



NATIONAL CUTTING HORSE ASSOCIATION

NCHA AUSTRALIA Board charter

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1 Forward

The National Cutting Horse Association continues to have a bright future. A non-profit organisation, the NCHA is dedicated to the equine sport of cutting whether it be on a property or in the show arena. From its humble beginnings near Fort Worth, Texas in the USA in 1898, the sport has quickly developed into an internationally recognised event.

One of the most important functions of the National Cutting Horse Association is the improvement of cutting horse contests and maintenance of a complete record of these contests. Individual records are maintained on each competing horse and rider.

The association also sponsors and runs several major shows.

The NCHA is a life member of the R.S.P.C.A.

The NCHA is an Affiliate of the National Cutting Horse Association (USA), as a life member.

The association is run by nine elected directors consisting of:

- President
- Two Vice Presidents
- Director of Finance
- Five Directors

The present Standing Committees are:

- o Major Shows Administration
- o Non-Professional Administration
- o Judge Management Administration
- o Finance Administration
- o Affiliate Administration
- o Rule Management Administration
- o Marketing Administration
- o Hall of Fame Administration
- o Owners and Breeders Administration
- o Professional Trainers Administration
- o N.C.H.A - YA
- o Disciplinary Committee

2 Introduction

a) The National Cutting Horse Association of Australia operates as a public NCHA limited by guarantee, dedicated to functioning as a not-for-profit organisation.

b) This document serves as the Board Charter, delineating the responsibilities and role of the Board in fulfilling the organization's Purpose and establishing a framework for effective corporate governance.

c) Capitalized terms, as defined in Section 16 of the Dictionary, carry the meanings assigned in that section. Additionally, terms defined in the Constitution but not in the Dictionary hold the meanings given in the Constitution.

3 Role and responsibilities of the Board

3.1 Role of the Board

- a) The Board holds the overall responsibility for governance, management, and strategic direction, ensuring the NCHA achieves accountable corporate performance aligned with its goals and objectives.
- b) Key objectives include advancing the NCHA's Purpose, enhancing its value to members and stakeholders within an appropriate framework, and ensuring proper management.

3.2 Responsibilities of the Board

- a) Providing strategic direction and deciding upon strategies and objectives in collaboration with the General Manager.
- b) Monitoring the strategic direction and attainment of strategies and objectives in conjunction with NCHA staff and General Manager.
- c) Overseeing overall corporate governance, including control frameworks, delegated authority, risk management, and policies.
- d) Facilitating improved relationships with members and key stakeholders.
- e) Ensuring proper management by appointing and, if necessary, removing the General Manager, approving remuneration policies, overseeing performance evaluations, and participating in the development of the annual business plan.
- f) Approving budgets, acquisitions, and divestitures, reviewing the NCHA's financial position, and ensuring compliance with non-financial objectives.
- g) Monitoring and achieving non-financial objectives, including environmental, social, and governance goals.
- h) Supporting a culture aligning with the Purpose and fostering ethical behaviour.
- i) Ensuring sound Board succession planning and compliance with relevant laws.

4 Powers and duties

4.1 General powers

The Board holds responsibility for the governance, business, and affairs of the NCHA, empowered to exercise all non-member-required powers as per the NCHA constitution.

4.2 Duties

Directors must adhere to their legal and common law duties including:

- a) to exercise their powers and discharge their duties with the degree of care and diligence that a reasonable individual would exercise if they were a director of the NCHA.
- b) to act in good faith in the best interests of the NCHA and to further the Purpose.
- c) not to misuse their position as a director.
- d) not to misuse information that they gain in their role as a director.
- e) to disclose any perceived or material conflicts of interest.
- f) to ensure that the financial affairs of the NCHA are managed responsibly; and
- g) not to allow the NCHA to operate while insolvent.

5 Specific responsibilities

5.1 Individual directors

- a) Directors are accountable for the Board's performance, adhering to obligations outlined in this Charter and the Constitution.
- b) Individual directors must participate constructively, consider circulated materials, support Board decisions, safeguard the NCHA's reputation, and act as advocates.
- c) Directors are encouraged to promote the NCHA's interests and engage with stakeholders, abiding by the NCHA's media policy.
- d) Specific duties and responsibilities may be detailed in role descriptions, subject to periodic amendments.

