

BY-LAWS

of

TENNIS NEW SOUTH WALES LIMITED, ACN 000 011 558
(Tennis NSW)

Approved by Tennis NSW Board
21 April, 2015

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1. INTRODUCTION

- a. Tennis NSW is a Member-based not-for-profit organisation charged with growing, developing and promoting the game of Tennis throughout NSW. As the central administrative body of tennis in NSW, it is the Company's role to manage, coordinate, promote and unify the diverse facets of this great sport.
- b. The Board has a Charter that sets out the major principles used by the Board to manage its affairs and enables it to discharge its responsibilities. A copy of this Charter is attached as Appendix 1.
- c. These By-Laws are adopted to provide guidelines for the operating procedures and general conduct of Tennis NSW. They are subject to the Tennis NSW Constitution and have the various meanings and definitions as prescribed by the Constitution.
- d. Clause 17 of the Constitution provides the Board with the power to make, repeal and amend the By-Laws provided such By-Laws are consistent with the Constitution. If any part of these By-Laws should be inconsistent with any clause of the Constitution, the latter shall prevail.
- e. Interpretation of these By-Laws devolves upon the Board and the Board may create new By-Laws on any matter at any time. Such By-Laws will remain in effect until revoked by the Board.

2. DEFINITIONS

In these By-Laws, unless the contrary indication appears:

Anti-Doping Policy means the Anti-Doping Policy of Tennis Australia, as amended, supplemented or replaced from time to time.

Australian Sports Commission means the statutory authority within the Australian Government's Department of Health portfolio operating under the Australian Sports Commission Act 1989, or its successor organisation.

Board means the board of directors of the Company.

By-Laws means these by-laws of the Company as amended, supplemented or replaced from time to time.

CEO means Chief Executive Officer of Tennis NSW.

Chairman means the presiding officer of a committee or sub-committee.

Charter means the document defining the function, rights, obligations or privileges of a committee or sub-committee of the Board.

Coach means a person who trains, directs or gives instruction in tennis.

Code of Behaviour means the Code of Behaviour, Tournaments and Weekly Competitions of Tennis Australia as amended, supplemented or replaced from time to time.

Company means Tennis New South Wales Ltd, ACN 000 011 558.

Constitution means the constitution of Tennis NSW, as amended, supplemented or replaced from time to time.

Member means a member of the Company.

Member Protection Policy means the Member Protection Policy of Tennis Australia, as amended, supplemented or replaced from time to time.

Registered Tennis Player means a Tennis player whose name appears in the Company's register of Tennis players. Tennis players may register directly with the Company or with a Member (other than an Honorary Life Member).

Tennis means the game of tennis, as regulated by the Rules of Tennis, as published by the International Tennis Federation from time to time.

Tennis Australia means Tennis Australia Limited, ACN 006 281 125, the governing body of tennis within Australia.

Tennis NSW means Tennis New South Wales Ltd, ACN 000 011 558.

3. TENNIS AUSTRALIA NATIONAL POLICIES

- a. As a stakeholder in Tennis Australia and as required by the Australian Sports Commission, the Company and its officers agree to adopt and abide by the national policies of Tennis Australia including, but not limited to the:
 - Member Protection Policy,
 - Anti-Doping Policy,
 - Disciplinary Policy,
 - Tennis Anti-Corruption program,
 - Extreme Weather Policy,
 - Privacy Policy,
 - Participation and Online Systems Terms and Conditions,
 - Disciplinary Policy and
 - Code of Behaviour.
- b. A copy of all national policies of Tennis Australia can be found on the Tennis Australia website.
- c. By virtue of their membership of Tennis NSW, all Members and Registered Players of Tennis NSW are bound by the Tennis NSW By-Laws.

4. MEMBERSHIP

4.1 Authority

Clause 6.1 of the Constitution empowers the Board to grant membership to clubs, associations, court operators, honorary life members or any other person or group of persons that conduct tennis related activities of a kind or scale that the Board believes is sufficient to warrant membership.

4.2 Requirements

- a. Applications for membership must include:
 - A completed "Application for Membership" form,
 - A list of office bearers,
 - A copy of the current constitution (where applicable),
 - A copy of the Incorporation certificate (where applicable), and
 - A set of court rules (in the case of court operators).
- b. The Board, at its sole discretion, will determine admission or rejection of each application for membership. In rejecting an application, the Board is not required to furnish a reason for that rejection.
- c. Applicants for membership will be notified as soon as possible after the Board has made its decision on their application.

4.3 Fees

- a. Clause 6.6 of the Constitution provides that the entrance fee (if any) and annual subscription (if any) payable by each Member will be determined by the Board from time to time and may vary for each different class of Member.

- b. Members will be notified of the schedule of fees payable for a membership year at least three months prior to the commencement of that membership year. The membership year of Tennis NSW is the recognised fiscal year (July to June).

4.4 Responsibilities

- a. It is the responsibility of all Members to act in the best interests of tennis in NSW and in Australia and to foster and grow the sport in their local communities.
- b. Members are required to:
 - support the Company and its policies;
 - abide by the policies of Tennis Australia;
 - inform their players of the Company's programs and competitions;
 - inform their players of their obligations under these By-Laws;
 - inform their players of the various insurances provided by the Company;
 - actively participate in the governance of the sport; and
 - register all their players with Tennis NSW.
- c. Members have a duty of care to provide safe playing conditions for all players within the precincts of their tennis facility.

4.5 Entitlements

- a. Members of the Company are entitled to attend, be heard and vote at any meeting of Members of the Company. This entitlement is exercised by the Member, either in person, by proxy, attorney or representative. By exercising its voting rights, a Member participates in the governance of tennis. Membership allows each and every Member to determine the composition of the ultimate leadership group – the Board of directors.
- b. Subject to Member classification and the currency of their membership, varying forms of insurance protection are provided through membership with Tennis NSW. These may include:
 - public liability insurance,
 - personal accident insurance for each Registered Tennis Player,
 - Directors and Officers Insurance,
 - professional indemnity and
 - voluntary works compensation.
- c. Members can conduct and promote competitions and tournaments to other Members and Registered Tennis Players.
- d. Members may, from time to time, receive other benefits offered by the Company, its sponsors or supporters.

5. PLAYER REGISTRATION

5.1 Registration

Each Member will submit the name, gender and contact details of all tennis players at their tennis facility for registration with Tennis NSW. Upon the entry of these details into the My Tennis online registration system, that player becomes a Registered Tennis Player. Players can be registered with more than one Member.

5.2 Player Responsibilities

- a. It is a Tennis players' responsibility to ensure they are registered with the Company before playing Tennis or participating in any competition or tournament. An unregistered player will not be covered by any of the Tennis NSW insurances.
- b. All Registered Tennis Players must abide by the rules of tennis. These are regulated by the International Tennis Federation (ITF) and are available on the ITF website.
- c. All Registered Tennis Players must abide by the policies of Tennis Australia. These are available on the Tennis Australia website. It is a players' responsibility to ensure they are familiar with the rules and regulations and to play within them.
- d. Registered Tennis Players have a responsibility to the organizers of both competitions and tournaments including punctuality, following procedures and providing advance notification of any withdrawal.

5.3 Player Entitlements

- a. A Registered Tennis Player influences voting at general meetings through the Member with whom they are registered. This voting entitlement is exercised through the Member.
- b. If more than one Member has registered the same player, each Member will be entitled to include the name of the Registered Tennis Player in their voting rights.
- c. Registered Tennis Players are covered by the various insurance policies of the Company including public liability and personal accident insurance. A schedule of the policy benefits is available on the Tennis NSW website.
- d. Registered Tennis Players may enter the competitions and tournaments organized by Members, Tennis NSW and Tennis Australia, if eligible.
- e. From time to time, Registered Tennis Players may also receive benefits offered by the Company's sponsors and supporters.

6. MEMBER PROTECTION POLICY

6.1 Authority

Tennis NSW has an ongoing commitment to the health, safety and well-being of all its Members and Registered Tennis Players and is committed to the Member Protection Policy of Tennis Australia as may be found on the Tennis Australia website.

