



**TOWNSVILLE ENTERPRISE
LIMITED
A.C.N. 053 020 536**

CONSTITUTION

DATE: 2 / 06 / 2023

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Details

Date The second day of June 2023

Company Limited by Guarantee

Background

- A.** The name of the Company is Townsville Enterprise Limited.
- B.** The Company is an unlisted public company limited by guarantee.
- C.** The Company is a not-for-profit entity.
- D.** The replaceable rules in the *Corporations Act 2001* (Cth) do not apply to the Company.

INTRODUCTION

Part 1 Definitions and Interpretation

1.1 Definitions

In this Constitution unless the context requires otherwise:

- a) "Associate Member" means a Person described in Rule 9.4.
- b) "Board" means the Directors for the time being of the Company or those of them who are present at a meeting at which there is a quorum.
- c) "Business Day" means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in Townsville.
- d) "Chief Executive Officer" means a Member appointed under Rule 38.
- e) "Company" means Townsville Enterprise Limited
- f) "Constitution" means this Constitution as amended.
- g) "Court" means any Court (including appellate Courts) of appropriate jurisdiction in the State of Queensland.
- h) "Director" means a person appointed to the office of Director of the Company in accordance with this Constitution and where appropriate includes an alternate Director.
- i) "Eligible Person" means a person described in Rule 9.1(b).
- j) "Extra-Ordinary Resolution" means a resolution passed at a meeting of the Board by all Directors except one (1) being entitled to vote at that meeting.

- k) "Law" means the *Corporations Act 2001* (Cth) and includes any amendment or re-enactment of it or any legislation passed in substitution of it and includes reference to the Corporations Regulations.
- l) "ITAA97" means the *Income Tax Assessment Act 1997* (Cth) and includes any amendment or re-enactment of it or any legislation passed in substitution of it.
- m) "Member" means a person who has become a Member of the Company in accordance with Rule 9.
- n) "Office" means the registered office of the Company.
- o) "Person" and words importing persons include partnerships, associations and corporations, unincorporated and incorporated by Ordinance, Act of Parliament or registration as well as individuals,
- p) "Rules" means these Rules, as amended.
- q) "Secretary" means a person appointed as, or to perform the duties of, a secretary of the Company.
- r) "Supreme Court" means the Supreme Court of Queensland.
- s) "Special Resolution" means a resolution passed at a meeting:
 - i) being a meeting of which at least twenty-one (21) days written notice specifying the intention to propose the resolution as a special resolution has been duly given; and
 - ii) by a majority of at least seventy-five (75%) of those persons/entities as, being entitled to do so, vote in person, or where proxies are allowed, by proxy, at that meeting.
- t) "Writing" and "written" includes printing, typing, lithography, facsimile and other modes of reproducing words in a visible form.

1.2 Unless the context otherwise requires:

- a) a word or phrase which is given a meaning by the Law has the same meaning in this Constitution;
- b) words in the singular include the plural and vice versa; and
- c) a reference to the Law or any other statute or regulation, means the Law, statute or regulation as amended, modified or substituted.

1.3 Headings do not affect the construction of this Constitution.

Part 2 Objectives

- 2.1 The primary objective of the Company is:
- a) to secure the future of Townsville and North Queensland.
- 2.2 The Company must apply its income in promoting the above purpose and any ancillary purposes.

Part 3 Powers

- 3.1 The Company has all the powers of a Person and body corporate but does not have the power to issue shares.
- 3.2 Despite Rule 3.1 the powers of the Company are ancillary to and exercisable only to pursue the Objective(s) of the Company set out in Rule 2.

Part 4 Application of Income and Property

- 4.1 The income and property of the Company, from wherever it is derived, must be applied solely towards the promotion of the Objectives of the Company set out in Rule 2 and related ancillary purposes.
- 4.2 Any allocation of funds or property to other persons or organisations will be made in accordance with the established purpose and Objectives of the Company and not be influenced by the preference of any donors.

Part 5 No Distribution to Members

- 5.1 No portion of the income or property of the Company may be paid directly or indirectly, by way of dividend, bonus or otherwise to the Members.
- 5.2 Rule 5.1 does not prevent:
- a) the payment in good faith of reasonable and proper remuneration to any officer, servant or Member in return for any services actually rendered to the Company or for goods supplied in the ordinary and usual way of business;
 - b) the payment of interest at a rate not exceeding interest at a rate for the time being charged by the Company's bankers in Townsville for overdraft accounts for monies lent;
 - c) the payment of reasonable and proper rent by the Company to a Member for premises leased by the Member to the Company; or
 - d) the reimbursement of expenses incurred by any Member on behalf of the Company.

