



Australian Parachute Federation Ltd

APF Board

and Board Committees' Charters

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AMENDMENTS

This version is a compilation of the existing superseded document, updated for the new CLG Constitution. See the following separate documents for guidance:

- (i) This document: covering the Board Charter, Director’s Code of Conduct and Board Committees’ Charters;
- (ii) Board Procedures Guide: for advice on Board meeting procedures and Director selection, etc; and
- (iii) Operational Committees’ Charters.

REVISION	AMENDMENT DETAILS
2017.02.28	Original issue.
2017.11.29	Removal of IT Committee Charter Removal of Disciplinary Committee Charter Other minor amendments <i>(marked with a vertical line in the left column)</i>

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For further information visit www.apf.com.au

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APF BOARD CHARTER

Directors will make themselves aware of their statutory obligations under the Corporations Act 2001.

1. PURPOSE

This Charter sets out the responsibilities, authorities, and processes of the Board of Directors (**Board**) of Australian Parachute Federation Ltd (**APF**). The Board is governed by the Constitution of APF, and facilitates the achievement of the objects of the APF as set out in the Constitution.

2. RESPONSIBILITIES OF THE APF BOARD

The Board is accountable to Members for the performance the APF. The primary objective of the Board is to build long term Membership services with due regard to other stakeholder interests by focusing on issues critical for the success of the APF.

The role of the Board is to provide governance and strategic guidance for the APF and ensure effective oversight of management. Corporate governance describes the way the APF is directed and controlled.

A key part of Directors' responsibility is to ensure that an effective governance structure operates in the APF. The governance structure should ensure good membership services and growth targets are set and achieved and risk is properly managed, while taking into account the interests of Members, regulators, service providers, employees and the general public.

The Board is required to meet at least 4 times per year, but delegates appropriate powers to the CEO to ensure effective day to day management of the APF.

The responsibilities of the Board include:

- (a) Protect and enhance the interests of the APF;
- (b) Provide the overall strategic direction of the APF and monitor performance against a strategic plan;
- (c) Approve annual and long-term budgets and operational plans, and monitor performance against those;
- (d) Approve annual and half yearly statements and reports;
- (e) Approve appropriate regulations, policies, codes and values for the APF and monitor compliance with these to ensure appropriate safety and ethical behaviour;
- (f) Enhance and protect the reputation of the APF by approving Member protection provisions and a code of ethics;
- (g) Determine the fees and charges payable by Members for services;
- (h) Determine APF's risk profile and risk strategies, including regulatory, financial, market and operational risk;
- (i) Monitor the integrity of internal controls and risk management;
- (j) Select, appoint, monitor and terminate, as necessary, the external auditors;
- (k) Appoint, review and evaluate the performance and employment of the CEO, and the development of a succession plan;
- (l) Approve the board policy for the remuneration of the CEO and staff who report to the CEO;
- (m) Ensure compliance with all disclosure requirements and agreements with regulators;

- (n) Review the effectiveness of the safety management system (SMS) safety oversight, member training and insurance management for APF; and
- (o) Approve delegated authorities to Management and the transactions beyond Management's delegations of authority.

3. BOARD STRUCTURE AND APPOINTMENT

- 3.1 The Board will comprise:
 - (a) A minimum of six Directors; and
 - (b) Directors who collectively have a broad range of experience and knowledge, which will enhance the performance of the Board.
- 3.2 Directors will be appointed pursuant to formal letters of appointment setting out the key terms and conditions of their appointment, to ensure that Directors clearly understand APF and the Board's expectations.
- 3.3 The Board will ensure skillset requirements of the Board are discussed annually and those requirements made known to Councils prior to Council AGMs.
- 3.4 Performance of individual Directors will be assessed annually or otherwise as determined by the Board.

4. BOARD'S RIGHTS AND RESPONSIBILITIES

- 4.1 Directors may access such information and seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgement in decision making. Directors will be entitled to:
 - (a) access members of senior management to request relevant and additional information or seek explanation;
 - (b) have access to internal and external auditors, without Management present to seek explanations or additional information; and
 - (c) seek independent professional advice, with Chair's consent which will not be unreasonably withheld or delayed, and which will be at APF expense.
- 4.2 Directors are expected to comply with their legal and statutory obligations when discharging their responsibilities as Directors. Broadly these include to:
 - (a) act in good faith in the best interest of APF;
 - (b) act with care and diligence and for proper purpose;
 - (c) avoid conflict of interest where possible;
 - (d) refrain from making improper use of information gained through a position of a director and from taking improper advantage of the position as a director; and
 - (e) adopt communication protocols which ensure the reputation and risk to the APF is always considered.
- 4.3 Directors are expected to support the letter and spirit of Board decisions.
- 4.4 Directors will keep Board information, discussions deliberations and decisions, which are not publicly known or approved for disclosure, confidential.