6.2 Description

- a. The Member Protection Policy provides guidance to all parties on the practices and processes involved in dealing with the issues of child protection, harassment and discrimination and dealing with complaints.
- b. Tennis Australia has an information kit available to all Members and the Company has trained staff able to provide Members with guidance if required.
- c. The company encourages all Members to ensure their Registered Tennis Players are fully aware of the Member Protection Policy as available on the Tennis Australia website.
- d. The policy includes the compulsory screening of all coaches and other individuals, paid or voluntary, who may travel with players under 18 years of age or in a role where they have individual and unsupervised contact with players under 18 years of age.

6.3 Responsibilities

- a. It is not mandatory for Members to establish procedures for dealing with complaints however they are encouraged to seek advice from Tennis NSW if considering the need to establish a complaints procedure.
- b. If a Member does not wish to establish procedures for dealing with complaints then complaints must be referred to the Member Protection Officer/s of Tennis NSW.
- c. Members must comply with the NSW Government Child Protection Regulations.

7. LITIGATION

No Member or Registered Tennis Player is entitled to take legal action against the Company in seeking damages or compensation or overturn any decision of the Board or its committees on any matter including, but not limited to:-

- selection of players,
- allocation of sanctioned events,
- allocation of funds or withdrawal thereof,
- acceptance or application of sponsorships, or
- entry to competitions or tournaments or restriction thereto.

8. BALL AND EQUIPMENT APPROVALS

8.1 Ball Approval

Tennis balls used in competitions or tournaments conducted by Tennis NSW or any of its Members will be of a brand and type currently approved by Tennis Australia and the International Tennis Federation (ITF).

8.2 Ball Adoption

Where by virtue of a contract or sponsorship, the use of a specific tennis ball for a particular match, competition, tournament or exhibition is mandatory, then such requirement should be advised to Tennis NSW in writing and become part of the rules and conditions of the event. Any such rule will be binding on all organisers and participants.

8.3 Equipment

Any tennis equipment expressly not approved for use by Tennis Australia will not be used or permitted to be used in events conducted by Tennis NSW or any of its Members.

9. MEDIA COMMUNICATIONS

Except for the President and Chief Executive, no person is authorised to represent the Company in media communications except where expressly delegated by the Board.

10. RECOMMITTAL AT MEETINGS

No resolution passed at any meeting will be recommitted for rescission at that meeting or at any subsequent meeting without fourteen (14) clear days' notice having been given in writing, except when at least 80% of Members present and entitled to vote decide otherwise.

11. DELEGATED POWERS

- a. The Board may delegate powers, authorities and responsibilities to Members from time to time. Such delegations are neither permanent nor absolute. The Board may at any time, without notice, vary, revoke or redefine any or all of the delegated authorities.
- b. The Board will delegate responsibilities to the Chief Executive Officer (CEO) through a written set of delegations. The delegations register will detail the general, financial and human resource authorities, which the Board has vested in senior management of Tennis NSW.
- c. Rules and regulations made by a Member should be fair and reasonable and benefit that Member's Registered Tennis Players.

12. COMMITTEES

- a. Clause 16.10 of the Constitution provides for the establishment of four Board appointed standing committees of the Company:
 - Audit and Risk Committee;
 - Remuneration Committee;
 - Tennis Country and
 - Tennis Sydney.
- b. In addition to these standing committees, the board may establish such other sub-committees as required from time to time. The other sub-committees currently established are:
 - Investment Advisory Sub-Committee and
 - Selection Advisory Sub-Committee.
- c. All committees are responsible to and subject to the overall control of the Board and no committee has greater power than the Board or Members in general meeting.
- d. Committees can pass their own resolutions however these resolutions are void if they are inconsistent with any resolution of the Board or Members in general meeting.
- e. Committees can only recommend actions unless specifically authorised under their respective Charter.
- f. Except as otherwise specified in the Constitution, committee meetings may be called:
 - according to an approved meeting timetable,
 - at the request of the Board,
 - by the Chairman of the relevant committee, or
 - at the request of not less than 50% of the committee members.
- g. The Board will call for nominations each year for all committees and will appoint committee members at its first meeting immediately after the Annual General Meeting, unless otherwise specified in these by-laws.
- h. At the request of any director, the Secretary will furnish details of all nominations received for any committee.

12.1 Audit and Risk Committee

The primary role of the Audit and Risk Committee is to ensure the Board can fulfil all corporate governance and oversight responsibilities in matters related to the financial reporting, internal control systems, risk management systems and auditing of Tennis NSW. The objects of the Audit and Risk Committee are contained in the attached Audit and Risk Charter in Appendix 2.

12.2 Remuneration Committee

The primary role of the Remuneration Committee is to:

- a. ensure the Board consists of people most suited to advance Tennis in NSW and
- b. to identify, select, measure, motivate and review the performance of the CEO and senior management.

The objects of the Remuneration Committee are contained in the attached Remuneration Charter in Appendix 3.

12.3 Tennis Country

The primary role of Tennis Country is to develop and implement strategies that promote and grow Tennis in all six (6) country regions within NSW to ensure Tennis NSW has the strongest country Member organisation in Australia. The objects of Tennis Country are contained in the attached Tennis Country Charter in Appendix 4.

12.4 Tennis Sydney

The purpose of Tennis Sydney is to develop and implement strategies that promote and grow Tennis in the metropolitan area of Sydney, NSW in order to ensure that Tennis NSW has the strongest metropolitan Member organisation in Australia. The objects of Tennis Sydney are contained in the attached Tennis Sydney Charter in Appendix 5.

12.5 Investment Advisory Sub-Committee

The primary role of the Investment Advisory Sub-Committee is to monitor, on behalf of the Board, the effectiveness of the investment processes of Tennis NSW in achieving an optimum return relative to risk for the grassroots fund. The objects of the Investment Advisory Sub-Committee are contained within the attached Investment Advisory Sub-Committee Charter in Appendix 6.

12.6 Selection Advisory Sub-Committee

The primary role of the Selection Advisory Sub-Committee is to select NSW representative teams/players, undertake player rankings and select players for all other avenues of tennis promotion. The objects of the Selection Advisory Sub-Committee are contained in the attached Selection Advisory Sub-Committee Charter in Appendix 7.

APPENDIX 1: TENNIS NSW BOARD CHARTER

1. INTRODUCTION

This Board Charter sets out the major principles used by the Board to manage its affairs and enable it to discharge its responsibilities.

In carrying out its responsibilities and powers as set out in this Charter, the Board will at all times recognise its overriding responsibilities to discharge its duties in good faith, with care and act honestly in the best interests of Tennis NSW.

2. RESPONSIBILITIES AND FUNCTIONS

The Board's key responsibilities are:

- to act in the interests of tennis and Tennis NSW as a whole;
- to observe their duties as directors in terms of the Tennis NSW Constitution, the Corporations Act 2001, common law and other relevant legislation;
- to provide strategic direction for Tennis NSW and effective oversight of management;
- to enhance Members' value, in the context of the Tennis NSW Constitution and ensuring that this is the prime focus of management, having regard to the interests of other stakeholders; and
- to do all those things which, within the requirements of the Constitution, provide leadership, strategic direction and management guidance for all stakeholders in Tennis NSW.

