. Rule 4 is amended by deleting sub-rule (b) and replacing with the following new sub-rule:

(b) Nothing in sub-rule (a) of this Rule shall prevent the payment in good faith of reasonable and proper remuneration to any officer or employee of the Chamber, or to any Member in return for services actually rendered to the Chamber, nor prevent the payment of interest on money lent and rent for premises leased by any Member to the Chamber, but no Councillor shall be appointed to any salaried office and no remuneration or other benefit in money or monies worth shall be given by the Chamber to any Councillor, except:

- (i) repayment of out of pocket expenses and interest or rent as aforesaid; or*
- (ii) with the prior written approval of the Council.*

INTERPRETATION

3. Rule 5 (a) is amended by:

- (a) inserting before the definition of "Chamber", the following new definition:

*"Act" means the **Associations Incorporation Act 1966** as may be amended from time to time.*

- (b) deleting the definition of "Chamber", and replacing it with the following new definition:

"Chamber" means the Papua New Guinea Chamber of Resources and Energy (Incorporated).

- (c) deleting the definition of "Executive Director" where it appears in the Rules and replacing it with the following new definition:

"Executive Director" means the person from time to time appointed as such by the Council pursuant to these Rules who must ordinarily reside in Papua New Guinea and has the same meaning and duties ascribed to the term Public Officer under the Act.

- (d) inserting immediately after the definition of "Industry" and before the definition of "Member", the following new definition:





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"Major Transaction" means:

- (a) *the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than half of the Chamber's assets before the acquisition; or*
 - (b) *the disposition of, or an agreement to dispose of, whether contingent or not, assets of the Chamber the value of which is more than half the value of the Chamber's assets before the disposition; or*
 - (c) *a transaction that has, or is likely to have, the effect of the Chamber acquiring rights or interests or incurring obligations or liabilities the value of which is more than half the value of the Chamber's assets before the transaction.*
- (e) inserting immediately after the definition of "Prescribed Office" and before the definition of "Representative", the following new definitions:

"Public Officer" means and refers to the Executive Director.

"Private Information" means information regarding the Chamber that has become known to the Councillor in his or her capacity as a Councillor;

- (f) inserting immediately after the definition of "Special Resolution" and before the definition of "Writing", the following new definition:

"Telecommunication" means a system of communication whereby a Member's Representative or Councillor can hear and be heard by one another and/or be seen and see one another through video conference or any similar means of audio, visual or audio-visual communication including conference calls.

REGISTER OF MEMBERS

4. Rule 17 is deleted and replaced with the following new Rule:

17. (a) *The Executive Director shall maintain a Member Register in alphabetical order in which shall be entered the name, address, class of Membership and date of commencement of membership of each current Member and all non-current Members for the previous five years.*
- (b) *The Executive Director shall as and when reasonably requested by any Member make the register available for inspection by that Member at the Head Office.*
- (c) *Entry of the name of a natural person or company in the Member Register is evidence of and the entitlement to the benefits of membership.*
- (d) *A minor error in the Member Register may be corrected upon the approval of either the Registrar or the agreement of all Councillors.*





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ATTENDANCE AND VOTING AT GENERAL MEETINGS

5. The following new Rule 33A is inserted immediately after Rule 33:

- 33A. *Only Members may exercise the following powers by special resolution passed at a General Meeting:*
- (a) *To substitute, alter or amend the Rules as prescribed in Rule 73;*
 - (b) *To substitute, alter or amend the Statement of Objectives specified in Rule 2 as prescribed in Rule 73;*
 - (c) *To wind up the Chamber;*
 - (d) *to require a Councillor to resign, as prescribed in Rule 50(e);*
 - (e) *appoint an auditor; and*
 - (f) *approve a Major Transaction.*

PROCEEDINGS AT GENERAL MEETINGS

6. The following new Rule 42A is inserted immediately after Rule 42:

- 42A. (a) *Members may attend a general meeting using any means of Telecommunication that permits each Member to communicate in real time with every other Member at the General meeting;*
- (b) *Members attending a meeting using some form of Telecommunication are deemed to be present and may vote at the General or Special meetings as if they had attended in person except that no person attending through the use of Telecommunication may be included when determining whether a quorum is present.*

COUNCIL

7. Rule 45 is amended by inserting the following new sub-rule immediately after sub-rule 45(b):

- (c) *At least two Councillors must ordinarily reside in Papua New Guinea.*

NOMINATIONS

8. Rule 49 is amended by deleting sub-rule 49(a) and replacing it with the following:

- 49.(a) *The Executive Director shall give notice to all members at least two months before the Annual General Meeting in each year that all nominations of eligible persons to be proposed as candidates for each prescribed office must be received by the Executive Director within twenty-one days of the date of the notice;*

PROCEEDINGS OF THE COUNCIL

9. Immediately after Rule 60, insert the following new Rules:

- 60A. *Where the Councillors cannot attend in person at General meetings of the Members or at Council meetings, the Chamber or Council may make provisions for those*





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Councillors to attend by telephone, or video or some other means of Telecommunication that permits each Councillor to communicate in real time with every other Council member at the General meeting.

