

STATEMENT OF PURPOSES AND RULES
of the
AUSTRALIAN RACECOURSE MANAGERS ASSOCIATION INC.

Statement of Purposes
of
Australian Racecourse Managers Association Inc.
("the Association")

The purposes of the Association are:

- (a) to promote and advance best practice in racecourse management
- (b) to encourage the highest standards of racecourse management efficiency and quality
- (c) to assist the efforts of racecourse managers in the provision of race and training tracks of the highest standard
- (d) to conduct conferences and other forums aimed at communication and education on all aspects of racecourse care and management
- (e) to encourage research, development and extension on all matters relevant to best racecourse management
- (f) to compile data on racecourse management practices and effects
- (g) to disseminate relevant information to the members
- (h) to represent racecourse managers, as required, on racing industry matters
- (i) to invest and deal with monies of the Association not immediately required in such manner as is from time to time thought fit.
- (j) to do all such other things as are incidental or conducive to the attainment of the purposes and the exercise of the powers of the Association.

Rules
of
Australian Racecourse Managers Association Inc.

1. **Name**

The name of the incorporated association is Australian Racecourse Managers Association Inc. (*in these Rules called "the Association"*).

2.(1) **Interpretation**

In these Rules, unless the contrary intention appears -

"**Act**" means the Associations Incorporation Act 1981 (Victoria).

"**Associate Member**" means a person or company supplying services or products to racecourses.

"**Auditor**" means the person appointed in accordance with Rule 27 to audit the Association's accounts.

"**By-laws**" means By-laws as decided by the Committee from time to time which are not inconsistent with these Rules.

"**Chairman**" means the person elected to the office of Chairman of the Association.

"**Committee**" means the committee of management of the Association.

"**Committee member**" means a person elected to the Committee in accordance with Rule 19.

"**Deputy Chairman**" means the person elected to the office of Deputy Chairman of the Association.

"**Financial Year**" means the year ending on 30 June.

"**General Meeting**" means a general meeting of members convened in accordance with rule 8.

"**Honorary Member**" means a person or company granted that status by the Committee

"**Member**" means a person or company professionally engaged in racecourse management

"**Public Officer**" means the person appointed by the Committee to perform the duties of the Public Officer as defined by the Act.

"**Regulations**" means Regulations under the Act.

"**Relevant Documents**" has the same meaning as in the Act.

"**Secretary**" means the person appointed by the Committee to perform the duties of the Secretary of the Association.

"**Treasurer**" means the person appointed by the Committee to perform the duties of the Treasurer of the Association.

"**writing**" and "**written**" mean printing, typing, lithography and other modes of reproducing words in a visible form including facsimile and electronic mail.

(2) Words and phrases which are given a special meaning by the Law have the same meaning in these Rules.

(3) Words in the singular include the plural and vice versa.

(4) Words importing a gender include the other gender.

(5) Words or expressions contained in these Rules shall be interpreted in accordance with the provisions of the Interpretation of Legislation Act, 1984 and the Act as in force from time to time.

3. **Application for Membership**

- (1) An applicant for membership is eligible to be a member of the Association on payment of the annual subscription payable under these Rules.
- (2) An applicant shall not be admitted to membership unless such applicant:
 - (a) agrees in writing to be bound by the Rules of the Association and its By-laws;
 - (b) is an organisation or person that meets the membership criteria as defined in Rule 2;
 - (c) provides the Committee with all relevant information requested by it; and
 - (d) is approved for membership by the Committee
- (3) An application for membership of the Association shall be made in writing in the form prescribed by the Committee and shall be lodged with the Secretary.
- (4) As soon as practicable after the receipt of an application the Secretary shall refer the application to the Committee.
- (5) The Committee shall determine whether to approve or reject the application and decide whether the applicant is to be granted Member or Associate Member status. The Committee shall have the power to grant Honorary Membership.
- (6) If the Committee approves an application for membership the Secretary shall, as soon as practicable, notify the applicant in writing of the approval for membership and request payment within 28 days after receipt of the notification of the sum payable under these Rules as the first year's annual subscription.
- (7) The Secretary shall, within 28 days after receipt of the amounts referred to in sub-rule(6), enter the applicant's name in the register of members and, upon the name being so entered, the applicant is granted membership.
- (8) An applicant for membership becomes a member and is entitled to exercise the rights of membership when that applicant's name is entered in the register of members.
- (9) If the Committee rejects an application, the committee shall, as soon as practicable, notify the applicant in writing that the application has been rejected.
- (10) A right, privilege, or obligation of a member by reason of its membership of the Association:
 - (a) shall not be capable of being transferred or transmitted to another party;
 - (b) shall terminate upon the cessation of its membership whether by resignation or otherwise.