The key functions of the Board include:

- ensuring a diverse and effective Board, in line with Tennis NSW Constitution with appropriate by-laws, policies and procedures for the sport;
- appointing, supporting and providing advice and counsel to, evaluating and rewarding the CEO, taking an active role in overseeing the growth of the executive leadership talent pool and approving the management succession plans;
- through constructive engagement with senior management and key stakeholders, review, add-value to, approve and monitor Tennis NSW's purpose, core values, ethical framework, strategic direction and objectives;
- developing, reviewing, approving and monitoring the implementation of the strategic plan, linked to the strategic objectives, including financial and non-financial performance measures and results and agreed external benchmarks, ensuring appropriate resources are available;
- supporting, reviewing and monitoring the operational performance of Members;
- monitoring key financial and non-financial risk areas by ensuring the implementation of an effective risk management and internal control framework;
- considering and agreeing on committee and management recommendations on key issues including Tennis NSW organisational structuring and resourcing, capital management, significant contracts and capital expenditure;
- the power to make, add to, alter or rescind any Tennis NSW policies and By-Laws as it thinks fit, including the setting of membership fees;
- ensuring the adequacy of systems in place to comply with all laws and regulations that apply to Tennis NSW where appropriate;

- ensuring that appropriate ethical standards, codes of conduct and appropriate behaviour are adhered to at all times;
- evaluating Board processes and Board performance, as well as contributions by individual directors;
- ensuring the Board's effectiveness in delivering good governance, including performance and conformance matters;
- transparent reporting and communications to Members and other stakeholders on the Board's governance, stewardship and financial performance, including all legal and regulatory requirements; and
- appoint such committees as deemed necessary to assist the Board in carrying out its duties.

3. COMPOSITION OF THE BOARD

The composition of the Board is determined as directed by Tennis NSW Constitution.

4. BOARD ROLE DESCRIPTIONS

An overview of the roles of the various Board members includes:

4.1 President

The functions of the President may include but are not limited to:

- facilitating general meetings and Board meetings;
- ensuring the Board receives accurate, timely and clear information;
- ensuring meetings are effectively conducted and minutes are signed as a true and correct record at the next Board meeting;
- ensuring the Board is focused on achieving appropriate outcomes;
- ensuring the Board has an effective decision-making process;
- maintaining a professional working relationship with the CEO;
- promoting constructive and respectful relations between Board members;
- ensuring that each Board member appropriately contributes to the Board's decision-making process;
- responsible for statutory and company secretary matters;
- responsibility for representing the Board to Members ensuring Members receive high quality, relevant and useful information in a timely manner to vote in an informed manner;
- ensuring that the Board's workload is dealt with effectively;
- maintaining ethical standards and behaviour based on Tennis NSW's agreed values;
- ensuring the Board, committees and individual Board members are subject to a performance evaluation process;
- Represent Tennis NSW when required;
- Official host of Tennis NSW guests at Tennis NSW events;
- With the CEO, is the official spokesperson, on Tennis NSW matters; and
- Represent Tennis NSW at Tennis Australia meetings and forums.

4.2 Vice President

The functions of the Vice President include but are not limited to:

- acting as President in the President's absence;
- assisting the ambassadorial role in the discharge of the President's duties; and
- representing Tennis NSW as determined by the President;

- represent Tennis NSW at Tennis Australia meetings and forums.

4.3 Directors

The functions of a director include but are not limited to:

- ensuring the resources of Tennis NSW are efficiently managed to fulfil the objects of the Company;
- applying due diligence in all decision making;
- acting honestly and independently when dealing with Tennis NSW business;
- carrying out duties with consistent regard for the Tennis NSW Constitution;
- ensuring Tennis NSW operates within the bounds of the appropriate legislation.

4.4 Chief Executive Officer

The Chief Executive Officer is responsible for the overall direction and management of Tennis NSW through the relevant business unit managers and their support staff. The CEO reports directly to the Board of directors. The major responsibilities of the CEO include:

- providing leadership and direction to all Tennis NSW activities;
- providing strong leadership, guidance and direction to all Tennis NSW staff through all direct reports;
- making recommendations to the Board in respect of certain matters on which the Board must make decisions;
- overseeing the preparation of Board reports and minutes of meetings;;
- reporting directly to the President and the Board;
- reviewing corporate performance against the strategic plan and reporting same to Board;
- determining the appropriate staffing structure for Tennis NSW;
- initiating and participating in the process of staff selection and employment at direct report level;
- approving staff selection and employment engaged by direct reports;
- monitoring staff productivity, morale, teamwork, communications, job satisfaction and taking steps, as necessary, to promote an effective satisfying and productive working environment within Tennis NSW;
- providing strategies and ideas for the future development of Tennis NSW;
- developing strategy, and developing and implementing short-term and long-range plans based on this strategy;
- overseeing the preparation of the annual budget;
- overseeing the performance of Tennis NSW investments;
- managing relationships with Members, stakeholders and outside bodies such as the government, media, the public and sponsors;
- achievement of budgeted profit results and other financial criteria, including cash flow;
- preparation of recommendations on, and implementation of, capital expenditure programs and developmental programs;
- ex-officio member of all Tennis NSW committees and sub-committees.

5. LETTER OF APPOINTMENT OR RESIGNATION

As Tennis NSW is a company limited by guarantee, it is requirement under the Corporations Act that a new director is formally notified of his/her appointment and in turn must consent in writing to act

as a director. Any director who resigns, retires or is removed through constitutional means is required to submit formal notice to the company.

6. DIRECTOR INDUCTION

All new directors will undertake a half-day induction program at Tennis NSW headquarters. This induction will include but not be limited to:

- an individual meeting with the President and CEO to discuss expectations, duties and responsibilities;
- a briefing on the roles and responsibilities of the Board's committees;
- attendance at briefing sessions, which includes presentations on each Tennis NSW business unit by the appropriate managers;
- provision of a comprehensive package of briefing materials in relation Tennis NSW and the Board, including the Constitution, Board Charter, By-Laws and strategic plan.
- guided tour of the Sydney Olympic Park Tennis Centre;
- access to documentation, including that already supplied and extending to:
 - Minutes of past meetings and Board papers
 - Details regarding Directors' and Officers' Insurance cover.

7. DIRECTOR CONTINUING EDUCATION

Tennis NSW is a company limited by guarantee. In line with the Australian Sports Commission requirements for National Sporting Organisations and the move to higher standards of governance, it is appropriate that all Tennis NSW directors have a working knowledge of modern governance principles.

Tennis NSW wants all directors, at a minimum, to attend a director's course provided by a recognised authority. Such providers include, but are not limited to, the Australian Sports Commission and the Australian Institute of Company Directors. Tennis NSW will assist financially to ensure directors have a basic level of education in board governance. All director education should be approved in advance by the President and facilitated by the CEO. As appropriate, Board members should verbally debrief the Board on any significant issues raised through education sessions attended.

Management and others should also provide briefings on the latest issues or developments in the sport and the business of the sport.

8. BOARD MEETINGS

The Board meets at least six times a year at the Tennis NSW headquarters in Sydney Olympic Park Tennis Centre. The CEO is an invited attendee at Board meetings. In dealing with business, the CEO may wish to invite other senior managers to attend. Generally, such attendance will relate to a specific business item on the agenda.

The Board may request attendance by an outside party or expert to assist in their deliberations. Such requests are to be approved by the President and issued by the CEO.

Agendas for these meeting are provided to directors one week before the meeting. If any late items of business arise, these will be transmitted to directors electronically and hard copies provided at the meeting.

The quorum for Board meetings is a majority of directors. Directors may apply for a leave-of-absence if they are unable to attend a series of Board meetings.

Minutes of meetings will be drafted as soon as possible after the meeting. As soon as the President has reviewed the minutes, these will be forwarded to directors, either electronically or by hard copy.

In emergency situations, a teleconference of directors may be convened to deal with such matters. The Board may also deal with an issue or issues by circular resolution that may include mail, fax or email.

9. GENERAL PRINCIPLES

In dealing with Tennis NSW business, meetings should allow directors the maximum amount of time for discussion of issues presented. In doing this, the President should be able to assume that all papers are read and the discussion and questions may take precedence.

If a director does not understand an issue or a paper prior to the meeting, the CEO is available to answer questions or clarify matters. All discussion is valuable and all opinions should be welcomed.

10. ACCESS TO MANAGEMENT

It is right and proper for directors to develop sound working relationships with the CEO and senior managers. These relationships are required if directors are to better understand the Tennis NSW business and the programs, which are in place.

If a director chairs a standing or sub-committee, that director should develop a strong working relationship with the senior manager appointed as the staff liaison for that committee. The agenda for the committee should be jointly developed by the director and the senior manager.