5. CHAIR

- 5.1 The Board will elect one of its number as the Chair in accordance with the APF Constitution.
- 5.2 The Chair does not have a casting vote in addition to a deliberative vote.
- 5.3 The Chair's role includes to:
- (a) represent the board to Members;
 - (b) act as a point of liaison between the Board and Management;
 - (c) ensure the Board fulfils its obligations under this Charter and any relevant legislation and regulators requirements;
 - (d) Provide appropriate leadership to the Board and to APF;
 - (e) Facilitate Board discussions to ensure critical issues facing APF are considered;
 - (f) Facilitate the effective contribution and development of Directors;
 - (g) Recommend Directors to serve on Board Committees;
 - (h) Monitor Board performance; and
 - (i) Retain professional advisors when required for the Board or Directors.
- 5.4 The Chair is responsible for the conduct of all Board meetings, including ensuring that background material, reports, agendas and recommendations are appropriate.
- 5.5 The Chair will work with the CEO to ensure the appropriate balance between the roles of the Board and Management.

6. CHIEF EXECUTIVE OFFICER (CEO)

- 6.1 The CEO is accountable to the Board for the performance and management of APF.
- 6.2 The CEO manages APF on a day to day basis, in accordance with the strategy, budgets, policies and delegations approved by the Board.
- 6.3 The CEO's performance is assessed annually against key performance indicators as determined by the Board.
- 6.4 The CEO appoints senior managers and is responsible for measuring their performance.
- 6.5 The CEO must ensure systems are implemented to create a safe and harmonious workplace for all employees.
- 6.6 The CEO nominates Members to "Operational Committees". These committees (at the time of publication of this document) are:
- (a) Technical and Safety Committee;
 - (b) Funding Committee;
 - (c) Awards Committee;
 - (d) Aviation Committee;
 - (e) Sport Development Committee; and
 - (f) Rigging Committee.

7. COMPANY SECRETARY

- 7.1 The Board will appoint a Company Secretary.
- 7.2 The Company Secretary's responsibilities include:
- (a) providing advice to the Chair and Directors;

- (b) ensuring statutory compliance by APF;
- (c) oversight of the budget and expenditure;
- (d) recommend external auditors to the Board; and
- (e) assist the Chair in the preparation of agendas for Board meetings and the AGM.

7.3 Draft minutes of each Board meeting will be circulated to Directors within five business days.

8. BOARD COMMITTEES

8.1 The Board may establish Committees to assist it in discharging its responsibilities.

8.2 The Board determines the Charter for each of the Committees and these Charters will determine the membership and responsibilities of each Committee.

9. CONFLICT OF INTEREST

Directors must:

- (a) disclose to the Board any actual or potential conflict of interest which may exist as soon as they become aware of the issue;
- (b) take any necessary and reasonable measures to resolve the conflict; and
- (c) comply with the Corporations Act 2001.

10. REVIEW OF THE BOARD AND COMMITTEES' CHARTERS

10.1 The Board Charter and Board Committees' Charters will be reviewed as required.

10.2 To the extent that there is any inconsistency between these charters and the APF Constitution, the APF Constitution will prevail.

11. APPROVAL

This Charter was approved on 28 February 2017, and amended by the Board on 29 November 2017.

APF BOARD OF DIRECTORS – CODE OF CONDUCT

Note: In the event of a conflict between this Code of Conduct and the APF Constitution, the Constitution provisions will prevail.

- (a) A Director must act honestly, in good faith and in the best interests of APF as a whole.
- (b) A Director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- (c) A Director has a duty to acquaint his/herself with the duties and responsibilities of a Director
- (d) A Director must use the powers of office for proper purpose, in the best interests of the APF as a whole.
- (e) A Director must recognise that the primary responsibility is to the APF members as a whole.
- (f) A Director must not make improper use of information acquired as a Director.
- (g) A Director must not take improper advantage of the position of Director.
- (h) A Director must not divulge confidential Board information to any outside party.
- (i) A Director must not allow personal interests, or the interests of any associated person, to conflict with the interests of the APF.
- (j) A Director has an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors of the APF.
- (k) A Director should not engage in conduct likely to bring discredit upon the APF.
- (l) A Director has an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this code.

I agree that I have read and understand this Code of Conduct for Directors and agree to abide by it.

Signed Date

Printed Name Membership No.

GOVERNANCE COMMITTEE CHARTER

1. PURPOSE

The Governance Committee monitors, reviews and advises the Board on governance issues, including the APF Constitution, Board performance assessment, and regulatory, statutory and policy issues.

2. MEMBERSHIP

2.1 The Committee consists of:

- (a) a Board Member and
- (b) at least two other Members.

2.2 The Board will appoint members to the Committee or remove and replace members of the Committee by resolution.

2.3 Non-committee members, including other members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

3. ROLE AND RESPONSIBILITIES

3.1 Advise the Board on changes required to update the APF Constitution.

3.2 Review and update the Board on current issues of Governance and their impact on the APF.

3.3 Facilitate a Board performance assessment, and establish processes for the review of the performance of Board members.

3.4 Monitor regulatory and statutory issues facing the organisation not covered by other Committees.

3.5 On behalf of the Board, ensure ongoing review of APF regulations and approve changes.

3.6 In discharging its responsibilities, the Committee must have regard to the following policy objectives:

- (a) Ensuring the governance of the APF is appropriate and meets governance best practices, regulatory and statutory requirements; and
- (b) Obtaining any member approvals which are necessary.

