

YHA LTD

ACN 008 387 791

A public company limited by guarantee

Constitution

[AS AMENDED ON 17 APRIL 2021]

Table of contents

1.	Preliminary.....	1
1.1	Definitions and interpretation.....	1
1.2	Application of the Act.....	3
1.3	Exercise of powers	3
1.4	Intention to be an MCI mutual entity.....	4
2.	Objects	4
3.	Powers.....	5
4.	Income and property.....	5
5.	Membership.....	5
5.1	Categories of membership.....	5
5.2	Adult membership.....	6
5.3	Youth membership.....	6
5.4	Life membership	7
5.5	Honorary life membership.....	7
5.6	Group membership	8
5.7	Transitioning in of members from a Merging Body.....	9
5.8	Admission of new Members – general provisions	10
5.9	Power to decline admission of Members.....	10
5.10	Power to suspend admission of Members.....	10
5.11	Cessation of membership	10
5.12	Expulsion of Members	10
5.13	Entries in the register of Members.....	11
5.14	Membership fees	11

5.15	Variation of class rights.....	12
5.16	Membership not transferable.....	12
5.17	Equitable and other claims	12
6.	General meetings	12
6.1	Calling general meetings	12
6.2	Notice of general meetings	13
6.3	Quorum at general meetings	13
6.4	Chair of general meetings.....	14
6.5	Conduct of general meetings.....	14
6.6	Decisions at general meetings.....	15
6.7	Voting rights	16
6.8	Representation at general meetings.....	17
7.	Directors	18
7.1	Number, nature and term of directors.....	18
7.2	Appointed directors.....	19
7.3	Casual vacancies.....	20
7.4	Election procedure	20
7.5	Eligibility for directors	20
7.6	Vacation of office	21
7.7	Remuneration of directors	22
7.8	No alternate directors	22
7.9	Interested directors	22
7.10	Powers and duties of directors	23
7.11	Power to issue MCIs.....	24
7.12	Proceedings of directors	24

7.13	Convening of meetings of directors	25
7.14	Notice of meetings of directors	25
7.15	Quorum at meetings of directors	26
7.16	Chair	26
7.17	Vice-Chair	27
7.18	Decisions of directors	27
7.19	Circulating resolutions	27
7.20	Committees of directors.....	27
7.21	Delegation to individual directors.....	28
7.22	Validity of acts.....	28
8.	Executive officers and ceremonial positions	28
8.1	Secretaries and other officers.....	28
8.2	Provisions applicable to all executive officers	28
8.3	Patron	29
8.4	President.....	29
8.5	Vice-Presidents.....	29
9.	Indemnity and insurance	30
9.1	Persons to whom rules 9.2 and 9.5 apply	30
9.2	Indemnity	30
9.3	Limit on indemnity	30
9.4	Extent of indemnity	31
9.5	Insurance	31
9.6	Savings	31
9.7	Deed	31
10.	Winding-up.....	31

11.	Minutes and records.....	32
11.1	Minutes of meetings.....	32
11.2	Minutes of resolutions passed without a meeting.....	32
11.3	Signing of minutes	32
11.4	Minutes as evidence	32
11.5	Inspection of records	32
11.6	Document retention and archives.....	32
12.	Accounts and audit.....	33
12.1	Accounts	33
12.2	Audit.....	33
13.	Notices	33
13.1	Notices by the company to Members and MCI Holders	33
13.2	Notices by the company to directors	33
13.3	Notices by Members, MCI Holders or directors to the company	33
13.4	Time of service	33
13.5	Other communications and documents	34
13.6	Notices in writing.....	34
14.	By-laws.....	34
14.1	By-laws are made by the directors	34
14.2	Conflict between the constitution and By-laws	34
14.3	Effectiveness and promulgation of By-laws.....	34
14.4	Enforceability of By-laws.....	34
15.	General.....	35
15.1	Submission to jurisdiction	35
15.2	Prohibition and enforceability.....	35

16.	Transitional provisions	35
SCHEDULE 1 – MUTUAL CAPITAL INSTRUMENTS		36
1.	Rights attaching to MCIs	36
1.1	MCIs are fully paid	36
1.2	Terms of issue of MCIs.....	36
2.	Recognition of MCI Holders	37
2.1	MCI Holders bound.....	37
2.2	Non-recognition of certain interests	37
3.	Jointly held MCIs	37
3.1	Registration of joint MCI Holders	37
3.2	Voting by joint MCI Holders	37
3.3	Notices to joint MCI Holders	37
3.4	Effectual receipt from one joint holder	37
3.5	Death of joint owner	37
4.	Transfer of MCIs.....	38
4.1	Forms of instrument of transfer.....	38
4.2	Execution and delivery of transfer	38
4.2	Registration as MCI Holder.....	38
4.3	Company to register forms without charge	38
4.4	Company to retain instrument of transfer	38
4.5	Board’s powers to refuse to register	38
4.6	Transfer to or by a secured party	38
5.	Transmission of MCIs in certain circumstances	38
5.1	Transmission of MCIs on death	38
5.2	Information given by personal representative.....	38

5.3	Transmission of MCIs on MCI Holder’s bankruptcy or insolvency	39
5.4	Transmission of MCIs on mental incapacity	39
6.	Dividends and reserves	39
6.1	Payment of dividend	39
6.2	No interest on dividends	40
6.3	Calculation and apportionment of dividends.....	40
6.4	Distribution of specific assets	40
6.5	Ancillary powers regarding distributions	40
6.6	Payments in respect of MCIs.....	41
6.7	Election to reinvest dividend	41
6.8	Election to accept MCIs instead of dividends	41
6.9	Unclaimed dividends.....	42

1. Preliminary

1.1 Definitions and interpretation

(a) In this constitution:

Act means the *Corporations Act 2001* (Cth).

Adoption Date means the date the adoption of this constitution by the Members became effective.

Affiliated Entity means a body corporate that the directors consider is affiliated with Hostelling International or with the company (as the case may be).

Board Membership means the appointment, election, reappointment or re-election (as the case may be) of a person as a director.

Business Day means a day which is not a Saturday, Sunday, bank holiday or public holiday:

- (1) for the purpose of sending or receiving a notice – in the city where the notice is intended to be received; and
- (2) for all other purposes – in Sydney.

By-law means a by-law of the company made under rule 14.1.

Chair means the chair of the directors appointed under rule 7.16.

Financial Year means, unless the directors determine a different period, a 12 month period from 1 January to 31 December.

Hostelling International means the International Youth Hostel Federation (operating as Hostelling International).

Liability means a loss, liability, cost, charge or expense.

MCI is short for “mutual capital instrument” and means a share as described in Schedule 1.

MCI Holder means a person who is the holder of an MCI and whose name the company has entered for the time being in the Register of Members as an MCI Holder.

Member means a person as described in rule 5 whose name is for the time being entered in the Register of Members as a Member of the company and who has not ceased to be a Member of the company in accordance with this constitution.

Merging Body means an entity which, with the agreement of the directors, is merging its business and undertaking with that of the company.

Official means:

- (1) each person who is or has been a director of the company;
- (2) officers and former officers of the company or of its related bodies corporate; and
- (3) each person who is or has been a Patron, President or Vice-President.

Patron means the patron of the company appointed under rule 8.3.

President means the president of the company appointed under rule 8.4(a).

Register of Members means the register of members (including any register of MCI Holders) for the purposes of the Act.

Representative in relation to:

- (1) a body corporate means a representative of the body corporate authorised under section 250D of the Act; or
- (2) an unincorporated entity means a representative of the entity authorised by the governing organ of the entity in terms equivalent to those under section 250D of the Act.

Subscription Price means the amount payable on subscription for an MCI or, if the MCI was created on conversion of another instrument, the Subscription Price specified for the purposes of this definition in the terms of issue of that instrument.

Vice-Chair means the vice-chair of the directors appointed under rule 7.17.

Vice-President means a vice-president of the company appointed under rule 8.5(a).

Voting Cut-Off Date means the date which is 7 weeks prior to the date of the relevant general meeting.

- (b) A Member or MCI Holder is to be taken to be present at a general meeting if the Member or MCI Holder is present in person or by proxy or Representative.
- (c) A reference in a rule (including rule 1.1(e)(4)) to the term 'legal personal representative' does not include a reference to an attorney.
- (d) A reference in a rule in general terms to a person holding or occupying a particular office or position includes a reference to any person who occupies or performs the duties of that office or position for the time being.
- (e) Unless the contrary intention appears, in this constitution:
 - (1) words importing the singular include the plural and vice versa;
 - (2) words importing a gender include every other gender;
 - (3) words used to denote persons generally or importing a natural person include any company, corporation, body corporate, body politic, partnership, joint venture, association, board, group or other body (whether or not the body is incorporated);
 - (4) a reference to a person includes that person's successors and legal personal representatives;
 - (5) a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, consolidating or replacing it, whether passed by the same or another government agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute; and
 - (6) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (f) In this constitution headings and bold type are for convenience only and do not affect its interpretation.

1.2 Application of the Act

- (a) This constitution is to be interpreted subject to the Act. However the rules that apply as replaceable rules to companies under the Act do not apply to the company.
- (b) Unless the contrary intention appears, an expression in a rule that deals with a matter dealt with by a provision of the Act has the same meaning as in that provision of the Act.
- (c) Subject to rule 1.2(b), unless the contrary intention appears, an expression in a rule that is defined for the purposes of the Act has the same meaning as in the Act.

1.3 Exercise of powers

- (a) Where this constitution provides that a person or body may do a particular act or thing and the word 'may' is used, the act or thing may be done at the discretion of the person or body.
- (b) Where this constitution confers a power to do a particular act or thing, the power is, unless the contrary intention appears, to be taken as including a power:
 - (1) exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend or vary that act or thing; and
 - (2) to do the act or thing from time to time.
- (c) Where this constitution confers a power to do a particular act or thing with respect to particular matters, the power is, unless the contrary intention appears, to be taken to include a power to do that act or thing with respect to some only of those matters or with respect to a particular class or particular classes of those matters and to make different provision with respect to different matters or different classes of matters.
- (d) Where this constitution confers a power to make appointments to any office or position other than director, the power is, unless the contrary intention appears, to be taken to include a power:
 - (1) to appoint a person to act in the office or position until a person is appointed to the office or position;
 - (2) subject to any contract between the company and the relevant person and any applicable industrial law, to remove or suspend any person appointed, with or without cause; and
 - (3) to appoint another person temporarily in the place of any person so removed or suspended or in place of any sick or absent holder of such office or position.
- (e) Where this constitution confers a power or imposes a duty then, unless the contrary intention appears, the power may be exercised and the duty must be performed from time to time as the occasion requires.
- (f) Where this constitution confers a power or imposes a duty on the holder of an office as such then, unless the contrary intention appears, the power may be exercised and the duty must be performed by the holder for the time being of the office.
- (g) Where this constitution confers power on a person or body to delegate a function or power:
 - (1) the delegation may be concurrent with, or to the exclusion of, the performance or exercise of that function or power by the person or body;
 - (2) the delegation may be either general or limited in any manner provided in the terms of delegation;

- (3) the delegation need not be to a specified person but may be to any person from time to time holding, occupying or performing the duties of, a specified office or position;
- (4) the delegation may include the power to delegate;
- (5) where the performance or exercise of that function or power is dependent upon the opinion, belief or state of mind of that person or body in relation to a matter, that function or power may be performed or exercised by the delegate upon the opinion, belief or state of mind of the delegate in relation to that matter; and
- (6) the function or power so delegated, when performed or exercised by the delegate, is to be taken to have been performed or exercised by the person or body.