It is not appropriate for directors to ask subordinate staff to do tasks for the director. All requests should come through the senior manager, who will delegate as required.

Directors should not discuss company policy issues or strategy with management and employees who are not direct reports to the CEO. Conversely, concerns of employees should be discussed with their superior first and not with directors.

11. CODE OF CONDUCT

Tennis NSW takes ethical and responsible decision-making very seriously. It expects its directors, CEO, senior management team and all staff to do the same. As a member of the Board of Tennis NSW, a director should meet the following general standards:

- Respect the rights, dignity and worth of others;
- Be fair, considerate and honest in all dealings with others;
- Be professional in, and accept responsibility for, your actions;
- Make a commitment to providing quality service;
- Be aware of, and maintain an uncompromising adherence to standards, rules and policies of Tennis.

12. RISK MANAGEMENT

Risks are any event or action that threatens the assets and earnings of, values or services provided by Tennis NSW. It is the Board's role to establish a sound system of risk oversight, risk management and internal control. The Audit and Risk Committee will assist the Board to develop a risk management program based on the following core elements:

- the identification of key business risks and potential impacts;
- an assessment of the external environment and the control mechanisms in place to manage the risk;
- the development of action plans to manage the risk;
- constant monitoring of the program and reviewing continued economic justification and/or process improvement opportunities; and
- information to Members on material changes to Tennis NSW's risk profile.

Management are responsible for dealing with specific risk areas to support this program.

The Board regularly reviews the key risks identified by management and risk and compliance information through the Audit and Risk Committee.

13. DIRECTOR CONFIDENTIALITY

Board independence and board confidentiality are integral to good corporate governance. All directors must be able to speak frankly and openly in Board meetings. All discussions at Board meetings are confidential.

14. TENURE

All directors are expected to continue as directors only for so long as they have the confidence of their fellow directors and the confidence of Members. Directors are elected for staggered two (2) year terms as detailed in the Constitution.

15. CONFLICTS OF INTEREST

A director must act in the best interests of Tennis NSW. This includes the requirement not to misuse a position or use information to gain an unfair advantage, to act honestly and always disclose any conflict of interest.

Potential conflict of interests for directors may include:

- a contract with Tennis NSW (e.g. supply of services);
- related-party loans, guarantees and other transactions;
- profiting from an opportunity that rightfully belongs to Tennis NSW (e.g. competing with company for tenders);
- activities for selected Members only.

To manage conflict of interests in accordance with the requirements of the Corporations Law and the Constitution, the Board requires the following guidelines to be adhered to by directors:

- All directors to declare their conflicts of interest annually for the purpose of updating the register of interests and related party transactions;

- The company will provide a form for this purpose and completed forms will be kept in a register held by the company secretary;
- Board papers and minutes of meetings, which deal with confidential and strategic issues and maybe subject to potential conflicts, will not be provided to the director who has this conflict; such decisions will be made by the President, the CEO and the conflicted director;
- Subject to the matters on the Board's meeting agenda, that a director declare potential conflicts at the start of Board meetings and always absent themselves from the relevant parts of a Board meeting and discussion, including abstaining from voting in respect of the matter;
- No financial benefit can be given to a related party of a director (including spouse, a de facto spouse, parents, children and certain related corporate entities) unless approved by the Board;
- A director seeking clarification in relation to these guidelines can consult with the President or the CEO. If necessary a director can also seek outside professional advice. Instances of directors declaring interests will be registered in the minutes of the relevant meeting.

16. DIRECTORS AND OFFICERS INSURANCE

Tennis NSW provides all directors with Directors and Officers Insurance. If required, directors must answer all questions in the insurer's proposal document and disclose any information to the insurer that would be relevant to the insurer's assessment of the risk. The policy includes details of:

- Tennis NSW's disclosure to the insurer.
- The credit rating of the insurer.
- The amount of professional indemnity insurance the broker carries.
- The policy, which should include:
 - cover for wrongful acts where there is no wilful breach of the duty of care;
 - a legal expenses policy paid in advance;
 - a corporation reimbursement policy;
 - cover for all present and future directors and officers, so that a director will continue to be covered after resignation from Tennis NSW; and
 - an agreed limit of indemnity in any one (1) year or for any one (1) event (if applicable).

The company secretary can provide full details of the policy to directors on request. If details of the Directors and Officers Insurance policy are sought by third parties they should be referred to the CEO for consideration. Directors are required to keep confidential details of the Directors and Officers Insurance policy.

17. BOARD COMMITTEES

The Tennis NSW Constitution provides for four standing committees of the Board. The Board may also establish ad hoc sub-committees to deal with issues or areas of interest as it deems necessary. Each sub-committee will be appointed by the Board.

17.1 Committee Chairman

The functions of a committee Chairman include, but are not limited to:

- setting the agenda for each committee meeting, in conjunction with the staff liaison, and taking into account suggestions from other committee members;
- leading and facilitating the committee;

- ensuring committee meetings are effectively conducted and minutes are signed as a true and correct record at the next committee meeting;
- ensuring the committee is focused on achieving appropriate outcomes;
- ensuring an effective decision-making process;
- maintaining a professional working relationship with management;
- promoting constructive and respectful relations between committee members;
- ensuring that each committee member appropriately contributes to the committee's decision-making process;
- ensuring that the committee's workload is dealt with effectively;
- reporting to the Board (written and verbal) on the committee's activities and submitting recommendations with appropriate supporting material for approval;
- ensuring the committee has a regular performance evaluation process; and
- ensuring the committee charter is reviewed, at least annually, for completeness and provided to the Board for approval.

17.2 Committee Members

The functions of committee members may include but are not limited to:

- acting at all times in the best interests of Tennis NSW as a whole;
- providing the Board with considered and measured advice;
- communicating to Tennis NSW staff through the committee Chairman;
- developing, in conjunction with the Tennis NSW Board and staff, an annual program of work for the committee including performance outcomes and timelines;
- attending all committee meetings as scheduled by Tennis NSW and devote sufficient time to prepare for such meetings;
- fully participating in all committee debates and decision making;
- avoiding conflicts of interests in as far as this is possible;
- ensuring that all committee recommendations to the Board are carefully considered and that all budget implications of the recommendation have been flagged for the Board's attention;
- be aware, through the relevant Tennis NSW staff, of the budget allocated to projects which come under the jurisdiction of the committee;
- ensuring that Tennis NSW assets are protected when used at committee meetings; eg, data projectors;
- observing the confidentiality of all non-public information which may be provided to the committee.

18. ACCESS TO DOCUMENTS

A director has the right to inspect the documents of Tennis NSW. The Corporations Law provides that a director is entitled to access to the financial records at all reasonable times. This right applies to all directors regardless of whether they have specific financial responsibilities but a director cannot extend the right to third parties. Access to documents can be made through the CEO at no cost to the director.

19. COMPANY SECRETARY

The company secretary of the company is the Chief Executive Officer. The CEO is accountable to the Board through the President, on all governance matters. All directors have direct access to the CEO.

The appointment and removal of the company secretary is a matter for decision by the Board as a whole.

20. ACCESS TO PROFESSIONAL ADVICE

Directors have the right, in connection with their duties and responsibilities, to seek independent professional advice at Tennis NSW's expense, subject to:

- prior approval of the President or the Board, which is not unreasonably withheld;
- the information so obtained being shared with all directors or committee members as appropriate.

A committee, in the course of its deliberations, may feel it is necessary to obtain independent advice. In such cases, the committee Chairman should discuss the matter with the CEO, who will assist the committee with its request. Any request requires the approval of the President.

21. STRATEGIC PLANNING

Critical to any organisation growing its business is a solid planning process, which includes an overall strategic plan for the future. It is a Board's prime responsibility to lead an organisation therefore it is important for the Board to develop the strategic plan. This is done in conjunction with senior management of Tennis NSW. Once the Board has set the direction for Tennis NSW, the staff can then develop operational plans, which will deliver the primary objectives of the strategic plan.

