

Changes to Constitution for AGM of 2020 - Explanatory Notes

Please note that the constitution uses the term "Association" in reference to TSO Friends Inc and this term is used in these explanatory notes.

The proposed changes are outlined under three headings: existing provision, proposed provision and explanation.

Membership of Association

Existing:

5.1 The Association shall consist of ordinary members, associate members, honorary members, institutional members and life members without limit as to numbers.

Proposed:

5.1 The Association shall consist of Ordinary Members and Honorary Life Members without limit as to numbers.

Explanation:

TSO Friends currently has five (5) types of membership defined by its constitution and for purposes of subscriptions, eight (8) types. To implement the One TSO initiative effectively, it is proposed to simplify the membership structure of TSO Friends. Some categories have had zero members since the Association was formed and are clearly unnecessary, while discontinuing the category of Financial Life Member is proposed for reasons of financial viability. Specific explanations for proposed changes are set out below.

Existing:

5.2 Associate Members

- (a) associate membership shall be a concessional membership available to bona fide students and recipients of social service, age, and invalid pensions and unemployment allowances, holders of a Seniors' Card and any person that the Committee may from time to time determine.
- (b) applicants shall provide such proof of entitlement as the Committee requires.
- (c) except for the annual subscription an associate member shall in all other respects be an ordinary member.

Proposed:

5.2 Deleted

Explanation:

'Associate' memberships have almost entirely taken the form of concessional memberships made available to age pension recipients or holders of a Seniors Card. Some 90% of all TSO Friends annual subscriptions in 2019 were concessional subscriptions and it is considered, on this basis, that there is little point in continuing to differentiate between concessional memberships and ordinary memberships.

Existing:

5.3 Honorary members

- (a) shall be admitted on the recommendation of the Committee to the Association in general meetings;
- (b) shall be entitled to membership without payment of the annual subscription for a period to be determined by the Committee; and

- (c) shall have all rights, privileges and responsibilities of other members, except they shall not, other than in the case of Honorary Life Members under rule 5.6, be entitled to: hold office or vote on any matter.

Proposed:
5.3 Deleted

Explanation:

So far as is known, TSO Friends has never had an 'Honorary' member (as distinct from Honorary Life Members). There appears to be little, if any, justification for retaining this category of membership.

Existing:

5.4 Institutional Members

- (a) organisations, whether corporate or unincorporate, whose aims and objects are, in the Committee's opinion, consistent with those of the Association may, upon receipt by the Association of the annual subscription and upon compliance with the appropriate resolution of the Committee, be admitted by resolution of the Committee, for membership as institutional members at the ordinary member rate.
- (b) the registered nominee of an institutional member shall have all the rights, privileges and responsibilities of other members.

Proposed:
5.4 Deleted

Explanation:

So far as is known, TSO Friends has never had an 'Institutional' member There appears to be little, if any, justification for retaining this category of membership.

Existing:

5.5 Financial Life Members

- (a) upon payment of the subscription determined by the Committee, members may become Financial Life Members.
- (b) Financial Life Members shall be entitled thereafter to membership without payment of the annual subscription and shall have all rights, privileges and responsibilities of other members.

Proposed:

5.5 Financial Life Members

- (a) The Financial Life Member category shall cease to exist and no new Financial Life Members shall be admitted hereafter.
- (b) Existing Financial Life Members shall be entitled to ordinary membership in perpetuity without payment of the annual subscription; and
- (c) shall continue to have all rights, privileges and responsibilities of ordinary members.

Explanation:

Financial Life Memberships were introduced in 1997 principally to improve TSO Friends' cash position, and, in particular, with a view to subsidising a visit to China by the TSO. While the new membership category achieved its short term goals, in the longer run, the financial benefits of the category have diminished and can be expected to further diminish with the passage of time. It is anticipated that TSO Friends long term subscription levels will improve if Financial Life Memberships are discontinued.

Annual subscription

Existing:

30.1 The annual subscription for each class of membership shall be determined by the Committee and any review shall not occur more than once in any financial year.

Proposed:

30.1 The annual subscription for membership shall be determined by the Committee and any review shall not occur more than once in any financial year.

Explanation:

The changes proposed above reduce the number of classes of membership to one (1) and the phrase, "each class of" is accordingly inappropriate.

Clarification of subscriptions for couples

Members will notice that subscriptions for couples are not mentioned. This is not an oversight. Indeed, couples are not mentioned in the current constitution.

It is intended, outside the context of the constitution, but consistent with Clause 30.1, that the committee will determine subscriptions that allow a discount for couples, but that each member of that couple will remain an ordinary member.