1.4 Intention to be an MCI mutual entity

- (a) The company is intended to be an “MCI mutual entity” for the purposes of the Act.
- (b) The company has the power to issue MCIs. The company does not have the power to issue any shares other than MCIs.

2. Objects

The objects of the company are to:

- (a) represent the interests of the company and its Affiliated Entities internationally with Hostelling International and its Affiliated Entities;
- (b) promote youth hostelling internationally, including fostering an appreciation of a range of cultural values;
- (c) promote youth hostelling throughout Australia and its dependent territories, and to promote interstate and international friendship through the development of youth hostelling;
- (d) provide educational opportunities in Australia for all people, but especially young people, to:
 - (1) achieve personal development;
 - (2) foster friendship; and
 - (3) bring about a better understanding of others and the world around them;
- (e) facilitate education by providing, operating and assisting others to provide and operate, hostels or similar accommodation in which there are no distinctions of race, nationality, colour, religion, gender, sexual orientation, class or political opinion;
- (f) educate, by promoting and encouraging:
 - (1) travel;
 - (2) healthy recreational activities;
 - (3) environmental awareness; and
 - (4) interstate and international friendships and understanding,

particularly through the development and provision of facilities and services to assist travellers within and outside Australia;
- (g) actively promote Australia as a prime holiday destination for the members of overseas organisations affiliated with Hostelling International; and

- (h) provide information or advice to any government, company or any other organisation in relation to any of the foregoing.

3. Powers

- (a) The company may, in any manner permitted by the Act:

- (1) exercise any power;
- (2) take any action; or
- (3) engage in any conduct or procedure,

consistent with the direct or indirect pursuit of its objects or matters incidental to its objects, which under the Act a public company limited by guarantee may exercise, take or engage in if authorised by its constitution.

- (b) Without limiting rule 3(a), the company may financially and otherwise support any charity.
- (c) The company may become and remain a member of Hostelling International and may comply with its obligations from time to time in that capacity.

4. Income and property

- (a) The company's income and property must be applied solely towards promoting the company's objects.
- (b) Subject to rule 4(c), no part of the income or property of the company may be paid, transferred or distributed, directly or indirectly, by way of dividend, bonus, or other profit distribution, to any Member, former Member, MCI Holder, former MCI Holder, director or former director or to any person claiming through such a person.
- (c) Nothing in rule 4(b) prevents the payment in good faith of:
 - (1) reasonable and proper remuneration to any employee of the company;
 - (2) subject to this constitution, reasonable and proper amounts to any Member or MCI Holder in return for any services actually rendered to the company;
 - (3) the payment of interest at a rate not exceeding interest at the rate for the time being charged by the company's bankers for money lent to the company;
 - (4) of reasonable and proper rent for premises demised or let by any Member or MCI Holder to the company;
 - (5) payments in respect of MCIs in accordance with this constitution and the terms of issue of such MCIs;
 - (6) sums permitted to be paid under rule 7.7;
 - (7) sums paid under rule 9; or
 - (8) the reimbursement in good faith of out-of-pocket expenses incurred on behalf of the company.

5. Membership

5.1 Categories of membership

- (a) Subject to this rule 5.1, there are 5 categories of membership:

- (1) adult membership;
 - (2) youth membership;
 - (3) life membership;
 - (4) honorary life membership; and
 - (5) group membership.
- (b) The directors may establish additional categories of Members and prescribe the eligibility qualifications, rights, privileges and obligations of Members of those categories.
- (c) Where the directors have established a category of Members under rule 5.1(b), the company may, by resolution, re-categorise or convert Members from 1 category to another.
- (d) A person may be a Member in only 1 category of membership.
- (e) The company may enter into accommodation and other arrangements on a contract basis with a person who is a member of an organisation affiliated with the company or with Hostelling International.

5.2 Adult membership

- (a) The Members in the adult membership category are those persons who:
- (1) were Members in this category on the Adoption Date;
 - (2) transition into this category under rule 5.7;
 - (3) become Members in this category under rule 5.2(c); or
 - (4) both:
 - (A) are eligible to be admitted to this category under rule 5.2(b); and
 - (B) are admitted to this category under rule 5.8,
- and who remain Members in this category.
- (b) A person is eligible to be admitted to the adult membership category if they:
- (1) are a natural person;
 - (2) are at least 18 years of age at the time their application for admission is received; and
 - (3) have paid any fees that are payable under rule 5.14.
- (c) A Member in the youth membership category who turns 18 years of age automatically becomes a Member in the adult membership category at the start of that Member's next membership year, and their youth membership automatically ceases at that time.

5.3 Youth membership

- (a) The Members in the youth membership category are those persons who:
- (1) were Members in this category on the Adoption Date;
 - (2) transition into this category under rule 5.7; or
 - (3) both:

- (A) are eligible to be admitted to this category under rule 5.3(b); and
 - (B) are admitted to this category under rule 5.8,
- and who remain Members in this category.
- (b) A person is eligible to be admitted to the youth membership category if they:
- (1) are a natural person;
 - (2) are less than 18 years of age at the time their application for admission is received; and
 - (3) have paid any fees that are payable under rule 5.14.

5.4 Life membership

With effect from the date of the 2016 AGM, subject to rule 5.7, no further Members may be admitted to life membership in the company. A Member who held life membership at that date remains, subject to rule 5.11, a life member (and, despite rule 5.14, is not required to pay any fees to remain such a Member).

5.5 Honorary life membership

- (a) The Members in the honorary life membership category are those persons who:
- (1) were Members in this category on the Adoption Date;
 - (2) transition into this category under rule 5.7; or
 - (3) both:
 - (A) are eligible to be admitted to this category under rule 5.5(b); and
 - (B) are admitted to this category under rule 5.5(c),
- and who remain Members in this category.
- (b) A person is eligible to be admitted to the honorary life membership category if they:
- (1) are a natural person;
 - (2) are at least 18 years of age at the time their application for admission is received; and
 - (3) have paid any fees that are payable under rule 5.14.
- (c) The process for admitting a person to the honorary life membership category is as follows:
- (1) a nomination (in the form and manner determined by the directors) of the person for honorary life membership, proposed by not less than 5 Members and/or MCI Holders who would be entitled to vote at a general meeting held on the date of the nomination, and signed by the nominee, must be given to the company;
 - (2) the nominee must execute and give to the company any form of undertaking as the directors may reasonably stipulate as a condition of processing the nomination;
 - (3) the nomination must be accompanied by a statement setting out the valuable service provided to the company and/or the hostelling movement by the nominee;

- (4) the nomination must be considered by the directors at (where practicable) their next meeting or otherwise as soon as practicable, and:
 - (A) if the directors do not approve the nomination – the nomination lapses; or
 - (B) if the directors approve the nomination – the nomination must be included in the business for (where practicable) the next general meeting or otherwise as soon as practicable; and
- (5) if the admission of the nominee is passed by a special resolution at the general meeting, the nominee's membership in the honorary life membership category must be promptly recorded in the company's Register of Members and upon such record being made:
 - (A) the nominee becomes a Member in the honorary life membership category; and
 - (B) their membership in any other category automatically ceases.

5.6 Group membership

- (a) The Members in the group membership category are those persons who:
 - (1) were Members in this category on the Adoption Date;
 - (2) transition into this category under rule 5.7; or
 - (3) both:
 - (A) are eligible to be admitted to this category under rule 5.6(b); and
 - (B) are admitted to this category under rule 5.8 (in which case its nominated Representative becomes its Representative, but for the avoidance of doubt, its Representative is not a Member),and who remain Members in this category.
- (b) A person is eligible to be admitted to the group membership category if it:
 - (1) is a body corporate or unincorporated entity with at least 6 members;
 - (2) was established and operates for the purpose of social, cultural, recreational or educational activities;
 - (3) has paid any fees that are payable under rule 5.14; and
 - (4) nominates, conditional upon its admission as a Member, a natural person at least 18 years of age, who where possible is an officer or employee of the Member, as its proposed Representative.
- (c) In relation to the Representative of a Member in the group membership category:
 - (1) the Member may (whether or not through its Representative) appoint (subject to rule 5.6(c)(8)) and remove, by notice in writing to the company, its Representative, provided any replacement Representative is at least 18 years of age;
 - (2) without limiting the operation of the Act, the Representative is entitled to exercise on behalf of the Member all or any of the rights, powers and privileges possessed by the Member by virtue of its membership, provided:
 - (A) except as provided for in rule 5.6(c)(1) or through a proxy, the Member may act in relation to the company only through its Representative; and

- (B) where the Representative exercises a right, power or discretion possessed by the Member they represent:
 - (i) the Member is bound by the exercise of that right, power or discretion; and
 - (ii) the company is entitled to assume the validity of the exercise of that right, power or discretion and the authority of the Representative to exercise the right, power or discretion;
- (3) any communication from the company to the Member in its capacity as a Member may be addressed to the Representative;
- (4) a reference in this constitution to a Member, unless the context otherwise requires, includes a reference to the Representative of that Member;
- (5) the Representative ceases to be Representative of the Member:
 - (A) upon ceasing to be employed by, or an officer of, the Member if they were initially an officer or employee of the Member;
 - (B) if removed by the Member under rule 5.6(c)(1); or
 - (C) in any of the circumstances envisaged by rules 7.6(a), (b), (c) or (g), as if the Representative was a director of the company and a reference in those rules to:
 - (i) the directors was a reference to the directors (or equivalent) of the Member;
 - (ii) the office of director was a reference to the office of director (or equivalent) of the Member; and
 - (iii) the company was a reference to the Member;
- (6) a person may only be the Representative for 1 Member at any 1 time;
- (7) a person who is a Member may not also be a Representative of another Member;
- (8) whenever a Representative is appointed under this constitution, the company must immediately be notified of that fact, and of the name, address, contact details and the position or title within the Member occupied by the Representative, together with the written consent of the Representative and an acknowledgment from the Representative (in any form reasonably required by the directors) that they agree to be bound by this constitution; and
- (9) any dispute concerning:
 - (A) the interpretation of this rule 5.6(c); or
 - (B) the rights and obligations of a Representative or the Member they represent,must be referred to the directors whose decision in all respects is final and binding on all affected Members and Representatives.