5.2 NCHA President

- a) NCHA President will be appointed in accordance with rule 43.1 of the Constitution.
- b) The NCHA President, appointed according to the Constitution, assumes a leadership role in guiding the Board and shaping the NCHA's strategic direction.
- c) Responsibilities, detailed in a separate role description, may be periodically amended by the Board.

5.3 General Manager

- a) The General Manager oversees the NCHA's affairs under delegated authority, implementing Board-set policies and strategies.
- b) The General Manager reports to the Board, ensuring transparent and accurate reporting of the NCHA's condition and results.
- c) Transactions outside delegation levels require Board approval.

5.4 NCHA Secretary

- a) In accordance with rule 54 of the Constitution, the duties of the NCHA Secretary include:
 - i. ensuring that the necessary registers required by the law are established and properly maintained.

- ii. ensuring that any required annual returns and annual reports are lodged with the appropriate regulator on time; and
- iii. ensuring the organisation of, and attendance at, meetings of the directors, including the sending out of notices, the preparation of agenda and the compilation of minutes.

6 Board composition and meetings

6.1 Board composition

- a) In accordance with rule 36.4 of the Constitution, the number of directors is nine or, if the Board appoints a person pursuant to clause 36.3, ten.
- b) The size of the Board is determined in accordance with the Constitution and can only be changed by a resolution of the members.
- c) Board composition and expertise are periodically considered by the Board.

6.2 Meetings

- a) In accordance with rule 44.1 of the Constitution, the directors will meet as often as required for the proper discharge of their directors' duties and in any event no less than three times per year.
- b) In accordance with rule 44.4 of the Constitution, quorum for directors' meetings consists of a minimum of six directors.
- c) Directors must strive to be present at all directors' meeting and actively participate. In accordance with rule 44.1 of the Constitution, a person will cease being a director if they fail to attend three or more consecutive directors' meetings in any 12-month period without a leave of absence approved by the directors.
- d) Directors will receive relevant Board papers at a reasonable time before each meeting and must dedicate sufficient time to prepare for each meeting.
- e) The NCHA president may request the attendance of any person at the meeting who is responsible for, or associated with, a matter included as an agenda item at a meeting. That person should be noted in the minutes for the meeting as an attendee and can speak at the meeting at the invitation of the NCHA president but does not have any voting rights.

6.3 Minutes

Minutes of all Board meetings are taken by the Secretary or an appointed individual.

7 Appointment of directors

7.1 Appointment

- a) Directors will be appointed or elected in accordance with rule 38 of the Constitution.
- b) All appointment processes and decisions will be recorded by the Board, typically through the Secretary.

- c) To be eligible for appointment as a director a person must satisfy the requirements set out in rule 38 of the Constitution.

7.2 Terms and conditions

- a) All new directors appointed to the Board will receive a letter of engagement from the NCHA president, which sets out the basis of their engagement.
- b) The letter of engagement will include a copy of all information and documentation relevant to the operations of the Board and that director's role, including this Board Charter and the Constitution.

7.3 Induction and briefings

All new directors will be given an induction, which may include meetings with the NCHA president and General manager and the provision of briefing materials in relation to the NCHA, its strategic direction, operations and finances.

8 Delegations

8.1 NCHA committees

- a) The Board may, in accordance with rule 45.1 of the Constitution, resolve to establish one or more committees consisting of such persons as it determines to assist in the execution of its responsibilities.
- b) Delegations to individuals, as permitted by the Constitution, may be made.
- c) The Board may continue to exercise all its powers despite any delegation made under rule. 45.6 of the Constitution.

8.2 Delegation to individuals

- a) The Board may, in accordance with rule 25.3 of the Constitution, resolve to delegate any of its powers to such individual or individuals as it so determines including:
 - i. to one or more directors; or
 - ii. to one or more employees, including management of the NCHA.
- b) The Board may delegate powers to individuals, either directors or employees recognising
 - i. A person receiving delegated powers must adhere to Board directions.
 - ii. The Board retains full powers despite any delegations.

- c) The Board may continue to exercise all its powers despite any delegation made under rule 25.3 of the Constitution.

8.3 Review of delegations

Delegations are subject to annual review and adapt to changes in governance or external regulatory environments.