4. **Annual Subscription**

- (1) All Members and Associate Members shall pay an annual subscription based on the twelve month period from October 1 to September 30 (the subscription year). The first year's subscription shall apply for the year to September 30, 2005.
- (2) The Committee shall set and advise the annual subscription rate for each forthcoming subscription year for all members at least one calendar month prior to the start of that year. The Committee has the right to pro-rata subscriptions for part of the subscription year.
- (3) Annual subscriptions shall be paid not later than three calendar months after the start of the new subscription year.
- (4) A Member whose annual subscription is unpaid at the time of any Annual General Meeting or Special General Meeting will be ineligible to vote at those meetings.
- (5) A member whose annual subscription is more than 90 days overdue will, at the discretion of the Committee, be deleted from the register of members.

5. **Register of Members**

- (1) The Secretary shall keep and maintain a register of members containing the name and address and date of entry of each member.
- (2) The register shall be available for inspection free of charge by any member upon request.
- (3) Each member shall supply the Secretary with such information for record or other purposes as the Committee may reasonably require.

6. **Resignation and Expulsion of Member**

- (1) A member who has paid all moneys due and payable to the Association may resign from the Association by giving one month's notice in writing to the Secretary of such intention to resign.
- (2) After the expiry of the period referred to in sub-rule (1) the member ceases to be a member and the Secretary shall record in the register of members the date on which the member ceased to be a member.
- (3) Subject to these Rules, if the Committee is of the opinion that a member has refused or neglected to comply with these Rules or the By-laws, or has been guilty of conduct unbecoming a member or prejudicial to the interests of the Association, the committee may by resolution:

- (a) fine that member in accordance with the Regulations; or
 - (b) suspend that member from membership of the Association for a specified period; or
 - (c) expel that member from the Association.
- (4) A resolution of the Committee under sub-rule (3) does not take effect unless:
- (a) at a meeting held in accordance with sub-rule (5), the Committee confirms the resolution; and
 - (b) if the member exercises a right of appeal to the Association under this rule, the Association confirms the resolution in accordance with this rule.
- (5) A meeting of the Committee to confirm or revoke a resolution passed under sub-rule (3) shall be held not earlier than 14 days, and not later than 28 days, after notice has been given to the member in accordance with sub-rule (6).
- (6) For the purposes of giving notice in accordance with sub-rule (3), the Secretary shall, as soon as practicable, cause to be given to the member a written notice:
- (a) setting out the resolution of the committee and the grounds on which it is based;
 - (b) stating that the member, or his or her representative, may address the Committee at a meeting to be held not earlier than 14 days and not later than 28 days after the notice has been given to that member;
 - (c) stating the date, place and time of that meeting;
 - (d) informing the member that it may do one or both of the following:
 - (i) attend that meeting;
 - (ii) give to the committee before the date of that meeting a written statement seeking revocation of the resolution;
 - (iii) not later than 48 hours after that meeting, give the Secretary a notice to the effect that it wishes to appeal to the Association in General Meeting against the resolution.
- (7) At a meeting of the Committee to confirm or revoke a resolution passed under sub-rule (3), the Committee shall:
- (a) give the member, or its representative, an opportunity to be heard;
 - (b) give due consideration to any written statement submitted by the member;
 - (c) determine by resolution whether to confirm or to revoke the resolution.
- (8) If at a meeting of the Committee under sub-rule (5), the Committee confirms the resolution, the member may, not later than 48 hours after that meeting, give the Secretary a notice to the effect that it wishes to appeal to the Association in General Meeting against the resolution.
- (9) If the Secretary receives a notice under sub-rule (8), the Secretary shall notify the Committee and the Committee shall convene a General Meeting of the Association to be held within 21 days after the date on which the Secretary received the notice.
- (10) At a general meeting of the Association convened under sub-rule (9):
- (a) no business other than the question of the appeal may be conducted;
 - (b) the Committee may place before the meeting details of the grounds for the resolution and the reasons for the passing of the resolution;
 - (c) the member, or its representative, must be given an opportunity to be heard;
 - (d) the members present shall vote by secret ballot on the question whether the resolution should be confirmed or revoked.
- (10) A resolution is confirmed if, at the General Meeting, not less than two-thirds of the votes are exercised in favour of the resolution. In any other case, the resolution is revoked.