It is critical that any strategic plan is reviewed and monitored. The CEO should report against the strategic plan's initiatives and objectives. The Board should take at least one meeting per year to review the strategic plan. If necessary, the plan should be modified to suit the changing needs of Tennis NSW. The key performance indicators identified in the strategic plan should be used by directors as a monitoring tool for the performance of Tennis NSW and the CEO.

22. REVIEWS

To ensure that the Board is fulfilling its stewardship duties to Members, the Board will:

- Review at least annually the Board Charter, adopting any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities.

APPENDIX 2: AUDIT AND RISK COMMITTEE CHARTER

PURPOSE

The Audit and Risk Committee (the “ARC”), appointed by the Tennis NSW Board of directors (the “Board”), assists the Board fulfil its oversight responsibilities relating to:

- Provide advice to the Board on strategic financial matters;
- Oversee the Company’s corporate governance practices and its ethics and behaviour;
- Review the Company budget prior to submission to the Board for approval;
- Establish and maintain the internal control framework, in consultation with the auditors;
- Oversee and appraise the scope and quality of the audits conducted by the auditors;
- Review all financial reports which require approval by the Board;
- Review the end-of-year financial reports and make recommendations to the Board regarding the adoption of those reports;
- In conjunction with senior management, develop a risk management policy for the Company;
- Review the risk management policy on a regular basis and report to the Board;
- Review all Company insurance policies to ensure they are adequate for the business;
- Ensure the Company’s various tax liabilities are met in a timely manner;
- Ensure the Company’s legislative and regulatory obligations are fulfilled;
- Assess policies and procedures which deal with the adequacy and effectiveness of internal controls over business processes;
- Through the Chairman of the ARC, maintain open lines of communication with the Board, management and the auditors, to exchange views and information and to ensure a clear understanding of each party’s responsibilities;
- Perform any other duty or undertaking that the Board may request from time to time.

Effective corporate governance depends on the active and collaborative participation of the ARC, Board, external auditors, internal auditors, if any, other assurance providers and management. Ensuring that this collaboration occurs effectively and efficiently is fundamental to a committee’s success.

The existence of the ARC does not imply the fragmentation or diminution of the role of the Board to ensure the integrity of Tennis NSW’s financial reporting and risk management.

AUTHORITY

The Board has authorised the ARC, within the scope of their duties and responsibilities set out in this Charter to:

- Perform the activities required to address its responsibilities and make recommendations to the Board;
- Oversee the appointment, compensation, performance & independence of the external auditor;
- Resolve any disagreement between management and the external auditor, with areas of significant disagreement advised to the Board;
- Select, engage and approve fees for any professional advisers that the ARC may require to carry out its duties. Any such fees are to be approved in advance by the President;

- Require the attendance of any company manager or staff member at meetings as appropriate;
- Provide a forum for communication between the Board, senior management and external auditors;
- Obtain outside legal or other professional advice, and initiate special enquiries / investigations as deemed necessary; and
- Have unrestricted access to management, employees and information it considers relevant to its responsibilities under this Charter.

COMPOSITION

- The composition will be a minimum of three directors of Tennis New South Wales appointed by the Board.
- The Board will elect the Chairman of the ARC.
- The CEO will appoint a staff liaison, who will provide logistical and support services to the ARC.

MEMBERSHIP

- ARC member appointments are for one (1) year and the appointment may be reviewed earlier if circumstances dictate. ARC member rotation is encouraged.
- The Board may appoint, remove or replace any members of the ARC at any time.
- The ARC members shall be:
 - “financially literate” as defined by the Board (ie: able to read and understand financial statements and challenge information presented in ARC meetings);
 - at least one member shall have “accounting or related financial expertise” as defined by the Board; and
 - at least one member shall have relevant industry experience as determined by the Board.
- The ARC may advise the Board on educational opportunities and resources that improve the knowledge of the ARC and/or the Board. Tennis NSW will assist the ARC in maintaining an appropriate level of financial literacy.

MEETINGS

- Meetings will be determined by the ARC Chairman in consultation with the Chief Executive. The frequency of meetings will be decided by the work schedule of the ARC.
- Should the ARC Chairman be absent from a meeting, the ARC members present must appoint a Chairman for that particular meeting.
- Meetings will be conducted and resolutions passed using the same principles as those applying to the Tennis NSW Board.
- Participants may attend meetings by teleconference or videoconference.
- The ARC may, without reference to the Board, invite any person to join a meeting or meetings of that ARC for the purpose of assisting in any matter before that ARC, but such invitees will have no voting rights.
- The ARC must meet with the external auditors in a separate session at least once a year without management being present.

QUORUM AND VOTING

- A quorum must consist of a majority of members of the ARC.
- The ARC Chairman shall not have a second or casting vote.

MINUTES, REPORTING & COMMUNICATION

- The minutes should accurately record the resolutions of the ARC, key reasons for those decisions (where appropriate) and actions with accountabilities and timings noted.
- The secretary or delegate must prepare the minutes of the ARC meeting within seven (7) working days. After the ARC Chairman has given preliminary approval, the draft minutes are circulated to all ARC members and the other directors of the Board.
- The minutes of the meetings must be confirmed and signed at the next subsequent ARC meeting.
- The ARC will ensure the Board is aware of matters before the ARC that may materially impact the financial condition or affairs of the business.
- The ARC is expected to maintain free and open communication with the external auditor, the internal auditor (if any) and management.

REVIEWS

To ensure that the ARC is fulfilling its stewardship duties to the Board and Members, the ARC will:

- Review at least annually the ARC Charter and recommend to the Board for approval any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities and provide a report of the findings to the Board;
- Address any other reporting responsibility of the ARC.

ROLE OF MANAGEMENT

- Management is responsible for:
 - the preparation, presentation and integrity of the Company's financial report and statements;
 - implementing, managing and maintaining appropriate accounting, financial reporting and risk management strategies; and
 - maintaining sufficient knowledge, skills and expertise within the finance & risk functions.
- It is the responsibility of management to ensure that all financial and accounting matters are appropriately communicated to the ARC.
- ARC members are entitled to rely on management on matters within their responsibility. ARC members may rely on the accuracy of information provided by management, unless members are aware of any reasonable grounds on which such reliance or assumption may not be appropriate.

APPENDIX 3: REMUNERATION COMMITTEE CHARTER

PURPOSE

The Remuneration Committee (the “RC”) appointed by the Tennis NSW Board of directors (the “Board”), assists the Board in fulfilling its responsibilities on matters relating to:

- the composition, structure and operation of the Board;
- senior executive selection and performance;
- composition, bonuses, incentives and remuneration issues of the CEO and Tennis NSW staff;
- succession planning, diversity; and
- any other duty or undertaking that the Board may request from time to time.

Effective corporate governance depends on the active and collaborative participation of the RC, the Risk and Audit Committee, the Board of directors, external auditors, internal auditors, other assurance providers, if any, and management. Ensuring that this collaboration occurs effectively and efficiently is fundamental to a committee’s success.

The existence of the RC does not imply the fragmentation or diminution of the role of the Board with ultimate responsibility for the selection and appointment practices resting with the entire board. The RC is not a policy making body but assists the board by implementing board policy and recommending nominations which require Board approval.

The objectives of the RC in relation to the Board include:

- Recommending the required board competences, number and profiles of Board members;
- Assessing the extent to which the necessary and desirable competencies are represented on the Board;
- Providing assurance that the Board has the effective composition, size and commitment to adequately discharge its responsibilities and duties;
- Recommending to the Board education and training opportunities to address any deficiencies;
- Conducting searches for new Board members and recommending preferred candidates to the Board;
- Ensuring that Board succession plans are in place to maintain the required competencies, number and profiles of Board members;
- Reviewing the nominations received from Members who wish to be appointed to the Board;
- Continually monitoring Board membership and structure to ensure that there is appropriate representation on the Board from across the membership; and
- Developing a process for evaluating the performance of the Board.