5.7 Transitioning in of members from a Merging Body

- (a) The directors may propose and make arrangements with a Merging Body or its members (or classes or categories of them) in relation to the transition of consenting members to become Members in a specified category or a category established under rule 5.1(b) for this purpose.

- (b) The arrangements may include relief from:
 - (1) specified membership eligibility qualifications; and
 - (2) the payment of certain fees.
- (c) Arrangements made will apply notwithstanding any other technical requirements in this constitution relating to membership eligibility qualifications, membership applications, Members generally or specifically, and fees.

5.8 Admission of new Members – general provisions

- (a) Every applicant for membership (except a person transitioned in under rule 5.7) must:
 - (1) apply in the form and manner determined by the directors (which may permit written or oral applications); and
 - (2) pay any applicable fees at the time of making the application.
- (b) The directors may admit as a Member any applicant on such conditions and at such times, as the directors think fit.
- (c) The directors may require a person to execute such form of reasonable undertaking as the directors may stipulate as a condition of admitting that person as a Member.

5.9 Power to decline admission of Members

The directors may, in their absolute discretion, decline to admit any person as a Member.

5.10 Power to suspend admission of Members

The directors may suspend the admission of Members at such times and for such periods as they think fit.

5.11 Cessation of membership

A Member (and for the avoidance of doubt, this rule applies to all categories of membership, including life membership and honorary life membership) ceases to be a Member:

- (a) if the Member resigns by notice in writing to the company;
- (b) if the Member dies;
- (c) if the Member becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
- (d) if the Member is expelled under rule 5.12;
- (e) in any other circumstances prescribed in the terms of membership applicable to the Member or in any undertaking given by the Member upon their admission to membership; or
- (f) if the Member has not paid moneys (including fees) due and payable to the company within 30 days of a request for payment for those moneys being sent to the Member.

5.12 Expulsion of Members

- (a) Subject to this rule 5.12, the directors may by resolution expel a Member who fails to comply with:
 - (1) this constitution;

- (2) the terms of membership applicable to the Member; or
 - (3) any undertaking given by the Member upon their admission to membership,
- by giving notice in writing of that expulsion to the Member.
- (b) If the directors intend to propose a resolution under rule 5.12(a) they must give the Member written notice of that fact:
- (1) setting out the grounds on which the intended resolution is based; and
 - (2) informing the Member that they have 1 month from the date of the notice to give written submissions to the directors in relation to the proposed resolution.
- (c) If the Member:
- (1) gives written submissions in relation to the proposed resolution – the directors must consider those submissions and then give the Member written notice:
 - (A) whether or not they still intend to intend to propose the resolution; and
 - (B) if they do so intend, that the Member has 14 days from the date of that notice to require that the matter be referred to mediation under rule 5.12(d); or
 - (2) does not give written submissions in relation to the proposed resolution or does not provide them within time – the directors may pass the proposed resolution as and when they see fit.
- (d) If the matter is referred to mediation under rule 5.12(c)(1)(B), the mediation must be conducted:
- (1) subject to rule 5.12(d)(2) – in such manner as the directors reasonably determine; and
 - (2) in accordance with the rules of natural justice.
- (e) Once the mediation is concluded, the directors may decide whether or not to pass the resolution under rule 5.12(a).

5.13 Entries in the Register of Members

A:

- (a) person admitted as a Member under rule 5.8 – becomes a Member;
- (b) person transitioning in as a Member under rule 5.7 – becomes a Member;
- (c) Member affected by an event under rule 5.11 – ceases to be a Member; and
- (d) Member expelled under rule 5.12 – ceases to be a Member,

from the time an entry in the Register of Members is made to record that fact.

5.14 Membership fees

- (a) Each Member must pay such fees as determined by the directors as payable in relation to the relevant category of membership.
- (b) Fees are payable at the times determined by the directors.

- (c) The directors may determine differential fees of any type or amount (including a fee of zero) and differential times for payment, as between categories of membership and as between Members within a category of membership.

5.15 Variation of class rights

Unless otherwise provided by the terms of membership of a class of members:

- (a) all or any of the rights or privileges attached to the class may be varied, whether or not the company is being wound-up, only with the consent in writing of three-quarters of the members of that class, or with the sanction of a special resolution passed at a separate meeting of the members of that class;
- (b) the provisions of this constitution relating to general meetings apply, so far as they can and with such changes as are necessary, to each separate meeting of the members of that class; and
- (c) the rights or privileges conferred upon the members of that class are to be taken as not being varied by:
 - (1) the admission of further members in that class or any category;
 - (2) the establishment of, and admission of members in, any new class or category of membership, irrespective of the rights or privileges attached to that new class or category of membership; or
 - (3) the cessation of membership, whether under rule 5.11 or otherwise.
- (d) For all purposes, including those in relation to the Act, a category of membership under this constitution does not necessarily constitute a distinct class of members.

5.16 Membership not transferable

Membership is personal to the Member and is not transferable.

5.17 Equitable and other claims

Except as otherwise required by law or provided by this constitution, the company is not:

- (a) compelled in any way to recognise a person as holding a membership upon any trust, even if the company has notice of that trust; or
- (b) compelled in any way to recognise, or bound by, any equitable, contingent, future or partial claim to or interest in a membership on the part of any other person except an absolute right of ownership in the registered Member, even if the company has notice of that claim or interest.

6. General meetings

6.1 Calling general meetings

- (a) The directors may, whenever they think fit, call and arrange to hold a general meeting.
- (b) A general meeting may be called and arranged to be held only as provided by this rule 6.1 or as provided by the Act.
- (c) The directors may change the venue for, postpone or cancel a general meeting unless the meeting is called and arranged to be held by the Members and/or MCI Holders or the court under the Act. If a general meeting is called and arranged to be held under section 249D of the Act the directors may not postpone it beyond the date by which section 249D requires it

to be held and may not cancel it without the consent of the requisitioning Members and/or MCI Holders (as applicable).

6.2 Notice of general meetings

- (a) Subject to this constitution, at least 21 days' notice (or such other minimum period as may be prescribed by the Act from time to time) of a general meeting must be given in the manner authorised by rule 13.1 to each person who is at the date of the notice:
 - (1) a Member;
 - (2) a director;
 - (3) an MCI Holder; or
 - (4) an auditor of the company.
- (b) A notice of a general meeting must specify:
 - (1) the date, time and place of the meeting;
 - (2) if the meeting is to be held in 2 or more places – the technology that will be used to facilitate this; and
 - (3) except as provided in rule 6.2(d), state the general nature of the business to be transacted at the meeting.
- (c) Except as required by the Act or as provided by rule 6.2(d), no business other than that specified in the notice convening a general meeting may be transacted at that general meeting.
- (d) It is not necessary for a notice of an AGM to state that the business to be transacted at the meeting includes the consideration of the annual financial report, directors' report and auditor's report, the election of directors, the declaration of the results of an election of directors, the appointment of the auditor or the fixing of the auditor's remuneration.
- (e) A person may waive notice of any general meeting by notice in writing to the company.
- (f) The non-receipt of notice of a general meeting or proxy form by, or a failure to give notice of a general meeting or a proxy form to, any person entitled to receive notice of a general meeting under this rule 6.2 does not invalidate any act, matter or thing done or resolution passed at the general meeting if:
 - (1) the non-receipt or failure occurred by accident or error; or
 - (2) before or after the meeting, the person:
 - (A) has waived or waives notice of that meeting under rule 6.2(e); or
 - (B) has notified or notifies the company of the person's agreement to that act, matter, thing or resolution by notice in writing to the company.
- (g) A person's attendance at a general meeting waives any objection that person may have to a failure to give notice, or the giving of a defective notice, of the meeting unless the person at the beginning of the meeting objects to the holding of the meeting.

6.3 Quorum at general meetings

- (a) No business may be transacted at any general meeting, except the election of a chair and the adjournment of the meeting, unless a quorum of Members and/or MCI Holders is present during the time the business is dealt with.

- (b) A quorum consists of 20 Members and/ or MCI Holders present at the meeting.
- (c) If a quorum is not present within 30 minutes after the time appointed for a general meeting:
 - (1) where the meeting was convened upon the requisition of Members and/or MCI Holders, the meeting must be dissolved; or
 - (2) in any other case:
 - (A) the meeting stands adjourned to such day, and at such time and place, as the directors determine or, if no determination is made by the directors, to the same day in the next week at the same time and place; and
 - (B) if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting must be dissolved.

6.4 Chair of general meetings

- (a) The Chair must (if present within 15 minutes after the time appointed for the meeting and willing to act) preside as chair at each general meeting.
- (b) If at a general meeting:
 - (1) there is no Chair;
 - (2) the Chair is not present within 15 minutes after the time appointed for the meeting; or
 - (3) the Chair is present within that time but is not willing to act as chair of the meeting, the Vice-Chair must, if present and willing to act, preside as chair, failing which:
 - (4) the directors present must elect as chair of the meeting another director who is present and willing to act; or
 - (5) if no other director willing to act is present at the meeting, the Members and MCI Holders eligible to vote may elect as chair of the meeting a Member or MCI Holder who is present and willing to act and who is entitled to vote at the meeting.
- (c) Despite anything in rule 6.4(b), if the Chair, Vice-Chair and/or any other director later attends a general meeting, the most senior of them (chosen by election if necessary in the manner described in rule 6.4(b)(4) in the case of 2 or more directors in attendance) from time to time who is willing to act must take over as chair of the general meeting.

6.5 Conduct of general meetings

- (a) A Member or MCI Holder is entitled to attend, and, provided they are eligible to vote under rule 6.7(a) to speak, at general meetings.
- (b) Subject to the provisions of the Act, the chair of a general meeting is responsible for the general conduct of the meeting and for the procedures to be adopted at the meeting.
- (c) The chair of a general meeting may at any time they consider it necessary or desirable for the proper and orderly conduct of the meeting (subject to the rights of Members at a general meeting as set out in the Act):
 - (1) impose a limit on the time that a person may speak on each motion or other item of business and terminate debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the Members and MCI Holders present; and

- (2) adopt any procedures for casting or recording votes at the meeting whether on a show of hands or on a poll, including the appointment of scrutineers.
- (d) Any question arising at a general meeting relating to the order of business, procedure or conduct of the meeting must be referred to the chair of the meeting, whose decision is final.
- (e) The chair of a general meeting may take any action they consider appropriate for the safety of persons attending the meeting and the orderly conduct of the meeting and may refuse admission to, or require to leave and remain out of, the meeting any person:
 - (1) in possession of a pictorial recording or sound recording device which in the opinion of the chair may or does cause inconvenience or disruption to the meeting;
 - (2) in possession of a placard or banner;
 - (3) in possession of an article considered by the chair to be dangerous, offensive or liable to cause disruption;
 - (4) who refuses to produce or permit examination of any article, or the contents of any article, in the person's possession;
 - (5) who behaves or threatens to behave in a dangerous, offensive or disruptive way; or
 - (6) who is not entitled to receive notice of the general meeting.