- 60B. (a) A Councillor who serves without remuneration (or expectation of remuneration) is not liable to the Chamber or its Members for monetary damages for any action taken or not taken as a Councillor, except liability for:
- (i) The amount of financial benefit received to which the Councillor was not entitled (plus expenses including legal fees in retrieving the financial benefit from the Councillor);
 - (ii) Intentionally inflicting harm on the Chamber or its Members;
 - (iii) A conviction under or intentional violation of the Criminal Code Act (Chapter 262) or a violation of any other laws of Papua New Guinea that result in a criminal conviction.
- 60B. (b) A Councillor is not liable for any action taken as a Councillor if that action was first approved by special resolution.

POWERS OF THE COUNCIL

10. Immediately after Rule 61, insert the following new Rules:

- 61A. Each Councillor may rely on the information and advice of employees, professional advisors or experts or another Councillor, if that Councillor:
- (a) Acts in good faith;
 - (b) Reasonably believes the information or advice was within the person's competence to give; and
 - (c) Makes proper inquiry where the context reasonably requires.
- 61B. (a) Each Councillor must keep Private Information confidential and may only disclose Private Information to another person in the following circumstances:
- (i) The disclosure is required by law;
 - (ii) In accordance with a special resolution of the Members; or
 - (iii) The disclosure is authorized by the Council.
- (b) Each Councillor must not disclose to any person or make use of or act on Private Information except in pursuance of:
- (i) the Chamber's Objectives specified in Rule 2; or
 - (ii) Rule 61A.





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STAFF

11. Amend Rule 65 by:
 - (a) renumbering the first paragraph as sub-rule "65 (a)" and re-numbering paragraphs (a), (b), (c) and (d) sequentially as (i), (ii), (iii) and (iv); and
 - (b) inserting between the words "who" and "shall", the following words:

"must ordinarily reside in Papua New Guinea and"
12. Amend the re-numbered sub-rule 65(a)(i) by inserting between the words "not" and "vote", the following words:

"be entitled to"
13. Insert the following new sub-rule after sub-rule 65(a):
 - (b) *A notice of change to the Executive Director denoting a change to the Executive Director or his or her contact details must be filed with the Registrar within one month after:*
 - (i) *the change of the Executive Director; or*
 - (ii) *after the Chamber becomes aware of the new contact details or the death of Executive Director.*

NOTICES

14. Delete Rule 69 and replace it with the following:
 69. (a) *A notice may be served by the Chamber upon any Member either personally or by email notified by the Member to the Chamber, or by sending it through the post in a prepaid envelope or wrapper addressed to such Member at his registered address;*
 - (b) *Each Member shall from time to time notify the Chamber of:*
 - (i) *an address in Papua New Guinea which shall be deemed his registered address; and*
 - (ii) *An email address,*

for the purpose of sub-Rule (a) of this Rule.
15. Delete Rule 70 and replace it with the following:
 70. *Any notice sent by post shall be deemed to have been served at the expiration of seven days after the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and posted. Any notice sent by email shall be deemed to have been received on the day the email was sent.*





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AUDIT

16. Delete Rule 75 and replace it with the following:

AUDITOR

75. (a) The accounts and financial records of the Chamber shall be audited at least once in each year by a firm of registered accountants who shall be appointed by the Members at the Annual General Meeting.
- (b) The auditor must be appointed at arm's length. The auditor cannot have a close relationship with or interest in the Chamber such that his/her judgment could become impaired in the carrying out of their duties as auditor.
- (c) The auditor must make a report to the Members of the Chamber on the Financial statements audited by the auditor which shall include a statement providing for the following:
- (i) Details of the work performed by the auditor;
 - (ii) The auditor has examined the Chamber's accounting records;
 - (iii) Whether the Chamber has kept proper accounting records; and
 - (iv) Whether the Financial Statements give a true and fair view of the matters to which they relate.
- (d) An auditor may resign at any time by giving at least thirty days advanced written notice to the Chamber, by delivering such notice to the Chamber's registered address.
- (e) In the event an auditor is removed or resigns:
- (i) The Chamber must give notice to the Members as soon as practicable following the auditor's resignation;
 - (ii) The Council may fill any casual vacancy and replace the auditor by appointing a new auditor; and
 - (iii) The Chamber must give the Registrar twenty days prior notice to the removal and replacement of an auditor.

Date:

Signed by the Members



7th Floor, MRDC Haus
Cnr Musgrave St. Champion Parade
P O Box 1032, Port Moresby 121
NCD, Papua New Guinea



+675 321 2988 / +675 321 3785
+675 321 0546



info@pngcore.org



www.pngcore.org

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