The objectives of this RC in relation to CEO and senior executives include:

- Conducting searches for the CEO and senior executives and recommending preferred candidates to the Board;
- Evaluating the performance of the CEO and senior executives;
- Reviewing annually and recommending to the board the remuneration of the CEO, within the terms of the employment contract;

- Monitoring and reviewing the CEO's performance and key performance indicators for the determination of the annual bonus components;
- Reviewing the CEO's recommendations regarding remuneration for staff;
- Reviewing the human resources policy of Tennis NSW and ensuring staff remuneration is aligned with market trends;
- Providing advice to the Board on incentive performance packages, superannuation entitlements, retirement and termination entitlements;
- Reviewing and recommending to the board any incentive plans or ex-gratia payments to Tennis NSW staff or to the CEO;
- Reviewing any employee grievance or staff complaint about remuneration;
- Ensuring that succession plans for the CEO and senior executives are in place;
- Ensuring that Tennis NSW's remuneration and incentive policies, practices and performance indicators are:
 - aligned to the Board's vision, values and overall business objectives;
 - designed to motivate the staff and the CEO to pursue the long term growth and success of Tennis NSW; and
 - demonstrate a clear relationship between the achievement of Tennis NSW's objectives and the CEO's and staff performance and remuneration.

AUTHORITY

The Board has authorised the RC, within the scope of their duties and responsibilities set out in this Charter to:

- Perform the activities required to address its responsibilities and make recommendations to the Board;
- Select, engage and approve fees for any professional advisers that the RC may require to carry out its duties. Any such fees are to be approved in advance by the President;
- Require the attendance of any company manager or staff member at meetings as appropriate;
- Obtain outside legal or other professional advice, and initiate special enquiries/investigations as deemed necessary; and
- Have unrestricted access to management, employees and information it considers relevant to its responsibilities under this Charter.

COMPOSITION

- The composition of the RC will be a minimum of four (4) directors of the Tennis NSW Board, one of whom will be the President.
- The Board will elect the Chairman of the RC;
- The CEO will act as staff liaison at the invitation of the Chairman.
- The CEO will provide logistical and support services to the RC.

MEMBERSHIP

- RC member appointments are for one (1) year and the appointment may be reviewed earlier if circumstances dictate. RC member rotation is encouraged.
- The RC may advise the Board on educational opportunities and resources that will improve the knowledge of the RC.

MEETINGS

- The RC will determine a meeting and work schedule that will be provided to the Board.
- Should the Chairman be absent from a meeting, the RC members present must appoint a Chairman for that particular meeting.
- Meetings will be conducted and resolutions passed using the same principles as those applying to the Tennis NSW Board.
- Participants may attend meetings by teleconference or videoconference.

The RC may, without reference to the Board, invite any person to join a meeting or meetings of the RC to assist in any matter before the RC, but such invitees will have no voting rights.

QUORUM AND VOTING

- A quorum will be a majority of members of the RC.
- RC members will be invited to disclose conflicts of interest at the commencement of each meeting. The RC Chairman shall not have a second or casting vote.

MINUTES, REPORTING & COMMUNICATION

- Minutes will be kept of all meetings recording the resolutions of the RC including key reasons for any decisions or recommendations and actions with accountabilities and timings noted. The Secretary or delegate must prepare the minutes of the RC meeting within seven (7) working days. After the Chairman has given preliminary approval, the draft minutes are circulated to all RC members and the other directors of the Board. The minutes of the meetings must be confirmed and signed by the Chairman at the next subsequent RC meeting.
- The RC will ensure the Board is aware of matters before the RC that may materially impact the affairs of Tennis NSW.
- The RC is expected to maintain free and open communication with management.
- The company secretary will undertake the call for nominations.

REVIEWS

To ensure that the RC is fulfilling its stewardship duties to the Board and Members, the RC will:

- Review at least annually the RC Charter and recommend to the Board for approval any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities and provide a report of the findings to the Board;
- Address any other reporting responsibility of the RC.

ROLE OF MANAGEMENT

RC members are entitled to rely on management on matters within their responsibility. RC members may rely on the accuracy of information provided by management, unless members are aware of any reasonable grounds on which such reliance or assumption may not be appropriate.

APPENDIX 4: TENNIS COUNTRY CHARTER

PURPOSE

The primary role of the Tennis Country ("TC") committee is to develop and implement strategies that promote and grow Tennis in all six (6) country regions within NSW. These strategies will ensure Tennis NSW has the strongest country Member organisation in Australia.

- Develop a strategic direction for tennis in NSW country that supports the Tennis NSW strategic plan;
- Establish clear procedures for communicating with country regions, clubs, associations and tennis coaches;
- Recommend membership of Tennis NSW to the Board for all new clubs and/or associations in the country;
- Develop and monitor an annual country budget as part of the annual Tennis NSW budget including the oversight of financial responsibilities delegated to country regions;
- Develop and apply procedures for the selection of country teams as required;
- Arrange and manage tennis tournaments and closed competitions for country players;
- Develop an annual calendar of events;
- Benchmark TC against rural tennis organisations in other states;
- Advise the Board on the development of tennis in country regions.

AUTHORITY

The Board authorises the TC committee to:

- perform the necessary activities required to address its responsibilities and make recommendations to the Board;
- select, engage and approve fees for any professional advisers that TC may require to carry out its duties. Any such fees are to be approved in advance by the President TNSW;
- require the attendance of any Tennis NSW manager or staff member at meetings as appropriate;
- have unrestricted access to management, employees and information it considers relevant to its responsibilities.

TC is authorised to assist in the administration of country tennis across six(6) defined regions in country NSW as allocated by Tennis NSW and detailed on a map held on file with Tennis NSW:

1. Central West
2. Northumberland
3. North East
4. North West
5. South East and
6. South West

COMPOSITION

- TC shall be comprised of one independent Chairman, one delegate from each of the six (6) country regions and one regional delegates from each of the six (6) country regions and one staff liaison officer.
- The Board appoints these delegates taking into consideration the recommendation of the two country Board directors elected at the Annual General Meeting.
- Where there are two or more nominees for appointment as a delegate, the country directors will make a recommendation to the Board on the most suitable candidates after discussions with the country region(s) concerning the merits of each nominee.
- The Board will appoint the Chairman after taking into account the recommendation from the TC committee.
- Should the TC Chairman be absent from any meeting, the TC members present must appoint a Chairman for that particular meeting.
- The CEO of Tennis NSW is responsible to TC and will appoint a staff liaison to provide logistical and support services to TC.
- The Chairman of TC, without reference to the Board, may invite any person(s) to join a meeting(s) of TC to assist in any matter. Such invitees will have no voting rights.

MEMBERSHIP

- Committee member appointments are for two (2) years and the appointment may be reviewed earlier if circumstances dictate.
- In the event of a casual vacancy, TC will recommend a person to be a country delegate or regional delegate for the balance of the remaining term to the TNSW board.
- TC may resolve not to fill the casual vacancy.
- Any country delegate or regional delegate appointed to fill a casual vacancy will hold office only until the end of the term of the vacating country delegate or regional delegate but will be eligible to stand for re-election.
- Committee member rotation is encouraged.
- The Board may appoint, remove or replace any members of TC at any time.

MEETINGS

- Meetings will be determined by the TC Chairman in consultation with the CEO or designated senior member of staff. The frequency of meetings will be decided by the work schedule of TC.
- Meetings will be conducted and resolutions passed using the same principles as those applying to the Tennis NSW Board.
- Participants may attend meetings by teleconference or videoconference.

QUORUM AND VOTING

- A quorum must consist of a majority of members of TC.
- The TC Chairman shall not have a second or casting vote.

MINUTES, REPORTING AND COMMUNICATION

- The minutes should accurately record the resolutions of the committee, key reasons for those decisions (where appropriate) and actions with accountabilities and timings noted.