4. POWERS

Recommendations will be referred to the Board for consideration.

5. DECISION MAKING

A quorum is at least three members.

6. COMMITTEE PROCESS

6.1 Chair

- (a) In the absence of the Committee Chair, the Committee members must elect one of their number as chair for that meeting.
- (b) The Chair has a casting vote.

6.2 Convening and notice of meeting

- (a) The Chair will convene meetings of the Committee. Notice will be given to all Committee members.
- (b) There is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

7. REPORTING REQUIREMENT TO THE BOARD

- 7.1 The Committee Chair will provide minutes of all meetings to the Board within 10 working days.
- 7.2 An appointed minute taker other than the Chair will take minutes at all meetings.
- 7.3 Outcomes/Motions will be extracted from the minutes and distributed to the appropriate personnel.
- 7.3 Minutes of meetings of the Committee must be kept available on the APF 365 Portal.

8. TERM

Annual.

9. RESOURCES

The Committee may have access to internal and external resources for any matter pertaining to the powers, responsibilities or duties of the Committee, with external resources requiring the approval by the Chair.

MANAGEMENT COMMITTEE CHARTER

1. PURPOSE

The Management Committee recommends appropriate performance measures for the CEO and determines his/her remuneration, conducts budget reviews and oversees special projects.

2. MEMBERSHIP

- 2.1 The Committee consists of a minimum of three Board members.
- (a) Chair of the Board; and
 - (b) at least two other Board Members.
- 2.2 The Board will appoint members to the Committee or remove and replace members of the Committee by resolution.
- 2.3 Non-committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

3. ROLE AND RESPONSIBILITIES

- 3.1 Determine the remuneration for the CEO having regard to employment contract
- 3.2 By the beginning of each financial year, in consultation with the CEO, develop appropriate Key Performance Measures (KPMs) and targets for the position to apply for that financial year and recommend these to the Board for their approval.
- 3.3 Review performance measures and targets with the CEO on a regular basis.
- 3.4 Plan the succession of the CEO.
- 3.5 Conduct budget reviews and recommend necessary adjustments.
- 3.6 Maintain a broad overview of APF processes.
- 3.7 Oversee special projects as assigned by the Board.
- 3.8 In discharging its responsibilities, the Committee must have regard to the following policy objectives:
- (a) Ensure the CEO's remuneration is equitable and aligned with the long-term interests of the APF and its members; and
 - (b) Attract and retain a skilled executive.

4. POWERS

Recommendations that fall outside section 3 above will be referred to the Board for consideration.

5. DECISION MAKING

A quorum is at least three members.

6. BOARD PROCESS

- 6.1 Chair
- (a) A Director of the Board will chair the committee.
 - (b) In the absence of the Committee Chair, the Committee members must elect one of their number as chair for that meeting.
 - (c) The Chair has a casting vote.

6.2 Convening and notice of meeting

- (a) The Chair will convene meetings of the Committee. Notice will be given to every member of the Committee, of every meeting of the Committee, at the member's advised address for service of notice.
- (b) There is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

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8. TERM

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9. RESOURCES

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RISK AND AUDIT COMMITTEE CHARTER

1. PURPOSE

The Risk and Audit Committee assists the Board in its oversight responsibilities for all matters related to risk management and reporting, external and internal financial audit and financial risk management of the APF.

2. MEMBERSHIP

2.1 The Committee consists of:

- (a) a Board Member; and
- (b) at least two other members.

2.2 The Board will appoint members to the Committee or remove and replace members of the Committee by resolution.

2.3 Non-committee members, including other members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

3. ROLE AND RESPONSIBILITIES

3.1 Oversee and review risk management, internal audit and control systems and ensure there is a mechanism for assessing those systems.

3.2 Establish an effective system for:

- (a) identifying, assessing, monitoring and managing financial and other risk;
- (b) disclosing any material change to the APF's financial risk profile; and
- (c) complying with its legal obligations, including to assist the CEO and APF Office managers to provide declarations under section 295A of the Corporations Act 2001.

3.3 In discharging its responsibilities, the Committee must have regard to the following policy objectives:

- (a) Ensuring the integrity of the APF's statutory financial reports and statements, including compliance with prudential, legal and ethical standards; and
- (b) Ensuring APF management has an appropriate framework in place to identify and effectively manage financial risk.

4. POWERS

Recommendations that fall outside section 3 above will be referred to the Board for consideration.

5. DECISION MAKING

A quorum is at least three members.

6. BOARD PROCESS

6.1 Chair

- (a) A Director of the Board will chair the committee.
- (b) In the absence of the Committee Chair, the Committee members must elect one of their number as chair for that meeting.

(c) The Chair has a casting vote.

6.2 Convening and notice of meeting

(a) The Chair will convene meetings of the Committee. Notice will be given to every member of the Committee, of every meeting of the Committee, at the member's advised address for service of notice.

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