7. Disputes and Mediation

- (1) The grievance procedure set out in this rule applies to disputes under these Rules between –
- (a) a member and another member; or
 - (b) a member and the Association
- (2) The parties to the dispute must meet and discuss the matter in dispute, and, if possible, resolve the dispute within 14 days after the dispute comes to the attention of all the parties.
- (3) If the parties are unable to resolve the dispute at the meeting, or if a party fails to attend that meeting, then the parties must, within 10 days, hold a meeting in the presence of a mediator.
- (4) The mediator must be –
- (a) a person chosen by agreement between the parties; or
 - (b) in the absence of agreement –
 - (i) in the case of a dispute between a member and another member, a person appointed by the Committee of the Association; or
 - (ii) in the case of a dispute between a member and the Association, a person who is a mediator appointed or employed by the Dispute Settlement Centre of Victoria (Department of Justice)

- (5) A member of the Association can be a mediator.
- (6) The mediator cannot be a member who is a party to the dispute.
- (7) The parties to the dispute must, in good faith, attempt to settle the dispute by mediation.
- (8) The mediator, in conducting the mediation, must –
 - (a) give the parties to the mediation process every opportunity to be heard; and
 - (b) allow due consideration by all parties of any written statement submitted by any party; and
 - (c) ensure that natural justice is accorded to the parties to the dispute throughout the mediation process.
- (9) The mediator must not determine the dispute.
- (10) If the mediation process does not result in the dispute being resolved, the parties may seek to resolve the dispute in accordance with the Act, otherwise at law.

8. Annual General Meetings

- (1) The Association shall, in each calendar year, convene an Annual General Meeting of its members.
- (2) The Committee may determine the date, time and place of the Annual General Meeting of the Association.
- (3) The notice convening the Annual General Meeting shall specify that the meeting is an Annual General Meeting.
- (4) The ordinary business of the Annual General Meeting shall be:
 - (a) to confirm the minutes of the previous Annual General Meeting and of any General Meeting held since that meeting;
 - (b) to receive from the Committee reports upon the transactions of the Association during the last preceding financial year;
 - (c) to endorse the election of Committee members as provided for elsewhere in the rules;
 - (d) to receive and consider the statement submitted by the Association in accordance with section 30(3) of the Act.
- (5) The Annual General Meeting may conduct any special business of which notice has been given in accordance with these Rules.

9. Special General Meetings

- (1) In addition to the Annual General Meeting, any other General Meeting may be held in the same year.
- (2) All General Meetings other than the Annual General Meeting are Special General Meetings.
- (3) The Committee may, whenever it thinks fit, convene a Special General Meeting of the Association.
- (4) If, but for this sub-rule, more than 15 months would elapse between Annual General Meetings, the Committee shall convene a Special General Meeting before the expiration of that period.
- (5) The Committee shall, on the request in writing of members representing not less than one third of the total number of members, convene a Special General Meeting of the Association.
- (6) The request for a Special General Meeting shall state the objects of the meeting, be signed by the members requesting the meeting and be sent to the address of the Secretary.
- (7) If the committee does not cause a Special General Meeting to be held within one month after the date on which the request is sent to the address of the Secretary, the members making the request, or any of them, may convene a Special General Meeting to be held not later than 3 months after that date.
- (8) If a Special General Meeting is convened by members in accordance with this rule, it must be convened by the Committee and all reasonable expenses incurred in convening the Special General Meeting must be refunded by the Association to the persons incurring the expenses.

10. Notice of General Meetings

- (1) The Secretary shall, at least 21 days before the date fixed for holding a General Meeting, cause to be sent to each member a notice stating the place, date and time of the meeting and the nature of the business to be conducted at the meeting.
- (2) No business other than that set out in the notice convening the meeting may be conducted at the meeting.
- (3) A member intending to bring any business before a meeting may notify the Secretary of that business in writing. The Secretary shall include that business in the notice calling the next General Meeting.