- The secretary or delegate must prepare the minutes of the TC meeting within seven (7) working days of the meeting. After the TC Chairman has given preliminary approval, the draft minutes are circulated to all TC members and the other directors of the Board.
- The minutes of the meetings must be confirmed and signed at the next subsequent TC meeting.
- The committee will ensure the Board is aware of matters before TC that may materially impact the affairs of Tennis NSW.

REVIEWS

To ensure that TC is fulfilling its stewardship duties to the Board and Members, the TC committee will:

- Review at least annually the TC Charter and recommend to the Board for approval any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities and provide a report of the findings to the Board;
- Address any other reporting responsibility of TC.

ROLE OF MANAGEMENT

TC members are entitled to rely on management on matters within their responsibility. TC committee members may rely on the accuracy of information provided by management, unless members are aware of any reasonable grounds on which such reliance or assumption may not be appropriate.

APPENDIX 5: TENNIS SYDNEY CHARTER

PURPOSE

The purpose of the Tennis Sydney ("TS") committee is to develop and implement strategies that promote and grow tennis in the metropolitan area of Sydney, NSW. These strategies will ensure Tennis NSW has the strongest metropolitan member organisation in Australia.

Key Objective

For the current period, the Board of Tennis NSW has provided a clear charter for TS to provide an advisory role in developing a successful competition tennis league in the metropolitan area, taking into consideration the views of associations, clubs, coaches and operators. The goal of TS is to create the strongest metro league structure in Australia within 5 years, as measured by the number of participants.

To assist in achieving this goal, TS is invited to utilise the resources of Tennis NSW to identify best practice competition structures in Australia and/or overseas and to assist in any way required.

Key Objective Guidelines

- Identify the critical areas that need to be considered when forming a strong league structure.
- In conjunction with the Tennis NSW strategic plan, establish and oversee a metropolitan wide league competition that motivates both juniors and adults to participate.
- Develop ideas and make recommendations to Tennis NSW management and the Board that
 - improve the organisation of competition tennis,
 - make competition more fun and therefore increase participation of all metropolitan tennis players in competitive team structures and
 - create a bond between metropolitan tennis players and associations, clubs and/or operators.
- Create a clear league pathway for players in metropolitan Sydney and integrate this pathway with the Tennis Australia national league pathway.
- Work with Tennis NSW to communicate and promote a metropolitan wide league structure that
 - encourages participation,
 - increases the transition for players from social to competitive play and
 - provides a player development pathway.

AUTHORITY

The Board authorises TS to:

- perform the necessary activities required to address its responsibilities and make recommendations to the Board;
- require the attendance of any Tennis NSW manager or staff member at meetings as appropriate;
- have unrestricted access to management, employees and information it considers relevant to its responsibilities.

COMPOSITION

- TS shall be comprised of a maximum of nine (9) delegates from within the Sydney metropolitan area who have broad experience in tennis administration, coaching or playing and who are willing to contribute the time and effort to implement the key objective above.
- The committee shall consist of at least one metropolitan Board director.
- The Board shall appoint these delegates taking into consideration the recommendation of the two Sydney Board directors elected at the Annual General Meeting.
- The Board shall elect the Chairman after taking into consideration the recommendation from TS.
- The Board may, at their discretion, appoint alternate committee members to the TS committee to ensure adequate representation from all relevant market sectors at TS meetings.
- Should the Chairman of TS be absent from any meeting, TS members present must appoint a Chairman for that particular meeting.
- The CEO of Tennis NSW is responsible to TS and may appoint a staff liaison to provide management and logistical support to the committee.
- The Chairman of TS may, without reference to the Board, invite any person(s) to join a meeting(s) of TS to assist in any matter before that committee. Such invitees will have no voting rights.

MEMBERSHIP

- TS appointments are for two (2) years and the appointment may be reviewed earlier if circumstances dictate.
- In the event of a casual vacancy, TS may appoint a person to be a delegate for the balance of the remaining term. TS may resolve not to fill the casual vacancy.
- Committee member rotation is encouraged.
- The Board may appoint, remove or replace any members of TS at any time.

MEETINGS

- Meetings will be determined by the TS Chairman in consultation with the CEO or a designated senior member of staff. The frequency of meetings will be decided by the work schedule of the committee.
- Meetings will be conducted and resolutions passed using the same principles as those applying to the Tennis NSW Board.
- Participants may attend meetings by teleconference or videoconference.

QUORUM AND VOTING

A quorum will be a majority of committee members and the TS Chairman shall not have a casting vote.

- Minutes, reporting and communication
- The minutes should accurately record the resolutions of TS, the key reasons for those decisions (where appropriate) and actions with accountabilities and timings noted.
- The secretary or delegate must prepare the minutes of the TS meeting within seven (7) working days of the meeting. After the TS chairman has given preliminary approval, the draft minutes are to be circulated to all TS members.

- The minutes of the meetings must be confirmed and signed at the next TS committee meeting and submitted for discussion/noting at the next Board meeting.
- TS will ensure the Board is aware of matters before TS that may materially impact the affairs of Tennis NSW.

REVIEWS

To ensure that TS is fulfilling its stewardship duties to the Board and Members, TS will:

- Review at least annually the TS Charter and recommend to the Board for approval any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities and provide a report of the findings to the Board;
- Address any other reporting responsibility of TS.

ROLE OF MANAGEMENT

TS members are entitled to rely on management on matters within their responsibility. TS members may rely on the accuracy of information provided by management, unless members are aware of any reasonable grounds on which such reliance or assumption may not be appropriate.

APPENDIX 6: INVESTMENT ADVISORY SUB-COMMITTEE CHARTER

PURPOSE

Funding for the activities of Tennis NSW is predominantly derived from contributions from its Members and participants across the State, as well as from grants from Tennis Australia and all level of Government. Tennis NSW has accumulated reserves in its grassroots and facilities reserve fund (the "GFR" or the "Fund") which are available to support the development of the sport in line with its mandate. The Tennis NSW Board supports the investment of these funds in an appropriate strategy in order to preserve and grow capital for the long term and to generate income to fund its operations.

The investment and utilisation of these funds is critical to the future of Tennis NSW and the Board seeks to ensure that the funds are invested in a prudent manner, recognising that Tennis NSW is a member-based organisation and that the funds will be required to support tennis in NSW over the very long term.

The Board has adopted an investment policy statement that describes the principles and processes for managing the Fund, including delegations and controls. This document provides a framework for the operation of the Investment Advisory Sub-Committee ("IAC").

The primary role of the IAC is to monitor, on behalf of the Board, the effectiveness of the investment processes in achieving optimum return relative to risk.

The IAC will make recommendations to the Board on the following:

- changes to investment policy;
- changes to asset allocation bands;
- changes in the risk environment;
- the appropriate asset allocation;
- performance and compliance of the investments;
- nominations of persons to be members of the IAC; and will
- report to the Board on any other matters that are relevant as required.

In order to meet these objectives, the IAC has the following functions:

- minute all IAC meetings, with clear definition of resolutions;
- minutes are to be made available to the Board for information;
- resolutions will be carried by a majority vote ruling, as opposed to a unanimous vote;
- to allocate funds across asset classes in a prudent manner and in accordance with the Board's risk statement;
- delegated authority to discuss and approve investment allocations within the Board's approved asset allocation bands;
- nominate, appoint and terminate investment managers with all actions to be ratified by the Board;

- monitor and report on the performance of the investment portfolio and the performance and compliance of investment managers; and

To comply with all relevant investment policies and guidelines, the IAC shall:

- make recommendations for the appointment of advisers on asset allocation and manager selection, fund managers, custodians and other service providers;
- review the performance of these service providers;
- review management's brief to asset allocation advisers regarding acceptable levels of risk and projected operating financial performance of the group;
- review asset allocation advisers' recommendations on asset allocation and make recommendations to the Board;
- review advisers' recommendations on manager selection and make recommendations to the Board;
- review management's reports on investment performance and outlook and make appropriate recommendations to the Board; and
- review compliance with and the ongoing appropriateness of, the organisation's reserves policy and investment strategy.