The chair may delegate the powers conferred by this rule 6.5(e) to any person they think fit.

- (f) The chair of a general meeting may, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (g) Where a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- (h) Except as provided by rule 6.5(g), it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (i) Where a meeting is adjourned, the directors may change the venue of, postpone or cancel the adjourned meeting unless the meeting was called and arranged to be held by the Members and/or MCI Holders or the court under the Act. If a meeting is called and arranged to be held under section 249D of the Act the directors may not postpone it beyond the date by which section 249D requires it to be held and may not cancel it without the consent of the requisitioning Members and MCI Holders (as applicable).
- (j) Nothing in rule 6.5 is to be taken to limit the powers conferred on the chair of a meeting by law.
- (k) At any time before a vote on a motion is taken at a general meeting, a summary of the proxy votes received in relation to the motion must be disclosed to the meeting.

6.6 Decisions at general meetings

- (a) Except in the case of any resolution which under this constitution or as a matter of law requires a special majority, questions arising at a general meeting are to be decided by a majority of votes cast by the Members and MCI Holders present at the meeting and any such decision is for all purposes a decision of the Members and MCI Holders.
- (b) In the case of an equality of votes upon any proposed resolution the chair of the meeting, in addition to their deliberative vote, has a casting vote.

- (c) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is demanded before the vote is taken or before or immediately after the declaration of the result of the show of hands:
 - (1) by the chair of the meeting;
 - (2) by at least 5 Members and/or MCI Holders present and having the right to vote on the resolution; or
 - (3) by Members and/or MCI Holders present at the meeting and representing at least 5% of the total voting rights of all the Members and MCI Holders having the right to vote on the resolution on a poll.
- (d) A demand for a poll does not prevent the continuance of a general meeting for the transaction of any business other than the question on which the poll has been demanded.
- (e) Unless a poll is duly demanded, a declaration by the chair of a general meeting that a resolution has on a show of hands been carried or carried unanimously, or carried by a particular majority, or lost, and an entry to that effect in the minutes of the proceedings of the company which has been signed by the chair of the relevant general meeting or of the next succeeding general meeting, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- (f) If a poll is duly demanded at a general meeting, it will be taken in such manner and either at once or after an interval or adjournment or otherwise as the chair of the meeting directs, and the result of the poll will be the resolution of the meeting at which the poll was demanded.
- (g) A poll demanded at a general meeting on the election of a chair of the meeting or on a question of adjournment must be taken immediately.
- (h) The demand for a poll may be withdrawn.

6.7 Voting rights

- (a) Each Member and each MCI Holder is entitled to vote at a general meeting (including with respect to an election of directors) provided that at the relevant Voting Cut-Off Date all of the following are satisfied in relation to the Member or MCI Holder, as applicable:
 - (1) unless the directors determine otherwise in a general or specific case, no fees due and payable by a Member to the company are unpaid;
 - (2) the Member is not a Member in the youth membership category; and
 - (3) the Member or MCI Holder is not an employee of the company.
- (b) Subject to this constitution and to any rights or restrictions attached to any category of membership, at a general meeting every Member and every MCI Holder who is entitled to vote and who is present in person or by proxy or Representative has 1 vote.
- (c) Rule 6.7(b) applies irrespective of the number of MCIs a MCI Holder holds, and provided, further, that any MCI Holder who is also a Member will have no more than 1 vote at a general meeting (and if such Member votes in respect of both their Membership and their MCIs, only 1 vote counts).
- (d) A proxy is entitled to a separate vote for each Member and each MCI Holder the person represents, in addition to any vote the person may have as a Member or MCI Holder in their own right.
- (e) An objection to the qualification of a person to vote at a general meeting:

- (1) must be raised before or at the meeting at which the vote objected to is given or tendered; and
 - (2) must be referred to the chair of the meeting, whose decision is final.
- (f) A vote not disallowed by the chair of a meeting under rule 6.7(e) is valid for all purposes.

6.8 Representation at general meetings

- (a) Subject to this constitution, each Member or MCI Holder entitled to vote at a general meeting may vote:
 - (1) in person or, where a Member or MCI Holder is a body corporate, by its Representative; or
 - (2) by proxy.
- (b) Subject to rule 5.6(c)(7), a proxy or Representative may, but need not, be a Member or MCI Holder.
- (c) A proxy or Representative may be appointed for all general meetings, or for any number of general meetings, or for a particular general meeting.
- (d) Unless otherwise provided in the instrument, but subject to the Act, an instrument appointing a proxy or Representative will be taken to:
 - (1) confer authority to agree to a meeting being convened by shorter notice than is required by the Act or by this constitution;
 - (2) confer authority to speak to any proposed resolution on which the proxy or Representative may vote;
 - (3) confer authority to demand or join in demanding a poll on any resolution on which the proxy or Representative may vote;
 - (4) appoint the chair of the general meeting as the proxy unless the Member or MCI Holder clearly specifies another person as proxy and that person attends the general meeting;
 - (5) even though the instrument may refer to specific resolutions and may direct the proxy or Representative how to vote on those resolutions:
 - (A) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion;
 - (B) to vote on any procedural motion, including any motion to elect the chair, to (only in the case of a chair elected under rule 6.4(b)(5)) vacate the chair or to adjourn the meeting; and
 - (C) to act generally at the meeting; and
 - (6) even though the instrument may refer to a specific meeting to be held at a specified time or venue, where the meeting is rescheduled or adjourned to another time or changed to another venue, to attend and vote at the re-scheduled or adjourned meeting or at the new venue.
- (e) An instrument appointing a proxy may direct the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument so provides, the proxy is not entitled to vote on the proposed resolution except as directed in the instrument.

- (f) Subject to rule 6.8(h), an instrument appointing a proxy need not be in any particular form provided it is in writing, legally valid and either:
- (1) signed by the appointer or the appointer's attorney; or
 - (2) authenticated in such manner as the directors may determine.
- (g) A proxy may not vote at a general meeting or adjourned meeting or on a poll unless the instrument appointing the proxy, and the authority under which the instrument is signed or a certified copy of the authority, are received in the places, fax numbers or electronic addresses at least:
- (1) 48 hours (or such other minimum period as may be prescribed by the Act from time to time) prior to the meeting; or
 - (2) such lesser period specified for this purpose in the notice calling the meeting,
- and for this purpose:
- (3) the place may be the company's registered office or other place specified in the notice and a fax number or electronic address may be the fax number or electronic address at the company's registered office or the fax number or electronic address specified in the notice; and
 - (4) the lesser period may be any time before the time set for holding the meeting or adjourned meeting.
- (h) The directors may waive all or any of the requirements of rules 6.8(f) and 6.8(g) and in particular may, upon the production of such other evidence as the directors require to prove the validity of the appointment of a proxy, accept:
- (1) an oral appointment of a proxy;
 - (2) an appointment of a proxy which is not signed or executed in the manner required by rule 6.8(f); and
 - (3) the deposit, tabling or production of a copy (including a copy sent by facsimile) of an instrument appointing a proxy or of the power of attorney or other authority under which the instrument is signed.
- (i) A vote given in accordance with the terms of an instrument appointing a proxy is valid despite the revocation of the instrument or of the authority under which the instrument was executed, if no notice in writing of the revocation has been received by the company by the time and at 1 of the places at which the instrument appointing the proxy is required to be received under rule 6.8(g).
- (j) The appointment of a proxy is not revoked by the appointer attending and taking part in the general meeting but, if the appointer votes on any resolution, the proxy is not entitled to vote, and must not vote, as the appointer's proxy on the resolution.
- (k) A proxy and a Representative for the same Member or MCI Holder may attend and take part in a general meeting but, if the proxy votes on any resolution, the Representative is not entitled to vote, and must not vote, as the Member's or MCI Holder's Representative on the resolution.

7. Directors

7.1 Number, nature and term of directors

- (a) There must be:

- (1) not less than 4 directors; and
 - (2) not more than 9 directors.
- (b) A person holding office as a director will hold 1 of the following positions (all of which are positions with identical rights, powers, responsibilities and entitlements, but are differentiated in this constitution for the ease of reference):
- (1) director 1 – filled ordinarily by election under rule 7.4;
 - (2) director 2 – filled ordinarily by election under rule 7.4;
 - (3) director 3 – filled ordinarily by election under rule 7.4;
 - (4) director 4 – filled ordinarily by election under rule 7.4;
 - (5) director 5 – filled ordinarily by election under rule 7.4;
 - (6) director 6 – filled ordinarily by election under rule 7.4;
 - (7) director 7 – may be filled by appointment under rule 7.2(a);
 - (8) director 8 – may be filled by appointment under rule 7.2(a); and
 - (9) director 9 – may be filled by appointment under rule 7.2(a).
- (c) Subject to rule 7.3(b), the term for each position referred to in rules 7.1(b)(1) to 7.1(b)(6) inclusive, expires at the end of the 3rd AGM after the position was last filled by an election.
- (d) The term for each position referred to in rules 7.1(b)(7) to 7.1(b)(9) inclusive, expires in accordance with the term of the relevant appointment.
- (e) At the expiry of the term of a position referred to in rules 7.1(b)(1) to 7.1(b)(6) inclusive, provided they are otherwise eligible, the director may stand for election or re-election at the relevant AGM.
- (f) No person may be elected, re-elected, appointed or re-appointed as a director if they have held office as a director continually since the conclusion of the AGM in the year 9 years prior to the relevant year.
- (g) A director who may not be elected, re-elected, appointed or re-appointed as a director by virtue of rule 7.1(f) becomes eligible again for election or appointment once they have not been a director for at least 11 continuous months.
- (h) When determining whether a director has held office for 9 years under rule 7.1(f) a break in that director's period of service which is 11 months or less is to be disregarded, such that the director's period of service is deemed to be continuous.

7.2 Appointed directors

- (a) The directors may appoint any eligible person to 1 of the positions referred to in rules 7.1(b)(7) to 7.1(b)(9) inclusive as and when they see fit, and must determine the terms for such appointment, including the term of the position which will be, subject to rule 7.6, no longer than the period to the end of the 2nd AGM after the appointment is made.
- (b) Any appointment to the office of director will be undertaken in accordance with the procedure set out in By-laws made for this purpose.
- (c) At the expiry of the term of a position referred to in rules 7.1(b)(7) to 7.1(b)(9) inclusive, the director:

- (1) may be reappointed by the directors under rule 7.2(a); or
- (2) provided they are otherwise eligible, may stand for election in relation to the relevant AGM.

7.3 Casual vacancies

- (a) In relation to a casual vacancy in a position referred to in rules 7.1(b)(1) to 7.1(b)(6) inclusive, the directors may appoint any eligible person to that position, and such appointee holds office until the end of the next AGM but if otherwise eligible, may stand for election or re-election in relation to that AGM.
- (b) Any person elected to fill a casual vacancy in a position referred to in rules 7.1(b)(1) to 7.1(b)(6) inclusive holds office for the balance of the prevailing term for that position.