11. Proceedings at General Meetings

- (1) All business that is conducted at a Special General Meeting and all business that is conducted at the Annual General Meeting, except for business conducted under the rules as ordinary business of the Annual General Meeting, is deemed to be special business.

- (2) No item of business may be conducted at a General Meeting unless a quorum of members entitled under these Rules to vote is present at the time when the meeting is considering that item.
 - (3) Five Members personally present and entitled under these Rules to vote at a General Meeting constitute a quorum for the conduct of the business of a General Meeting.
 - (4) If, within half an hour after the appointed time for the commencement of a General Meeting, a quorum is not present:
 - (a) in the case of a meeting convened upon the request of members the meeting shall be dissolved; and
 - (b) in any other case the meeting shall stand adjourned to the same day in the next week at the same time and (unless another place is specified by the Chairperson at the time of the adjournment or by written notice to members given before the day to which the meeting is adjourned) at the same place.
 - (5) If at the adjourned meeting the quorum is not present within half an hour after the time appointed for the commencement of the meeting, the Members personally present and entitled to vote (being not less than 3) shall be a quorum.
12. (1) The Chairman, or in the Chairman's absence, the Deputy Chairman, shall preside as Chairperson at each General Meeting.
 - (2) If the Chairman and the Deputy Chairman are absent from a General Meeting, or are unable to preside, the members present must select one of their number to preside as Chairperson.
 13. (1) The person presiding may, with the consent of a majority of members present at the meeting, adjourn the meeting from time to time and place to place.
 - (2) No business may be conducted at an adjourned meeting other than the unfinished business from the meeting that was adjourned.
 - (3) If a meeting is adjourned for 14 days or more, notice of the adjourned meeting shall be given in accordance with rule 9.
 - (4) Except as provided in sub-rule (3), it is not necessary to give notice of an adjournment or of the business to be conducted at an adjourned meeting.
 14. (1) Each Member shall be entitled to one vote on any question arising at General Meetings.
 - (2) Associate Members and Honorary Members shall be entitled to attend General Meetings but shall not be entitled to vote.
 - (3) Votes shall be given personally or by proxy.
 - (4) (a) Each Member is entitled to appoint another Member as a proxy by notice given to the Secretary no later than 24 hours before the time of the meeting in respect of which the proxy is appointed.
(b) The notice appointing the proxy shall be in a form as prescribed by the Regulations.
 - (5) In the case of an equality of voting on a question, the Chairperson of the meeting is entitled to exercise a second or casting vote.
 - (6) A Member is not entitled to vote at a general meeting unless all moneys due and payable by the member to the Association have been paid, other than the amount of the annual subscription payable in respect of the current financial year.
 15. (1) If at a meeting a poll on any question is demanded by not less than three Members, it must be taken at that meeting in such manner as the Chairperson may direct and the resolution of the poll shall be deemed to be a resolution of the meeting on that question.
 - (2) A poll that is demanded on the election of a Chairperson or on a question of an adjournment must be taken immediately and a poll that is demanded on any other question must be taken at such time before the close of the meeting as the Chairperson may direct.
 16. If a question arising at a general meeting of the Association is determined on a show of hands a declaration by the Chairperson that a resolution has been carried; or carried unanimously; or carried by a particular majority; or lost; and an entry to that effect in the minute book of the Association is evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.
 17. **Committee**
 - (1) The affairs of the Association shall be governed by a Committee constituted as provided in Rule 19.
 - (2) The Committee:
 - (a) shall control and govern the business and affairs of the Association;
 - (b) shall set and advise the annual subscription for the forthcoming year for Members and Associate Members at least one calendar month prior to the commencement of the new subscription year;