AUTHORITY

The Board has ultimate responsibility for ensuring that the investment of funds is properly managed. The Board has delegated authority to the IAC to set broad operational guidelines and strategies for the management of these funds within the approved policies.

Specifically, the Board is required to:

- create, maintain and review the Investment Policy, based on the recommendations of the IAC;
- approve asset allocation bands, investment guidelines, and risk portfolios;
- appoint members to the IAC; and
- set, review and amend when appropriate the spending or draw down policy, ie: determine how much of the income or realised gains can be used for specific expenditures by Tennis NSW.

The Board has authorised the IAC, within the scope of their duties and responsibilities set out in this Charter to:

- perform the activities required to address its responsibilities and make recommendations to the Board;
- select, engage and approve fees for any professional advisers that the IAC may require to carry out its duties. Any such fees are to be approved in advance by the President;
- require the attendance of any company manager or staff member at meetings as appropriate; and
- have unrestricted access to management, employees and information it considers relevant to its responsibilities under this Charter.

The CEO of Tennis NSW is responsible to the IAC for the day-to-day administration of the investment portfolio. The CEO coordinates meetings of the IAC and provides the necessary support for research

and information requirements. Actions decided upon by the IAC will normally be implemented by the CEO. Specific responsibilities include:

- preparing performance reports for the IAC and the Board, in conjunction with the investment manager;
- preparing compliance reports for the IAC and the Board;
- monitoring the investment of the cash component of the investment portfolio; and
- managing the relationships with the investment manager(s).

COMPOSITION

The composition of the IAC will be a minimum of three directors of the Board, considered by the Board in general to have relevant investment experience.

IAC members are expected to have:

- quality time to complete their committee duties;
- familiarity regards legal and regulatory requirements and
- adequate knowledge of the capital and investment markets.

The Board will elect the Chairman of the committee. The Board may appoint, remove or replace members of the IAC.

The CEO will appoint a staff liaison, who will provide logistical and support services to the committee.

Successful investment outcomes can only be achieved by access to dedicated resources. This may be internal staff, or if they are not available (or the Board chooses not to support from internal resources), these functions should be outsourced to an appropriately skilled and qualified group of individuals who can undertake this task, ie: the IAC. The IAC may adopt non-voting external appointments to perform certain elements of this role, but this should specifically exclude any investment managers who may be appointed by the IAC.

MEMBERSHIP

Committee member appointments are for one (1) year and the appointment may be reviewed earlier if circumstances dictate. Committee member rotation is encouraged.

The committee members shall be:

- A minimum of three directors of the Board, considered by the Board in general to have general investment experience as defined by the Board;
- at least one member shall have specific “investment or related financial expertise” as defined by the Board; and
- at least one member shall have relevant financial services industry experience as determined by the Board.

Education

The IAC may advise the Board on educational opportunities and resources, which improve the knowledge of the committee and/or the Board. Tennis NSW will assist the committee in maintaining an appropriate level of financial literacy.

MEETINGS

- Meetings will be determined by the IAC Chairman in consultation with the CEO. The frequency of meetings will be decided by the work schedule of the IAC. Should the IAC Chairman be absent from a meeting, the IAC members present must appoint a Chairman for that particular meeting.
- Meetings will be conducted and resolutions passed using the same principles as those applying to the Tennis NSW Board. Participants may attend meetings by teleconference or videoconference.
- The IAC may, without reference to the Board, invite any person to join a meeting or meetings of that IAC for the purpose of assisting in any matter before that committee, but such invitees will have no voting rights.
- The IAC must meet with the fund managers in a separate session at least once a year without management being present.

QUORUM AND VOTING

A quorum must consist of a majority of members of the IAC. The IAC Chairman shall not have a second or casting vote.

MINUTES, REPORTING & COMMUNICATIONS

The minutes should accurately record the resolutions of the IAC, key reasons for those decisions (where appropriate) and actions with accountabilities and timings noted.

The secretary or delegate must prepare the minutes of the committee meeting within seven (7) business days. After the IAC Chairman has given preliminary approval, the draft minutes are circulated to all committee members and the other directors of the Board.

The minutes of the meetings must be confirmed and signed at the next subsequent IAC meeting.

- The IAC will ensure the Board is aware of matters before the IAC that may materially impact the financial condition or affairs of the business.
- The IAC is expected to maintain free and open communication with the investment managers and company management.

REVIEWS

To ensure that the IAC is fulfilling its stewardship duties to the Board and Members, the IAC will:

- Review at least annually the committee Charter and recommend to the Board for approval any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities and provide a report of the findings to the Board;
- Address any other reporting responsibility of the IAC.

ROLE OF MANAGEMENT

Management is responsible for:

- The preparation, presentation and integrity of the Company's financial report and statements;

- Implementing, managing and maintaining appropriate investment management strategies as directed by the IAC and in line with the investment policy statement; and
- Maintaining sufficient knowledge, skills and expertise within the investment management functions.

It is the responsibility of management to ensure that all relevant investment matters are appropriately communicated to the IAC.

IAC members are entitled to rely on management on matters within their responsibility. IAC members may rely on the accuracy of information provided by management, unless members are aware of any reasonable grounds on which such reliance or assumption may not be appropriate.

APPENDIX 6: SELECTION ADVISORY SUB-COMMITTEE CHARTER

PURPOSE

The primary role of the Selection Advisory Sub-Committee (the “SAC”) is to select NSW representative teams/players, undertake player rankings and select players for all other avenues of tennis promotion.

AUTHORITY

The Board authorises the SAC to:

- Perform the necessary activities required to address its responsibilities and make recommendations to the Board;
- Require the attendance of any company manager or staff member at meetings as appropriate and
- Have unrestricted access to management, employees and information it considers relevant to its responsibilities under this Charter.

COMPOSITION

- Comprises up to four (4) persons, including one regional representative, appointed annually by the Board of Tennis NSW.
- The Board will elect the Chairman however should the Chairman be absent, SAC members present must appoint a Chairman for that particular meeting.
- The CEO of Tennis NSW is responsible to the SAC for day-to-day administration and may appoint a staff liaison to provide logistical and support services.
- The Chairman of the SAC may, without reference to the Board, invite any person(s) to join a meeting(s) to assist in any matter before the SAC. Such invitees will have no voting rights.

MEMBERSHIP

- SAC member appointments are for one (1) year and the appointment may be reviewed earlier if circumstances dictate.
- SAC member rotation is encouraged.
- The Board may appoint, remove or replace any members of the SAC at any time.

MEETINGS

- Meetings will be determined by the Chairman in consultation with the CEO or designated senior member of staff. The frequency of meetings will be decided by the work schedule of the SAC.
- Meetings will be conducted and resolutions passed using the same principles as those applying to the Tennis NSW Board.
- Participants may attend meetings by teleconference or videoconference.

QUORUM AND VOTING

A quorum will be a majority of members and the Chairman shall not have a casting vote.

MINUTES, REPORTING AND COMMUNICATION

- The minutes should accurately record the resolutions of the SAC, key reasons for those decisions (where appropriate) and actions with accountabilities and timings noted.
- The secretary or delegate must prepare the minutes of the SAC meeting within seven (7) working days of the meeting. After the SAC Chairman has given preliminary approval, the draft minutes are circulated to all SAC members.
- The minutes of the meetings must be confirmed and signed at the next subsequent SAC meeting.
- The SAC will ensure the Board is aware of matters that may materially impact the financial condition or affairs of Tennis NSW.

REVIEWS

To ensure that the SAC is fulfilling its stewardship duties to the Board and Members, the SAC will:

- Review at least annually the SAC Charter and recommend to the Board for approval any appropriate amendments;
- Review the annual agenda incorporating any changes in the Charter;
- Conduct an annual assessment of its performance against its Charter duties and responsibilities and provide a report of the findings to the Board;
- Address any other reporting responsibility of the SAC.

ROLE OF MANAGEMENT

SAC members are entitled to rely on management on matters within their responsibility. SAC members may rely on the accuracy of information provided by management unless they are aware of any reasonable grounds on which such reliance or assumption may not be appropriate.