

## **Explanatory Memorandum: Annual General Meeting on 16 May 2023**

This Explanatory Memorandum forms a part of the Notice of Meeting dated 16 May 2023 and contains information about the Special Resolutions set out in the Notice of Meeting. You should read the Notice of Meeting and this Explanatory Memorandum carefully.

A complete copy of the current Constitution can be found at:

<https://www.amansw.com.au/wpcontent/uploads/2022/05/Constitution-April-2022.pdf>

### **Special Resolutions**

#### **1. That clause 15.3 of the AMA (NSW) Constitution be deleted to remove the option of State-only membership for Doctors-In-Training members.**

AMA (NSW) has entered into an agreement with Federal AMA which, inter alia, sets out the basis upon which AMA (NSW) and Federal AMA will account to one another in relation to the sharing of membership fees. A provision of that agreement is that the parties will not pursue State-only membership options during the term of the agreement.

Some years ago when considering options to address the financial implications for AMA (NSW) of the Alliance Agreement with ASMOF for Doctors-in-Training members, a provision was introduced in clause 15 of the Constitution permitting Doctors-In-Training members to take up State only membership thereby permitting AMA (NSW) to retain its 50% share of DIT membership fees under the Alliance Agreement and not split same with Federal AMA.

The State-only membership option while in the Constitution was never operationalised and it is proposed that it now be removed.

#### **15 Application for Membership**

*15.1 Every person wishing to be an Ordinary Member shall apply for election in any form addressed to the Association.*

*15.2 Subject to clause 15.3, the application shall include a nomination by the applicant of those Classes referred to in Clause 35.1 relevant to an individual applicant or the Nominated Representative of an applicant which is a company, the name of its Nominated Representative in the case of an applicant which is a company and include an agreement by the applicant if elected to abide by the Constitution and By-Laws of the Association and the Constitution and By-Laws of the Australian Medical Association and to pay the relevant annual subscriptions to the Association and to the Australian Medical Association so long as the applicant shall remain an Ordinary Member.*

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~~15.3 For applicants nominating for membership in the Doctor in Training class, the application shall include:~~

~~(a) An agreement by the Doctor in Training applicant if elected to abide by the Constitution and the By-Laws of the Association and to pay the relevant annual subscription to the Association as long as the application shall remain a member;~~

~~(b) For those Doctor in Training applicants seeking membership of the Australian Medical Association, an agreement by the applicant to abide by the terms of the Constitution and By-Laws of the Australian Medical Association so long as the applicant remains a member.~~

**2. That clause 50 of the AMA (NSW) Constitution be amended to remove the Audit Committee as a Standing Committee by deleting the words ‘and an Audit Committee’ and the words ‘and a Chair of the Audit Committee’.**

The AMA (NSW) Board of Directors has recently completed a review of the role and function of the Audit & Risk Committee.

The Board resolved that the Audit & Risk Committee no longer be a Standing Committee under the Constitution, but the audit and risk functions be allocated to one or more Board Committees. The rationale for this change of approach is as follows:

- The establishment of a Board Committee or Committees allows greater flexibility;
- The Committee may include independent / non-executive members and / or have the power to engage external advisors where required;
- It will ensure members of the Committee/s have the necessary experience and expertise;
- Attendance at meetings to be strictly enforced and meetings held more regularly.

**50 Standing Committees**

*50.1 The Council at its first meeting after each Annual Meeting of the Association or at its first meeting after an election of the Council following a dismissal of the Council pursuant to Clause 37 shall appoint Standing Committees, including a Professional Issues Committee, and a Hospital Practice Committee, ~~and an Audit Committee~~ as it shall determine, which may each include one or more persons who are not members of the Council or of the Association subject to clause 51.2. The Council shall determine the name, composition, powers, duties, quorum and rules regulating these Committees. The Council shall appoint, from amongst the members of Council a Chair of the Hospital Practice Committee and a Chair of the Professional Issues Committee ~~and a Chair of the Audit Committee.~~*

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