9 Access to information

9.1 Directors' access to General Manager and staff

- a) The chair of any committee/portfolio may access the manager or staff member to whom that committee relates without prior approval of the NCHA president.
- b) Directors seeking access to the General Manager or NCHA staff outside of portfolio requirements, must obtain approval from the NCHA President.

9.2 Directors' access to information

- a) The NCHA maintains records securely and grants directors' access to Board documents upon written request.
- b) Independent professional advice expenses, approved by the Board, are reimbursed by the NCHA.
- c) Directors must maintain confidentiality and disclose information only as authorized or required by law.

9.3 Independent professional advice

- a) If required, NCHA directors can seek independent professional advice. Independent professional advice expenses, approved by the Board, are reimbursed by the NCHA.
- b) Directors must maintain confidentiality and disclose information only as authorized or required by law.

9.4 Confidentiality

- a) Directors must keep all Board deliberations and decisions which are not publicly known confidential.
- b) Any confidential information received by a director in their position as director must not be disclosed to any third party, unless authorised by the Board or required by law.

10 Indemnity and insurance

- a) In accordance with rule 59.2 of the Constitution, directors are indemnified for losses incurred in their role, with indemnity limited to losses not covered by insurance.

- c) In accordance with rule 42.1 of the Constitution, the NCHA provides insurance for officers against liabilities incurred in their role.

11 Remuneration and expenses

- a) Directors are not entitled to receive payment for acting as a director.
- b) Subject to the requirements, directors are entitled to:
 - i. be reimbursed for reasonable authorised expenses properly incurred by them in connection with the affairs of the NCHA; and
 - ii. receive reasonable and proper payment for any goods supplied or services rendered to the NCHA (other than in their role as a director). As per the NCHA delegation policy and section 12 of this charter, services provided to the NCHA must not create a conflict of interest and undergo a procurement process to ensure fairness and transparency.

12 Conflicts of Interest

- a) Directors are expected to appropriately identify, disclose, and manage conflicts of interest in accordance with rule 42.1 of the Constitution and comply with the NCHA's Conflicts of Interest Policy and related procedures.
- b) Directors must disclose all personal information and other matters that could, or do, give rise to a conflict of interest in relation to a matter or decision being considered by the directors.
- c) Where a director has a material personal interest in a matter to be considered at a meeting, that director must not be present while the matter is being considered at the meeting or vote on the matter, unless the directors who do not have a material personal interest pass a resolution that:
 - i. identifies the director, the nature, and the extent of the director's interest in the matter and its relation to the affairs of the NCHA; and
 - ii. states that those directors are satisfied that the interest should not disqualify the director from voting or being present.
 - iii. Directors are required to sign a declaration which includes an undertaking to disclose conflicts of interest in a timely and appropriate manner.

13 Code of Conduct

- a) The Board has adopted a Code of Conduct to ensure the affairs of the NCHA are conducted legally, ethically and with integrity.
- b) Directors are expected to comply with the Code of Conduct.

14 Assessment of performance

- a) An annual evaluation of the Board, its committees, and individual directors identifies areas for improvement, to identify opportunities to improve the NCHA's governance framework, decision making, effectiveness of meetings and to gain greater clarity of roles.
- b) Annual reviews will be internal, Board members can recommend external audits as required.

15 Review of Board Charter

The Board must as needed, and in any event no less than once every three years, review the Board Charter and any committee charters and make any changes it determines to be necessary or desirable. The next NCHA board charter review will be applicable in 2027.

16 Dictionary

16.1 Dictionary

In this Board Charter:

- a) Board means the board of directors of the NCHA.
- b) NCHA president means a person appointed to the position of President of the Board in accordance with rule 43.1 of the Constitution.
- c) Code of Conduct means a code of conduct adopted by the Board, as amended from time to time.
- d) Constitution means the constitution of the NCHA.
- e) Corporations Act means the Corporations Act 2001 (Cth);
- f) Delegations Policy means a delegations policy adopted by the Board, as amended from time to time.
- g) Purpose means the purpose of the NCHA as set out in rule 3.1 of the Constitution; and
- h) Secretary means a person appointed to the position of secretary of the NCHA in accordance with rule 54 of the Constitution.