- (c) may, subject to these Rules, and Regulations and the Act, exercise all such powers and functions as may be exercised by the Association other than those powers and functions that are required by these Rules to be exercised by General Meetings of the members; and
 - (d) subject to these Rules, the Regulations and the Act, has power to perform all such acts and things as appear to the Committee to be essential for the proper management of the business and affairs of the Association.
18. (1) Subject to Section 23 of the Act, the Committee shall consist of six Committee members, one from each State of Australia, elected by the Members from amongst their number.
- (2) At the first meeting of the Committee after each Annual General Meeting, the Committee members shall elect from amongst their number a Chairman and Deputy Chairman of the Association.
 - (3) The Chairman and Deputy Chairman shall take office for a period ending at the first Committee meeting after the Annual General Meeting. If a casual vacancy occurs in any such office, the Committee shall forthwith elect a substitute from among their number.
 - (4) The Committee will determine the rotation of Committee members in such a manner that three Committee members retire each year and that no Committee member serves more than two years without being re-elected.
 - (5) An election shall be held prior to each Annual General Meeting to appoint three Committee members to office. Retiring Committee members shall be eligible for re-election but shall not be required to re-nominate as in Rule 19(1)(a).
 - (6) If a Committee member vacates his office, other than in accordance with sub-clause (4), his office shall be filled forthwith by a person chosen by the Committee members remaining in office. Such person shall retire at the Annual General Meeting at which the previous Committee member was due to retire.
19. (1) Nominations of new candidates for election to the Committee, other than retiring Committee members whose original nominations shall stand:
- (a) shall be made in writing, signed by a Member, and accompanied by the written consent of the candidate;
 - (b) shall be delivered to the Secretary no less than two calendar months before the date fixed for the holding of the Annual General Meeting.
- (2) The Members shall be notified by the Secretary of the closing date for nominations not less than one month prior to such closing date.
 - (3) If insufficient nominations are received to fill all vacancies on the Committee, further nominations shall be sought by the Secretary. If, then, the number of nominations equals the number of vacancies on the Committee the nominee(s) shall be declared elected. If the number of nominations exceeds the number of vacancies on the Committee the Committee shall conduct a postal ballot of Members to decide the election.
 - (4) Members shall be advised of the names of the nominated candidates not less than 21 days prior to the Annual General Meeting and votes must be delivered to the Secretary not less than 7 days prior to the Annual General Meeting. In any such postal ballot, each Member shall be entitled to one vote.
 - (5) Successful candidates shall take office on the Committee at the conclusion of the Annual General Meeting immediately following their election.
20. For the purposes of these rules, the office of a Committee member becomes vacant if the Committee member;
- (a) becomes an insolvent under administration within the meaning of the Companies (Victoria) Code; or
 - (b) dies or resigns his office by notice in writing given to the Secretary.
21. **Proceedings of the Committee**
- (1) The Committee members shall meet together for the despatch of the business of the Association.
 - (2) The Committee members may meet either in person or by telephone or by other means of communication by which all persons participating in the meeting are able to hear and be heard by all other participants. A meeting held by telephone or other means of communication is deemed to be held at the place agreed upon by the Committee members attending the meeting, but at least one of the Committee members attending the meeting must have been present at that place for the duration of the meeting.
 - (3) A meeting of the Committee shall be convened by the Secretary on the requisition of the Chairman or the signed requisition of a majority of the Committee members.
 - (4) Notice shall be given to all Committee members of any Committee meeting specifying the general nature of the business to be transacted and no other business shall be transacted at such a meeting.
 - (5) A majority of the elected Committee members constitutes a quorum for the transaction of the business of a meeting of the Committee.

- (6) No business shall be transacted unless a quorum is present and if within half an hour of the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same place and at the same hour of the same day in the following week.
- (7) At meetings of the Committee:
 - (a) the Chairman or in his absence the Deputy Chairman shall preside; or
 - (b) if the Chairman and the Deputy Chairman are absent, such one of the remaining Directors as may be chosen by the members present shall preside.
- (8) Questions arising at a meeting of the Committee or of any sub-committee appointed by the Committee shall be determined on a show of hands or, if demanded, by a poll taken in such manner as the person presiding at the meeting may determine.
- (9) Each Committee member present at a meeting of the Committee or of any sub-committee appointed by the Committee (including the person presiding at the meeting) is entitled to one vote and, in the event of an equality of votes on any question, the person presiding may exercise a second or casting vote.
- (10) Written notice of each Committee meeting shall be served on each Committee member by delivering it to him at a reasonable time before the meeting.
- (11) Subject to sub-clause (5) the Committee may act notwithstanding any vacancy on the Board.