7.4 Election procedure

- (a) Any election to the office of director will be undertaken in accordance with the procedure set out in By-laws made for this purpose.
- (b) The By-laws referred to in rule 7.4(a), must include a procedure for considering candidates for election or appointment as a director, and 1 or more persons who are not current directors must be included among those with responsibility to oversee that procedure.
- (c) So far as practicable and appropriate in the prevailing circumstances, the following principles must always be borne in mind and advanced in the application of the By-laws referred to in rule 7.4(a):
 - (1) The board of directors should be comprised of persons with a broad range of interests, skills, expertise and experience which will assist the directors in carrying on the activities and furthering the objects of the company.
 - (2) The board of directors should consist of a mix of genders and a range of ages.
 - (3) The board of directors should be comprised of persons:
 - (A) with an interest in travel and education; and
 - (B) who are committed to, and supportive of, the objects of the company.

7.5 Eligibility for directors

- (a) A person is only eligible to be elected or re-elected as a director if they:
 - (1) are a Member or MCI Holder, other than a Member in the youth membership category, at the relevant time;
 - (2) have been a member of either:
 - (A) the company; or
 - (B) an Affiliated Entity,for at least 12 months prior to the relevant time;
 - (3) are eligible to vote at a general meeting at the relevant time;
 - (4) are ordinarily resident in Australia;
 - (5) are not at the relevant time an employee of:

- (A) the company; or
 - (B) a related body corporate of the company;
 - (C) an Affiliated Entity; or
 - (D) a related body corporate of an Affiliated Entity;
- (6) have not in the 5 years prior to the relevant time been an employee of:
- (A) the company; or
 - (B) a related body corporate of the company,
or the spouse or de facto partner of such an employee;
- (7) have completed (to the satisfaction of the directors, acting reasonably) a director's familiarisation program as determined by the directors; and
- (8) have been approved as a nominee for Board Membership in accordance with the procedure set out in By-laws made for this purpose.
- (b) A person is only eligible to be appointed or re-appointed as a director if they:
- (1) are a Member or MCI Holder, other than a Member in the youth membership category, at the relevant time;
 - (2) are eligible to vote at a general meeting at the relevant time;
 - (3) are ordinarily resident in Australia;
 - (4) are not an employee of the company or of a related body corporate at the relevant time;
 - (5) have not in the 5 years prior to the relevant time been an employee of:
 - (A) the company; or
 - (B) a related body corporate of the company,
or the spouse or de facto partner of such an employee;
 - (6) have completed (to the satisfaction of the directors, acting reasonably) a director's familiarisation program as determined by the directors; and
 - (7) have been approved as a nominee for Board Membership in accordance with the procedure set out in By-laws made for this purpose.

7.6 Vacation of office

In addition to the circumstances prescribed by the Act, the office of a director becomes vacant if the director:

- (a) becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
- (b) becomes bankrupt or insolvent or makes any arrangement or composition with their creditors generally;

- (c) is convicted on indictment of an offence and the directors do not within 1 month after that conviction resolve to confirm the director's appointment or election (as the case may be) to the office of director;
- (d) is absent from 3 consecutive meetings of the directors, with or without the consent of the directors, unless at the next meeting of the directors, the directors decide otherwise;
- (e) ceases to be a Member or MCI Holder;
- (f) becomes an employee of:
 - (1) the company;
 - (2) a related body corporate of the company;
 - (3) an Affiliated Entity; or
 - (4) a related body corporate of an Affiliated Entity; or
- (g) resigns by notice in writing to the company.

7.7 Remuneration of directors

- (a) Each director is entitled to such remuneration (which must be inclusive of superannuation where applicable) out of the funds of the company as the directors determine, subject to any aggregate limit in respect of a Financial Year that has been fixed by the company in general meeting by a resolution passed by at least $\frac{3}{4}$ of the Members and MCI Holders present and voting. At the Adoption Date, the sum of zero is deemed fixed by the company in general meeting.
- (b) In addition to their remuneration under rule 7.7(a), a director is entitled to be paid all travelling and other expenses properly incurred by that director in connection with the affairs of the company.
- (c) If a director renders or is called upon to perform extra services or to make any special exertions in connection with the affairs of the company, the directors may arrange for a special remuneration to be paid to that director, either in addition to or in substitution for that director's remuneration under rule 7.7(a), but subject to the aggregate limit on directors' remuneration set under rule 7.7(a).
- (d) The office of Chair may, if the directors so resolve, be treated as an extra service or special exertion performed by the director holding that office for the purposes of rule 7.7(c).
- (e) Membership of a committee of directors may, if the directors so resolve, be treated as an extra service or special exertion performed by the members for the purposes of rule 7.7(c).
- (f) Acceptance of a delegation under rule 7.21(a) may, if the directors so resolve, be treated as an extra service or special exertion performed by the delegate for the purposes of rule 7.7(c).

7.8 No alternate directors

A director is not entitled to appoint an alternate director.

7.9 Interested directors

- (a) Subject to rules 7.5 and 7.6(f), a director may hold any other office (other than auditor) in the company or any related body corporate in conjunction with their directorship and may be appointed to that office upon such terms as to tenure of office and otherwise (provided that the director may not receive remuneration in that other capacity) as the directors think fit.

- (b) Subject to rules 7.5 and 7.6(f), a director may be or become a director or other officer of, or otherwise interested in, any related body corporate or any other body corporate promoted by the company or in which the company may be interested as a shareholder or otherwise and is not accountable to the company for any other benefits received by the director as a director or officer of, or from having an interest in, that body corporate.
- (c) The directors may exercise the voting rights conferred by shares in any body corporate held or owned by the company in such manner in all respects as the directors think fit (including voting in favour of any resolution appointing a director as a director or other officer of that body corporate or voting for the payment of remuneration to the other officers of that body corporate) and a director may, if permitted by law, vote in favour of the exercise of those voting rights notwithstanding that they are, or may be about to be appointed, a director or other officer of that other body corporate and, as such, interested in the exercise of those voting rights.
- (d) A director is not disqualified merely because of being a director from contracting with the company in any respect including, without limitation any of the following:
 - (1) selling any property to, or purchasing any property from, the company;
 - (2) guaranteeing the repayment of any money borrowed by the company for a commission or profit; or
 - (3) acting in any professional capacity (other than auditor) on behalf of the company.
- (e) No contract made by a director with the company and no contract or arrangement entered into by or on behalf of the company in which any director may be in any way interested is avoided or rendered voidable merely because of the director holding office as a director or because of the fiduciary obligations arising out of that office.
- (f) No director contracting with or being interested in any arrangement involving the company is liable to account to the company for any profit realised by or under any such contract or arrangement merely because of the director holding office as a director or because of the fiduciary obligations arising out of that office.
- (g) Subject to rule 7.9(h), a director who is in any way interested in any contract or arrangement or proposed contract or arrangement may, despite that interest:
 - (1) be counted in determining whether or not a quorum is present at any meeting of directors considering that contract or arrangement or proposed contract or arrangement;
 - (2) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement; and
 - (3) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement the company may execute.
- (h) Rule 7.9(g) does not apply if, and to the extent that, it would be contrary to the Act (including without limitation provisions of the Act which regulate matters concerning material personal interests of directors).
- (i) The directors may make regulations requiring the disclosure of interests that a director, and any person deemed by the directors to be related to or associated with the director, may have in any matter concerning the company or a related body corporate and any regulations made under this constitution will bind all directors.

7.10 Powers and duties of directors

- (a) The directors are responsible for managing the business of the company and may exercise to the exclusion of the company in general meeting all the powers of the company which are

not required, by the Act or by this constitution, to be exercised by the company in general meeting.

- (b) Without limiting the generality of rule 7.10(a), the directors may exercise all the powers of the company to borrow or otherwise raise money (including by way of issuing MCIs or instruments convertible into MCIs), to charge any property or business of the company and to issue debentures or give any other security for a debt, liability or obligation of the company or of any other person.
- (c) The directors may determine how cheques, promissory notes, bankers drafts, bills of exchange or other negotiable instruments must be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by or on behalf of the company.
- (d) The directors may:
 - (1) appoint or employ any person to be an officer, agent or attorney of the company for such purposes with such powers, discretions and duties (including powers, discretions and duties vested in or exercisable by the directors), for such period and upon such conditions as they think fit;
 - (2) authorise an officer, agent or attorney to delegate all or any of the powers, discretions and duties vested in the officer, agent or attorney; and
 - (3) subject to any contract between the company and the relevant officer, agent or attorney and any applicable industrial law, remove or dismiss any officer, agent or attorney of the company at any time, with or without cause.
- (e) A power of attorney may contain such provisions for the protection and convenience of the attorney or persons dealing with the attorney as the directors think fit.

7.11 Power to issue MCIs

- (a) Subject to this constitution and the Act:
 - (1) the company may raise capital by issuing MCIs (or instruments convertible into MCIs) to any person on such terms and conditions as the board of directors may determine; and
 - (2) the issue of MCIs in the company is under the control of the board of directors who may:
 - (A) issue, allot and cancel or otherwise dispose of MCIs in the company;
 - (B) grant options over unissued MCIs in the company; and
 - (C) settle the manner in which fractions of an MCI, however arising, are to be dealt with.
- (b) The company may create or issue more MCIs at any time. The creation or issue of more MCIs does not vary the rights attached to MCIs or any other MCIs that the company has already issued.

7.12 Proceedings of directors

- (a) The directors may meet together for the despatch of business and adjourn and otherwise regulate their meetings as they think fit.
- (b) The directors should meet at least 6 times in each Financial Year.
- (c) The contemporaneous linking together by telephone or other electronic means (allowing reasonable interaction between them) of a number of the directors sufficient to constitute a

quorum, constitutes a meeting of the directors and all the provisions in this constitution relating to meetings of the directors apply, so far as they can and with such changes as are necessary, to meetings of the directors by telephone or other electronic means.

- (d) A director participating in a meeting by telephone or other electronic means is to be taken to be present in person at the meeting.
- (e) A meeting by telephone or other electronic means is to be taken to be held at the place determined by the chair of the meeting provided that at least 1 of the directors involved was at that place for the duration of the meeting.

7.13 Convening of meetings of directors

- (a) The Chair or any 2 or more directors may, whenever they think fit, convene a meeting of the directors.
- (b) A secretary must, when requested by the Chair or on the requisition of any 2 directors, convene a meeting of the directors.

