

### **NA-003 Membership:**

**Policy:** It is NANDTB policy that membership of the Board will be a fair representation of the stakeholder sectors of the Australian aerospace industry.

The Board consists of Members representing specific interests within the aerospace industry with respect to using AS 3669. Representatives may include manufacturing, airline AMOs, general aviation AMOs, NDT service providers, NDT training providers, the Australian Defence Force and others.

*Board Structure:* The Board shall be limited to 14 members. At least six members shall be current NDT Level 3, however all members shall have relevant aerospace knowledge.

*Management Committee:* The Chairman, Deputy Chairman and Secretary/Treasurer constitute the management committee. The Chairman's position is restricted to a NANDTB recognised Level 3 qualified person. Should the Chairman's position become vacant, the Deputy Chairman acts as Chairman until a new Chairman is elected, with the proviso that if he/she not a Level 3, any decisions requiring Level 3 involvement, would be referred to the Board directly for determination.

#### *Classes of Member:*

- (i) Ordinary Member is a member representing an interest described in the opening paragraph.
- (ii) Observer is a non-voting participant who may provide relevant input to the Board to assist its deliberations
- (iii) Co-opted Member- From time to time the Board may seek co-opted members, who, through their expertise or qualification may assist with the conduct of business. Co-opted members do not have voting rights.

*Appointment to the Board:* Board positions are open to the aerospace industry. Nominees are to be proposed by their employer. Self-employed persons may be nominated by one of their contracting organisations. Where there are multiple nominations for limited vacant positions, an election for the position(s) shall be conducted in accordance with procedure NA-008. The objective is that its membership is a fair representation of the various Australian aerospace sectors which use AS 3669 or comparable standards.

*Period of appointment:* Members are elected to the Board for 2 years and shall be eligible for re-election. However a person may be the Chairman for only 4 years in any 8 consecutive years.

*Removal of a Member/Observer:* A Member or Observer may be removed from the Board if it is shown to the satisfaction of the Board that he/she has wilfully contravened any of the requirements of the Rules of Governance, or has not participated in Board business or communicated with the Board for the previous two meetings or thirteen months, whichever is the longer. No Member or Observer may be removed for reasons outlined above without being contacted by the Board and given the opportunity to give the reasons for his/her actions, and that the reasons be

conveyed to the Board prior to any motion to remove the Member/Observer. In the event that a vote on the motion to remove the member/Observer is tied, the Chairman has a second vote. In the event the person is the Chairman, the Deputy Chairman has a second vote.

*Casual Vacancy:* A casual vacancy on the Board may be filled by seeking nominations from the aerospace industry. The Board may appoint one of the nominees to the Board for the remainder of the term. A casual vacancy of an office bearer may be filled by electing a replacement office bearer from Board members. The Board may choose not to fill a casual vacancy.

*Formation of sub-committees:* The Board may from time to time form sub-committees and co-opt persons to assist the conduct of the Board's business. The Chairman will provide the sub-committee or co-opted person with directions as to the scope and limitations of the task to be undertaken.

*Fees and subscriptions:* None.

**Board Members/Observers Agreement**

*Legal Obligation*

The NANDTB Rules of Governance detail the duties and responsibilities of Board members/Observers. Members have an additional legal responsibility under Sections 29A and 29B of the Associations Incorporations Act of Victoria. Board membership is conditional on the acceptance by the member to honour Section 29A and 29B of the Act, the Rules of Governance and other relevant policy documents. Members and observers are to note in particular, the confidentiality of the Board’s deliberations.

*Professional Indemnity Insurance*

The Board has professional indemnity insurance. A condition of the issuance of the insurance by the insurer is that certain information is required from Board members. Accordingly, to hold a position on the NANDTB, members must answer truthfully the following questions from the insurer. Failure to provide answers of false information will void the insurance.

1. Has the member signing this agreement ever been declared bankrupt?  
 Yes  No
2. Has the member signing this agreement ever been a member of an organisation placed in receivership, liquidation or provisional liquidation?  
 Yes  No
3. Has the member signing this agreement ever had a conviction of crimes involving dishonesty?  
 Yes  No

If any of these questions are answered yes, the member must contact the insurer and provide what information the insurer requires.

*Worker’s Compensation Insurance*

There is no contract of employment between the Board and any Member/Observer, and therefore does not have Worker’s Compensation insurance. Members/Observers are nominated and sponsored by their employer and continue to be in that employment when conducting the business of the Board. Accordingly, matters involving worker’s compensation payments are encompassed by the employer’s worker’s compensation insurance. The Board does provide travel insurance for members whilst travelling on Board business.

The Secretary shall retain the original signed copy of this agreement in the Membership file.

By signing the agreement below the Member/Observer guarantees that he/she has read Section 29A of the Incorporations Act (Appendix 1 to this procedure), and the Board’s governance procedures, commits to honour these instructions and to adhere to the stated objectives of the Board.

I ..... accept my appointment to the National Aerospace Non-destructive Test Board of Australia. I have read and understood my role and responsibilities as a Board member/observer representing the industry sector ..... and agree to be bound by the Board’s policies and Rules of Governance.

Sign.....(Member/Observer).

Date .....

## **Appendix A- Section 29A and 29B of the Associations Incorporation Act of Victoria 1981**

Incorporating amendments of 8/4/2009

### **29A Duties of committee members**

- (1) A member or former member of the committee of an incorporated association must not knowingly or recklessly make improper use of information acquired by virtue of his or her position in the incorporated association so as to gain, directly or indirectly, any pecuniary benefit or material advantage for himself or herself or any other person, or so as to cause a detriment to the incorporated association.

Penalty: 60 penalty units.

- (2) A member of the committee of an incorporated association must not knowingly or recklessly make improper use of his or her position in the incorporated association so as to gain, directly or indirectly, any pecuniary benefit or material advantage for himself or herself or any other person or so as to cause detriment to the incorporated association.

Penalty: 60 penalty units.

- (3) If a person is found guilty of an offence against this section, the court, in addition to imposing any penalty, may order the person to pay a sum specified by the court to the incorporated association as compensation.
- (4) An order made under subsection (3) must be taken to be a judgment debt due by the offender to the incorporated association and payment of any amount remaining unpaid under the order may be enforced in the court by which it was made.

### **29B Disclosure of interest**

- (1) A member of the committee of an incorporated association who has any direct or indirect pecuniary interest in a contract, or proposed contract, with the incorporated association—
  - (a) Must, as soon as he or she becomes aware of his or her interest, disclose the nature and extent of his or her interest to the committee; and
  - (b) Must disclose the nature and extent of his or her interest in the contract in the statement submitted under section 30(3) by the incorporated association to its members at the next annual general meeting of the incorporated association.

Penalty: 10 penalty units.

- (2) Subsection (1) does not apply in respect of a pecuniary interest that exists only by virtue of the fact—

- (a) That the member of the committee is an employee of the incorporated association; or
  - (b) That the member of the committee is a member of a class of persons for whose benefit the incorporated association is established; or
  - (c) That the member of the committee has the pecuniary interest in common with all or a substantial proportion of the members of the incorporated association.
- (3) If a member of the committee of an incorporated association discloses a pecuniary interest in a contract, or proposed contract, in accordance with this section, or his or her interest is not such as need be disclosed under this section—
- (a) The contract is not liable to be avoided by the incorporated association on any ground arising from the fiduciary relationship between the member and the association; and
  - (b) The member is not liable to account for profits derived from the contract.