22. Public Officer

The Committee shall, subject to the provisions of the Act, appoint, from time to time, a person to the position of Public Officer of the Association.

23. Secretary

- (1) The Committee shall appoint, from time to time, a person to the position of Secretary of the Association.
- (2) The Secretary shall keep minutes of the resolutions and proceedings of each General Meeting and each Committee meeting in books provided for that purpose together with a record of the name of persons present at Committee meetings.

24. Treasurer

- (1) The Committee shall appoint, from time to time, a person to the position of Treasurer of the Association.
- (2) The Treasurer:
 - (a) shall collect and receive all monies due to the Association and make all payments authorised by the Association; and
 - (b) shall keep correct accounts and books showing the financial affairs of the Association with full details of all receipts and expenditure connected with the activities of the Association.
- (3) The accounts and books referred to in sub-clause (2) shall be available for inspection by members at the office of the Association at all reasonable times.

25. Removal of Committee member

- (1) The Association at a General Meeting may by resolution remove any elected Committee member before the expiration of his term of office and elect another eligible person in his stead to hold office until expiration of the term of the removed Director.
- (2) Where the said Committee member makes representations in writing to the Secretary or Chairman (not exceeding reasonable length) and requests that they be notified to the members, the Secretary or the Chairman may send a copy of the representations to each member or, if they are not so sent, the said Committee member may require that they be read out at the General Meeting prior to such resolution taking effect.

26. Cheques

All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments shall be signed by two persons authorised by the Board.

27. Audit

An auditor shall be appointed by the Annual General Meeting to audit the Association's accounts and to report thereon.

28. Seal

- (1) The common seal of the Association shall be kept in the custody of the Secretary.

- (2) The common seal shall not be affixed to any instrument except by the authority of the Board and the affixing of the common seal shall be attested by the signatures either of two Committee members or of a Committee member and the Public Officer of the Association.

29. Alteration of Rules and Statement of Purposes

These Rules and Statement of Purposes of the Association shall not be altered except by special resolution passed by not less than three-fourths of such authorised votes that are exercised at a General Meeting convened for that purpose.

30. Notices

- (1) A notice may be served by or on behalf of the Association upon any member either personally or by sending it to the member at its address shown in the register of members.
- (2) Where a document is properly addressed, pre-paid and posted to a person as a letter, the document shall, unless the contrary is proved, be deemed to have been given to the person at the time at which the letter would have been delivered in the ordinary course of post.

31. Disposal of Assets

- (1) The income and property of the Association shall be used and applied solely in promotion of its purposes and the exercise of its powers as set out herein and no proportion thereof shall be distributed, paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to or amongst the members of the Association provided that nothing herein contained shall prevent the payment in good faith of interest to any such member in respect of monies advanced by them to the Association or otherwise owing by the Association to them or of remuneration to any officers or servants for the Association or to any member of the Association or other person in return for any services actually rendered to the Association provided further that nothing herein contained shall be construed so as to prevent the payment or repayment to any member of out of pocket expenses, money lent, reasonable and proper charges for goods hired by the Association or reasonable and proper rent for premises demised or let to the Association or the provision of assistance to a member to which it would be entitled in accordance with the purpose if it were not a member.
- (2) If the Association shall be wound up in accordance with the provisions of the Associations Incorporation Act 1981, and there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall be given to or transferred to some other institution or institutions having charitable purposes similar to the purposes of the Association, and which prohibits or prohibit the distribution of its or their income and property amongst its members to an extent at least as great as is imposed on the Association under or by virtue of this rule. Such institution or institutions to be determined in accordance with a special resolution of the Members of the Association or in the absence of a special resolution of the Members by the Registrar of Incorporated Associations.

32. Custody of Records

Except as otherwise provided in these Rules, the Secretary shall keep in his custody or under his control all books, documents and securities of the Association.

33. Funds

The funds of the Association shall be derived from annual subscription fees, donations and such other sources as the Committee determines.

34. The Association may engage in trading activities provided such activities conform with Section 51(4) of the Act.

35. The provisions for trading and winding up shall not be altered without the consent of the Minister.

36. Indemnity

To the extent permitted by law, the Association indemnifies every officer of the Association against any liability incurred by that person in his capacity as an officer of the Association unless the liability arises out of conduct on the part of the officer which involves a lack of good faith.