7.14 Notice of meetings of directors

- (a) Subject to this constitution, notice of a meeting of directors must be given to each person who is at the time of giving the notice a director, other than a director on leave of absence approved by the directors.
- (b) A notice of a meeting of directors:
 - (1) must specify the time and place of the meeting;
 - (2) should where practicable state the nature of the business to be transacted at the meeting;
 - (3) may be given immediately before the meeting; and
 - (4) may be given in person or by post, or by telephone, fax or other electronic means.
- (c) In the absence of special circumstances, at least 48 hours notice of a meeting of the directors should be given.
- (d) A director may waive notice of any meeting of directors by notifying the company to that effect in person or by post, or by telephone, fax or other electronic means.
- (e) The non-receipt of notice of a meeting of directors by, or a failure to give notice of a meeting of directors to, a director does not invalidate any act, matter or thing done or resolution passed at the meeting if:
 - (1) the non-receipt or failure occurred by accident or error;
 - (2) before or after the meeting, the director:
 - (A) has waived or waives notice of that meeting under rule 7.14(d); or
 - (B) has notified or notifies the company of their agreement to that act, matter, thing or resolution personally or by post or by telephone, fax or other electronic means; or
 - (3) the director attended the meeting.
- (f) Attendance by a person at a meeting of directors waives any objection that person may have to a failure to give notice of the meeting.

7.15 Quorum at meetings of directors

- (a) No business may be transacted at a meeting of directors unless a quorum of directors is present during the time the business is dealt with.
- (b) A quorum consists of the greater of:
 - (1) 3; and
 - (2) the number of directors equal to half the number of directors in office at the relevant time (rounded-down if the number of directors in office at the relevant time is an odd number), plus 1 director,present at the meeting of directors.
- (c) If there is a vacancy in the office of a director then, subject to rule 7.15(d), the remaining director or directors may act.
- (d) If the number of directors in office at any time is not sufficient to constitute a quorum at a meeting of directors or is less than the minimum number of directors determined under this constitution, the remaining director or directors must act as soon as possible:
 - (1) to increase the number of directors to a number sufficient to constitute a quorum and to satisfy the minimum number of directors required under this constitution; or
 - (2) to convene a general meeting of the company for that purpose,and, until that has happened, must only act if and to the extent that there is an emergency requiring them to act.

7.16 Chair

- (a) The directors:
 - (1) must elect 1 of the directors to the office of Chair at least annually and in any event at the 1st meeting of the directors following an AGM; and
 - (2) may determine the period for which that director is to be Chair.
- (b) If an election to the office of Chair is tied more than once, the Chair must be determined by lot.
- (c) No person may be elected Chair for more than a cumulative, whether or not consecutive, 5 years.
- (d) The Chair has such powers and duties as set out in this constitution and as determined by the directors.
- (e) The Chair must (if present within 10 minutes after the time appointed for the holding of the meeting and willing to act) preside as chair at each meeting of directors.
- (f) If at a meeting of directors:
 - (1) there is no Chair;
 - (2) the Chair is not present within 10 minutes after the time appointed for the holding of the meeting; or
 - (3) the Chair is present within that time but is not willing to act as chair of the meeting,

the Vice-Chair must, if present and willing to act, preside as chair, failing which the directors present must elect 1 of themselves to chair the meeting.

- (g) Despite anything in rule 7.16(f), if the Chair and/or Vice-Chair later attends a meeting of directors, the more senior of them from time to time who is willing to act must take over as chair of the meeting.

7.17 Vice-Chair

- (a) The directors:
- (1) must elect 1 of the directors to the office of Vice-Chair at least annually and in any event at the 1st meeting of the directors following an AGM; and
 - (2) may determine the period for which that director is to be Vice-Chair.
- (b) The Vice-Chair has such powers and duties as set out in this constitution and as determined by the directors.

7.18 Decisions of directors

- (a) A meeting of directors at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the directors under this constitution.
- (b) Questions arising at a meeting of directors are to be decided by a majority of votes cast by the directors present and any such decision is for all purposes a determination of the directors.
- (c) Other than in relation to an election of the Chair under rule 7.16(a)(1), in the case of an equality of votes upon any proposed resolution the chair of the meeting, in addition to their deliberative vote, has a casting vote.

7.19 Circulating resolutions

The directors may pass a resolution without a directors' meeting being held if all of the directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. Separate copies of a document may be used for signing by directors if the wording of the resolution and statement is identical in each copy. The resolution is passed when the last director signs.

7.20 Committees of directors

- (a) The directors may, by adoption of a charter, establish a committee or committees:
- (1) consisting of such number of directors (being at least 2) as they think fit (but the Chair may not be a member of any audit or similar committee);
 - (2) consisting of such non-directors and non-members as they think fit;
 - (3) the chair of which must be a director unless the relevant charter requires or allows otherwise; and
 - (4) with such persons including non-directors and non-members as observers, as they think fit.
- (b) Any:
- (1) employee of the company or a related body corporate who is a member of a committee may not vote on that committee; and

- (2) non-director or non-member who is a member of a committee may only vote on that committee if the relevant charter permits.
- (c) The directors may, in the relevant charter or by resolution, delegate any of their powers to a committee or committees.
- (d) A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the directors.
- (e) The provisions of this constitution applying to meetings and resolutions of directors apply, so far as they can and with such changes as are necessary, to meetings and resolutions of a committee of directors.

7.21 Delegation to individual directors

- (a) The directors may delegate any of their powers to 1 director.
- (b) A director to whom any powers have been so delegated must exercise the powers delegated in accordance with any directions of the directors.

7.22 Validity of acts

An act done by a person acting as a director or by a meeting of directors or a committee of directors attended by a person acting as a director is not invalidated by reason only of:

- (a) a defect in the appointment of the person as a director;
- (b) the person being disqualified to be a director or having vacated office; or
- (c) the person not being entitled to vote,

if that circumstance was not known by the person or the directors or committee (as the case may be) when the act was done.

8. Executive officers and ceremonial positions

8.1 Secretaries and other officers

- (a) The directors must appoint at least 1 secretary.
- (b) The directors may employ officers.

8.2 Provisions applicable to all executive officers

- (a) A reference in this rule 8.2 to an executive officer is a reference to a secretary or officer appointed under rule 8.1.
- (b) The appointment of an executive officer may be for such period, at such remuneration and upon such conditions as the directors think fit.
- (c) Subject to any contract between the company and the relevant executive officer and any applicable industrial law, any executive officer of the company may be removed or dismissed by the directors at any time, with or without cause.
- (d) The directors may:
 - (1) confer on an executive officer such powers, discretions and duties (including any powers, discretions and duties vested in or exercisable by the directors) as they think fit;

- (2) withdraw, suspend or vary any of the powers, discretions and duties conferred on an executive officer; and
 - (3) authorise the executive officer to delegate all or any of the powers, discretions and duties conferred on the executive officer.
- (e) An executive officer is not required to be a Member or MCI Holder to qualify for appointment.
- (f) An act done by a person acting as an executive officer is not invalidated by reason only of:
 - (1) a defect in the person's appointment as an executive officer; or
 - (2) the person being disqualified to be an executive officer,if that circumstance was not known by the person when the act was done.

8.3 Patron

- (a) A Patron who has been proposed by the directors, may be appointed by resolution at a general meeting, and they hold office until death, resignation, ceasing to be a Member or MCI Holder or removal from office by resolution at a general meeting.
- (b) A Patron may not be, and is not, a director or other officer of the company.
- (c) A Patron has such rights, entitlements and duties as agreed from time to time with the directors.

8.4 President

- (a) A President who has been proposed by the directors and is a Member or MCI Holder, may be appointed by resolution at a general meeting, and they hold office until death, resignation, retirement under rule 8.4(b), ceasing to be a Member or MCI Holder or removal from office by resolution at a general meeting.
- (b) The appointment of a President must specify their term of office which cannot be more than 3 years from the date of their appointment.
- (c) A President may not be, and is not, a director or other officer of the company.
- (d) A President has such rights, entitlements and duties as agreed from time to time with the directors.

8.5 Vice-Presidents

- (a) Up to 10 Vice-Presidents each of whom has been proposed by the directors and is a Member or MCI Holder, may be appointed by resolution at a general meeting, and they hold office until death, resignation, retirement under rule 8.5(b), ceasing to be a Member or MCI Holder or removal from office by resolution at a general meeting.
- (b) The appointment of a Vice-President must specify their term of office which cannot be more than 3 years from the date of their appointment.
- (c) A Vice-President may not be, and is not, a director or other officer of the company.
- (d) A Vice-President has such rights, entitlements and duties as agreed from time to time with the directors.

9. Indemnity and insurance

9.1 Persons to whom rules 9.2 and 9.5 apply

Rules 9.2 and 9.5 apply to each Official.

9.2 Indemnity

Subject to rule 9.3, the company must indemnify each Official on a full indemnity basis and to the full extent permitted by law against all Liabilities incurred by the Official as an Official, including without limitation:

- (a) a liability for negligence; and
- (b) a liability for reasonable legal costs.

9.3 Limit on indemnity

- (a) The indemnity in rule 9.2 does not operate in relation to any Liability which:
 - (1) is a Liability to the company or any of its related bodies corporate;
 - (2) is a Liability for a pecuniary penalty order under section 1317G of the Act or a compensation order under section 1317H of the Act; or
 - (3) arises out of conduct of the Official which was not in good faith, or which involves wilful misconduct, gross negligence, reckless misbehaviour or fraud,provided that this rule 9.3(a) does not apply to a Liability for legal costs.
- (b) The indemnity in rule 9.2 does not operate in relation to legal costs incurred by the Official in defending an action for a Liability if the costs are incurred:
 - (1) in defending or resisting proceedings in which the Official is found to have a Liability referred to in rule 9.3(a);
 - (2) in defending or resisting criminal proceedings in which the Official is found guilty;
 - (3) in defending or resisting proceedings brought by ASIC or a liquidator for a court order if the grounds for making the order are found by the court to have been established. For the avoidance of doubt, this does not include costs incurred in responding to actions taken by ASIC or a liquidator as part of an investigation before commencing proceedings for the court order; or
 - (4) in connection with proceedings for relief to the Official under the Act in which the court denies the relief.
- (c) If there is any appeal in relation to any proceedings referred to in rule 9.3(b), it is the outcome of the final appeal that is relevant for the purposes of rule 9.3(b).
- (d) The indemnity in rule 9.2:
 - (1) does not extend to and is not an indemnity against any amount in respect of which the indemnity would otherwise be illegal, void, unenforceable or not permitted by law; and
 - (2) does not operate in respect of any Liability of the Official to the extent that Liability is covered by insurance.

9.4 Extent of indemnity

The indemnity in rule 9.2:

- (a) is enforceable without the Official having to first incur any expense or make any payment;
- (b) is a continuing obligation and is enforceable by the Official even though the Official may have ceased to be an officer of the company or its related bodies corporate or to hold the non-officer position the Official originally held; and
- (c) applies to Liabilities incurred both before and after the Adoption Date.

