

26 PAYMENTS TO DIRECTORS

26.1 Payments to Directors

No payment will be made to a Director of the Association other than payment:

- (a) of remuneration in accordance with **clause 26.2**
- (b) for out-of-pocket expenses incurred by the Director in the performance of any duty as Director of the Association where the amount payable does not exceed an amount previously approved by the Board;
- (c) for any service rendered to the Association by the Director in a professional or technical capacity, other than in the capacity of Director (for which remuneration may be paid in accordance **with clause 26.2**), where the provision of a service has the prior approval of the Board and where the amount payable is approved by the Board and is not more than an amount which commercially would be reasonable payment for the service;
- (d) of any salary or wage to the Director as an employee of the Association where the terms of employment have been approved by the Board, other than in the capacity of Director (for which remuneration may be paid in accordance with **clause 26.2**) and;
- (e) relating to an indemnity in favour of the Director and permitted by these Rules and the Act.

26.2 Remuneration of Directors

- (a) The remuneration of Directors of the Association will not:
 - (i) be more than the aggregate fixed sum which is determined by the Directors; nor
 - (ii) be by way of a commission on, or percentage of, operating revenue or surplus.
- (b) Provided that the aggregate remuneration paid to the Directors does not exceed the aggregate fixed sum determined in accordance with paragraph (a), the Directors will determine:
 - i. the amount of remuneration to be paid, or applied for the benefit of; and
 - ii. the basis on which (for example, whether by way of salary or as a service fee) and the way remuneration is to be paid to, any Director.
- (c) For the purposes of paragraph (b), the remuneration of a Director who is paid by way of a salary or wage includes payments made in connection with the provision of superannuation benefits.
- (d) The remuneration of a Director will be deemed to accrue from day to day.