9.5 Insurance

- (a) The company may, to the extent permitted by law:

- (1) purchase and maintain insurance; or
- (2) pay or agree to pay a premium for insurance,

for each Official against any Liability incurred by the Official as an Official including, but not limited to, a liability for negligence or for reasonable costs and expenses incurred in defending proceedings, whether civil or criminal and whatever their outcome.

- (b) Remuneration for a director under rule 7.7(a) will not include any amount paid by the company or a related body corporate for any insurance premium paid or agreed to be paid for the director under rule 9.5(a).

9.6 Savings

Nothing in rule 9.2 or 9.5:

- (a) affects any other right or remedy that a person to whom those rules apply may have in respect of any Liability referred to in those rules; or
- (b) limits the capacity of the company to indemnify or provide or pay for insurance for any person to whom those rules do not apply.

9.7 Deed

The company may enter into a deed with any Official to give effect to the rights conferred by rules 9.1 to 9.6, or the exercise of a discretion under rules 9.1 to 9.6 on such terms as the directors think fit which are not inconsistent with rules 9.1 to 9.6.

10. Winding-up

- (a) Subject to rule 1.2(a)(3) of Schedule 1, if, on the winding-up or dissolution of the company, any property remains after satisfaction of all its debts and liabilities (including any liabilities to MCI Holders determined in accordance with Schedule 1), this property must only be given or transferred to a company, fund, institution or authority:
 - (1) which has objects similar to the objects of the company; and
 - (2) whose constitution prohibits distributions or payments to its members or former members to an extent at least as great as is outlined in rule 4.
- (b) The identity of the institution referred to in rule 10(a) must be decided by the directors, or if the directors do not wish to decide or do not decide, it must be decided by the Members and MCI Holders by ordinary resolution at or before the time of winding-up or dissolution of the company and, if the Members and MCI Holders cannot decide, by the Supreme Court of New South Wales.

- (c) Every Member undertakes to contribute to the property of the company in the event of it being wound-up while they are a Member, or within 1 year after they cease to be a Member, for payment of the debts and liabilities of the company (contracted before they cease to be a Member) and of the costs, charges, and expenses of winding-up and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding \$1.

11. Minutes and records

11.1 Minutes of meetings

The directors must ensure minutes of proceedings and resolutions of general meetings and of meetings of the directors (including committees of the directors) are recorded in books kept for that purpose, within 1 month after the relevant meeting is held.

11.2 Minutes of resolutions passed without a meeting

The directors must ensure that minutes of resolutions passed by directors (and committees of directors) without a meeting are recorded in books kept for the purpose within 1 month after the resolution is passed.

11.3 Signing of minutes

- (a) The minutes of a meeting must be signed within a reasonable time by the chair of the meeting or by the chair of the next meeting.
- (b) The minutes of the passing of a resolution without a meeting must be signed by a director within a reasonable time after the resolution is passed.

11.4 Minutes as evidence

A minute that is recorded and signed under rules 11.1 and 11.2 is evidence of the proceeding or resolution to which it relates unless the contrary is proved.

11.5 Inspection of records

- (a) The directors must ensure the minute books for general meetings are open for inspection by Members and MCI Holders free of charge.
- (b) Subject to rule 11.5(a), the directors may determine whether and to what extent, and at what time and places and under what conditions, the minute books, financial records and other documents of the company or any of them will be open to the inspection of Members and MCI Holders (other than directors).
- (c) A Member or MCI Holder (other than a director) does not have the right to inspect any books, records or documents of the company except as provided by law or authorised by the directors.

11.6 Document retention and archives

The directors must establish, maintain and administer policies as they see fit for the retention and archiving of the minute books, financial records and other documents of the company, consistent with:

- (a) legal requirements;
- (b) historical records preservation priorities;
- (c) confidentiality restrictions;
- (d) privacy considerations; and

- (e) other relevant matters.

12. Accounts and audit

12.1 Accounts

The company must prepare and deal with such accounts as required under the Act.

12.2 Audit

The company must appoint a properly qualified auditor whose duties will be regulated in accordance with the Act.

13. Notices

13.1 Notices by the company to Members and MCI Holders

- (a) A notice may be given by the company to a person by:
 - (1) serving it personally at, or by sending it by post in a prepaid envelope to, the Member's or MCI Holder's address as shown in the Register of Members, or by sending it to the fax number or electronic address, or such other address the Member or MCI Holder has supplied to the company for the giving of notices; or
 - (2) making a copy of it accessible electronically on a website of or relating to the company.
- (b) The fact that a person has supplied a fax number or electronic address for the giving of notices does not:
 - (1) require the company to give any notice to that person by fax or electronic means; or
 - (2) prevent the company from giving any notice to that person in the manner envisaged by rule 13.1(a)(2).
- (c) A signature to any notice given by the company to a Member or MCI Holder under this rule 13.1 may be in writing or a facsimile printed or affixed by some mechanical, electronic or other means.
- (d) A certificate signed by a director or secretary of the company to the effect that a notice has been given in accordance with this constitution is conclusive evidence of that fact.

13.2 Notices by the company to directors

Subject to this constitution, a notice may be given by the company to any director either by serving it personally at, or by sending it by post in a prepaid envelope to, the director's usual residential or business address, or by sending it to the fax number or electronic address, or such other address as the director has supplied to the company for the giving of notices.

13.3 Notices by Members, MCI Holders or directors to the company

Subject to this constitution, a notice may be given by a Member, MCI Holder or director to the company by serving it on the company at, or by sending it by post in a prepaid envelope to, the registered office of the company or by sending it to the principal fax number or principal electronic address of the company at its registered office.

13.4 Time of service

- (a) Where a notice is sent by post, service of the notice is to be taken to be effected if a prepaid envelope containing the notice is properly addressed and placed in the post and to have been effected:

- (1) in the case of a notice of a general meeting – on the Business Day after the date of its posting; or
 - (2) in any other case – 3 Business Days after it is sent.
- (b) Where a notice is sent by fax or electronic means service of the notice is to be taken to be effected on the Business Day after the date it is sent.
 - (c) Where the company gives a notice under rule 13.1(a)(2), service of the notice is to be taken to be effected when the notice was 1st so made accessible.

13.5 Other communications and documents

Rules 13.1 to 13.4 (inclusive) apply, so far as they can and with such changes as are necessary, to the service of any communication or document.

13.6 Notices in writing

A reference in this constitution to a notice or other communication in writing includes a notice given by fax or electronic means.

14. By-laws

14.1 By-laws are made by the directors

The directors may from time to time, in their absolute discretion, make, amend, add to, rescind or replace by-laws concerning any aspect of the membership, governance, management, operation or activities of the company including:

- (a) any matter this constitution envisages may be regulated by By-laws; and
- (b) any other matter relevant to the company that the directors choose to regulate.

14.2 Conflict between the constitution and By-laws

To the extent of any conflict between this constitution and any By-law, this constitution prevails.

14.3 Effectiveness and promulgation of By-laws

Any By-law made, and any amendment, addition, rescission or replacement:

- (a) has effect on and from the date it is made unless otherwise stated in the relevant instrument; and
- (b) must be promulgated to those affected, provided that failure to bring it to the attention of any person does not render it or anything done in accordance with it void, voidable or ineffective.

14.4 Enforceability of By-laws

Any By-law:

- (a) is as valid and enforceable as if it was repeated in this constitution; and
- (b) can be enforced by legal action.

15. General

15.1 Submission to jurisdiction

Each Member and MCI Holder submits to the non-exclusive jurisdiction of the Supreme Court of New South Wales, the Federal Court of Australia and the Courts which may hear appeals from those Courts.

15.2 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, this constitution which is prohibited in any place is, in that place, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this constitution which is void, illegal or unenforceable in any place does not affect the validity, legality or enforceability of that provision in any other place or of the remaining provisions in that or any other place.

16. Transitional provisions

- (a) Despite rule 7.1(a)(2), the company may have up to:
 - (1) 12 directors until the end of the 2017 AGM provided that no more than 9 of those positions are filled ordinarily by election under rule 7.4;
 - (2) 11 directors until the end of the 2018 AGM provided that no more than 8 of those positions are filled ordinarily by election under rule 7.4; and
 - (3) 10 directors until the end of the 2019 AGM provided that no more than 7 of those positions are filled ordinarily by election under rule 7.4.
- (b) Immediately after the end of the 2019 AGM this rule 16 ceases to have effect and is removed from this constitution.

SCHEDULE 1 – MUTUAL CAPITAL INSTRUMENTS

1. Rights attaching to MCIs

1.1 MCIs are fully paid

- (a) The Subscription Price for an MCI will be determined by the board of directors.
- (b) Each MCI must be issued as a fully paid up MCI.
- (c) An MCI Holder's liability as a member of the company (within the meaning of the Act), in respect of an MCI, is limited to the Subscription Price paid on that MCI.
- (d) Unless expressly stated otherwise in this constitution:
 - (1) an MCI Holder is a member of the company within the meaning of the Act;
 - (2) an MCI Holder is not a Member of the company within the meaning of this constitution merely by virtue of holding an MCI;
 - (3) an MCI Holder may be (or become) a Member of the company within the meaning of this constitution if they are otherwise admitted to Membership in accordance with this constitution; and
 - (4) an MCI Holder who is also a Member of the company is not deemed to be a Member (and the provisions of this constitution relating to Membership do not apply) in respect of any MCIs held by that person.

1.2 Terms of issue of MCIs

- (a) The terms of issue of an MCI (including any terms, conditions or rights attaching to the MCI) will be determined by the board of directors in its sole discretion, subject to the requirements of this constitution and the requirements for MCIs in the Act and may:
 - (1) confer a right to receive dividends as specified in the terms of issue, provided that any dividends in respect of an MCI are non-cumulative;
 - (2) confer a right on its holder to receive dividends in priority to, equally with, or subordinated to, the payment of any dividend on any other class of MCIs;
 - (3) confer a right on its holder in a winding-up of the company or on redemption (if redeemable) to payment, in priority to, equally with, or subordinated to, any other class of MCIs as specified in the terms of issue, of the Subscription Price or any other amount stated in, or calculated under, the terms of issue. The terms of issue of an MCI may not confer on its holder any other right to participate in the surplus assets or profits of the company unless set out elsewhere in this constitution;
 - (4) confer a right to a bonus issue or capitalisation of profits in favour of holders of those MCIs only, as specified in the terms of issue; and
 - (5) be redeemed on such conditions as specified in the terms of issue (if any).
- (b) The rights attached to MCIs (or a class of MCIs) may only be varied or cancelled by special resolution of the company and:
 - (1) by a special resolution passed at a meeting of MCI Holders holding MCIs in the relevant class; or
 - (2) with the written consent of MCI Holders of at least 75% of the issued MCIs of that class.

- (c) The requirements for a meeting of MCI Holders referred to in rule 1.2(b) of this schedule will be as set out in terms of issue of the relevant MCI as determined by the board of directors or, to the extent such requirements are not set out in the terms of issue, as provided for in the Act.

2. Recognition of MCI Holders

2.1 MCI Holders bound

A person who by operation of law, transfer or other means whatsoever becomes entitled to any MCI is absolutely bound by every document given in accordance with this constitution to the person from whom that person derives title prior to registration of that person's title in the Register of Members.

2.2 Non-recognition of certain interests

Except as required by law, the company is not required to recognise:

- (a) a person as holding an MCI on any trust; or
- (b) any other interest in any MCI or any other right in respect of an MCI except an absolute right of ownership in the registered holder,

whether or not it has notice of the trust, interest or right.

3. Jointly held MCIs

3.1 Registration of joint MCI Holders

Where 2 or more persons are registered as the joint holders of MCIs then they are taken to hold the MCIs as joint tenants with rights of survivorship. However, the company is not bound:

- (a) to register more than 3 persons as joint holders of an MCI; or
- (b) to issue more than one certificate or holding statement for MCIs jointly held.

3.2 Voting by joint MCI Holders

If an MCI is held jointly and more than one MCI Holder votes in respect of that MCI, only the vote of the MCI Holder whose name appears first in the Register counts.

3.3 Notices to joint MCI Holders

A document may be given by the company to the joint holders of an MCI by giving it to the joint holder first named in the Register of Members for the MCI.

3.4 Effectual receipt from one joint holder

Any one of two or more joint holders may give an effectual receipt for any dividend or other money payable in respect of the MCIs held by them as joint holders.

3.5 Death of joint owner

If an MCI Holder who holds MCIs jointly dies, the company will recognise only the survivor as being entitled to the MCI Holder's interest in the MCIs. The estate of the MCI Holder is not released from any liability in respect of the MCIs.

4. Transfer of MCIs

4.1 Forms of instrument of transfer

Subject to this constitution and the terms of issue of applicable to an MCI, an MCI is transferable by any method of transfer required or permitted by the Act.

4.2 Execution and delivery of transfer

If a duly completed instrument of transfer:

- (a) is used to transfer an MCI in accordance with rule 4.1; and
- (b) is left for registration at the registry of the company, accompanied by any information that the board of directors properly require to show the right of the transferor to make the transfer,

the company must, subject to the powers vested in the board of directors by this constitution, register the transferee as the holder of the MCI.

4.2 Registration as MCI Holder

A person becomes registered as the holder of that MCI upon entry by the company in its Register of Members of the person's particulars in relation to the MCI.

4.3 Company to register forms without charge

The company must register all registrable transfer forms, split certificates, renunciations and transfers, issue certificates and transmission receipts and mark or note transfer forms without imposing a charge except where the issue of a certificate is to replace a lost or destroyed certificate.

4.4 Company to retain instrument of transfer

The company must retain every instrument of transfer which is registered for the period required by any applicable law.

4.5 Board's powers to refuse to register

The board of directors may refuse to register a transfer of MCIs, without having to give any reason.

4.6 Transfer to or by a secured party

The board of directors cannot refuse to register a transfer of MCIs under rule 4.5 if the transfer is either to a person holding a mortgage, charge, pledge or other security interest (or to a person acting as agent, trustee or nominee for such a person) ("**Secured Party**") which is given by an MCI Holder over their MCIs in the company ("**MCI Security**"), or is pursuant to the exercise by a Secured Party of rights in relation to an MCI Security. The board of directors may request and rely on a written statement of the Secured Party certifying that the transfer is pursuant to an exercise of rights under an MCI Security.

5. Transmission of MCIs in certain circumstances

5.1 Transmission of MCIs on death

If an MCI Holder who does not hold MCIs jointly dies, the company will recognise only the personal representative of the MCI Holder as being entitled to the MCI Holder's interest in the MCIs.

5.2 Information given by personal representative

If the personal representative of the MCI Holder who has died gives the board of directors the information, they reasonably require to establish the representative's entitlement to be registered as a holder of the MCIs:

- (a) the personal representative may:
 - (1) by giving a signed notice to the company, elect to be registered as the holder of the MCIs; or
 - (2) by giving a completed transfer form to the company, transfer the MCIs to another person; and
- (b) the personal representative is entitled, whether or not registered as the holder of the MCIs, to the same rights as the MCI Holder.

On receiving an election under this rule, the company must register the personal representative as the holder of the MCIs.

A transfer under this rule is subject to the rules that apply to transfers generally.

5.3 Transmission of MCIs on MCI Holder's bankruptcy or insolvency

If a person entitled to MCIs because of the bankruptcy or insolvency of an MCI Holder gives the board of directors the information they reasonably require to establish the person's entitlement to be registered as the holder of the MCIs, the person may:

- (a) by giving a signed notice to the company, elect to be registered as the holder of the MCIs; or
- (b) by giving a completed transfer form to the company, transfer the MCIs to another person.

On receiving an election under this rule, the company must register the person as the holder of the MCIs.

A transfer under this rule is subject to the rules that apply to transfers generally.

This rule has effect subject to the *Bankruptcy Act 1966* (Cth) and the Act.

5.4 Transmission of MCIs on mental incapacity

If a person entitled to MCIs because of the mental incapacity of an MCI Holder gives the board of directors the information they reasonably require to establish the person's entitlement to be registered as the holder of the MCIs:

- (a) the person may:
 - (1) by giving a signed notice to the company, elect to be registered as the holder of the MCIs; or
 - (2) by giving a completed transfer form to the company, transfer the MCIs to another person; and
- (b) the person is entitled, whether or not registered as the holder of the MCIs, to the same rights as the MCI Holder.
- (c) On receiving an election under this rule, the company must register the person as the holder of the MCIs.
- (d) A transfer under this rule is subject to the rules that apply to transfers generally.

6. Dividends and reserves

6.1 Payment of dividend

Subject to the Act, this constitution and the terms of issue of any MCIs, the board of directors may determine that a dividend is payable, fix the amount, time and manner for payment and authorise

the payment or crediting by the company to, or at the direction of, each MCI Holder entitled to that dividend. The board of directors may rescind or alter any such determination before payment is made.

6.2 No interest on dividends

Interest is not payable by the company on a dividend.

6.3 Calculation and apportionment of dividends

Subject to the terms of issue of any MCIs to the contrary, all sums that the company determines are to be distributed among the MCI Holders as dividends are divisible among the MCI Holders so that, on each occasion on which a dividend is paid, the same sum is paid on each MCI.

6.4 Distribution of specific assets

When resolving to pay a dividend or to return capital by a reduction of capital, a buy-back or otherwise, the board of directors may:

- (a) resolve that the dividend, or return of capital be satisfied either wholly or partly by the distribution of specific assets to some or all of the persons entitled to the dividend or return of capital including MCIs, debentures or other securities of the company or any other body corporate or trust; and
- (b) direct that the dividend or return of capital payable in respect of any particular MCIs be satisfied wholly or partly by such distribution, and that the dividend or return of capital payable in respect of other MCIs be paid in cash.

6.5 Ancillary powers regarding distributions

- (a) In relation to any decision to pay a dividend or to return capital by a reduction of capital or otherwise, the board of directors may:
 - (1) settle any difficulty that arises in making the distribution as they think expedient and in particular:
 - (A) make cash payments in cases where MCI Holders are entitled to fractions of MCIs, debentures or other securities;
 - (B) decide that amounts or fractions of less than a particular value decided by the board of directors may be disregarded in order to adjust the rights of all parties by withholding assets, cash, MCIs, debentures or other securities where the company is required to make a payment in respect of the MCI Holder to a government or taxing authority in relation to the distribution or issue; and
 - (C) decide to make distributions by disregarding transfers of MCIs or aggregating parcels of MCIs where they form the opinion that MCI holdings have been split or aggregated to obtain the benefit of rounding on fractions of MCIs;
 - (2) fix the value for distribution of any specific assets;
 - (3) pay cash or issue MCIs, debentures or other securities to any MCI Holder in order to adjust the rights of all parties;
 - (4) vest any of those specific assets, cash, MCIs, debentures or other securities in a trustee or nominee on trust for the persons entitled to the distribution or capitalised amount, on any terms that seem expedient to the board of directors; and
 - (5) authorise any person to make, on behalf of the MCI Holders, or a particular MCI Holder, entitled to any specific assets, cash, MCIs, debentures or other securities as a result of the decision, an agreement (including in writing) with the company or another

person which provides, as appropriate, for the distribution or issue to them of the assets, cash, MCIs, debentures or other securities and by applying to them their respective proportions of the amount resolved to be distributed.

- (b) Any agreement made under an authority referred to in rule 6.5(a)(v) is effective and binds all MCI Holders concerned.
- (c) Instead of making a distribution or issue of specific assets, MCIs, debentures or other securities to a particular MCI Holder, the board of directors may make a cash payment to that MCI Holder or allocate some or all of the assets, MCIs, debentures or other securities to a trustee to be sold on behalf of, and for the benefit of, or in respect of, that MCI Holder, if:
 - (1) the distribution or issue would otherwise be illegal or unlawful;
 - (2) in the board of directors' discretion, the distribution or issue would, for any reason, be impracticable; or
 - (3) the MCI Holder so agrees.
- (d) If the company distributes to MCI Holders (either generally or to specific MCI Holders) MCIs, debentures or securities of the company or another body corporate or trust (whether as a dividend or return of capital or otherwise and whether or not for value), each of those MCI Holders appoints the company, and any officer of the company nominated on their behalf by the board of directors, as their agent or attorney, to do anything needed or desirable to give effect, or assist in giving effect, to that distribution, including agreeing to become an MCI Holder, holder of MCIs, holder of debentures or holder of securities of the company or that other body corporate or trust.

6.6 Payments in respect of MCIs

A dividend, interest or other money payable in cash in respect of MCIs may be paid using any payment method chosen by the company, including:

- (a) by means of a direct credit as determined by the board of directors to the latest payment account details for the relevant holding as provided in writing by the holder or holders shown on the Register of Members; or
- (b) by cheque sent through the post directed to the address in the Register of Members of the holder or, in the case of joint holders, to the address of the joint holder first named in the Register of Members or to such other address as the holder or joint holder directs in writing.

Payment of money is at the risk of the holder or holders to whom it is sent.

6.7 Election to reinvest dividend

The board of directors may grant to MCI Holders or any class of MCI Holders the right to elect to reinvest cash dividends paid by the company by subscribing for MCIs in the company on such terms and conditions as the board of directors think fit.

6.8 Election to accept MCIs instead of dividends

The board of directors may determine for any dividend which it is proposed to pay on any MCIs of the company that holders of the MCIs may elect:

- (a) to forego the right to share in the proposed dividend or part of such proposed dividend; and
- (b) to receive instead an issue of MCIs credited as fully paid on such terms as the board of directors think fit.

6.9 Unclaimed dividends

Unclaimed dividends may be invested by the board of directors as they think fit for the benefit of the company until claimed or until required to be dealt with in accordance with any law relating to unclaimed moneys.