Part 6 Limited Liability

6.1 The liability of the Members is limited to the guarantee provided in Rule 7.

Part 7 Guarantee

7.1 Every Member undertakes to contribute on demand an amount not exceeding twenty dollars (\$20.00) to the property of the Company in the event of its being wound up while the Member is a Member or within one (1) year after the Member ceases to be a Member, if required for payment:

- a) of the debts and liabilities of the Company (contracted before the Member ceases to be a Member);
- b) of the costs, charges and expenses of winding up; and
- c) for the adjustment of the rights of the contributories among themselves.

MEMBERSHIP

Part 8 Number of Members

8.1 Unless required by Law, in which case the maximum shall be the maximum number permitted by Law, the Company shall have no cap on the number of Members.

Part 9 Membership

9.1 Eligible Persons

- a) A Person may only become a Member if the Person is an Eligible Person.
- b) A Person is an Eligible Person if the person:
 - (i) is a natural person:
 - (1) the person is over the age of eighteen (18) years at the time of making a written request to become a Member in accordance with Rule 9.2;
 - (2) the person is likely to further the objectives of the Company;
 - (3) the person is of good moral character with values that align with those of the Company; and
 - (4) the person satisfies any additional requirements that may be established from time to time by a Special Resolution of the Board.
 - (ii) is not a natural person:

- (1) the entity is:
 - A. a lawfully established entity in accordance with the rules of Australia, any State or Territory within Australia; or
 - B. duly incorporated and exists under the law of its place of incorporation;
- (2) the entity is likely to further the objectives of the Company;
- (3) the controller(s) of the entity are of good moral character with values that align with those of the Company; and
- (4) the entity satisfies any additional requirements that may be established from time to time by a Special Resolution of the Board.

9.2 Procedure for Becoming a Member

- a) An Eligible Person who seeks to become a Member, must submit a written request to become a Member or otherwise indicates in writing the Person's desire and intention to become a Member, to the Secretary.
- b) The Board may from time to time prescribe a membership application form.
- c) The Board may in its absolute discretion admit or reject any applicant for membership without the necessity of assigning any reason.
- d) The Board will consider all applications for membership, notification of approval or decline of membership will be provided within thirty (30) days of the next Board meeting following receipt of the membership application.
- e) A Person may only cease to become a Member in accordance with Rule 17 or 18.

9.3 Class of Membership

- a) Unless otherwise determined by the Members in a general meeting, the Company shall have the following classes of Members:
 - i) Ordinary Members;
 - ii) Principal Partner Member; and
 - iii) Life Members.

9.4 Associate Membership

- a) Notwithstanding the provisions of Rules 9.1 to 9.3 above, the Board may, in its absolute discretion, resolve that any Person, whether or not the Person is

an Eligible Person or has complied with the requirements of Rule 9.2(a), is an Associate Member.

- b) An Associate Member:
 - i) shall be entitled to notice of, and to attend, but shall not be entitled to vote whether as a proxy or otherwise at meetings of the Company; and
 - ii) may not become a Director of the Company, or a Director's Representative; but
 - iii) shall otherwise enjoy the rights and benefits and shall be subject to the obligations of a Member.

9.5 **Ordinary Member**

- a) An Eligible Person who satisfies the requirement of Rules 9.1 and 9.2 above will be an Ordinary Member.
- b) An Ordinary Member:
 - i) shall be entitled to notice of, attend, and vote whether as a proxy or otherwise at meetings of the Company;
 - ii) may become a General Director of the Company, or a Director's Representative; and
 - iii) shall enjoy the rights and benefits and shall be subject to the obligations of a Member, except the ability to vote for a Principal Director.

9.6 **Principal Partner Member**

- a) The Board may, in its absolute discretion, resolve that any Person, whether or not the Person is an Eligible Person or has complied with the requirements of Rule 9.2(a), is a Principal Partner Member. Unless resolved to the contrary by the Board, the Company shall have no more than one Principal Partner Member at any time. There is no obligation on the Company to have a Principal Partner Member from time to time.

9.7 **Life Member**

- a) Any Member who held the historical titles of "foundation member", "honorary member", "honorary life member" or "life member" will be conferred with the title of "Life Member" from the date of this Constitution.
- b) Following the date of this Constitution, the Company may at general meetings of Members pass a Special Resolution to:
 - i) confer Life Membership to other Members; or

- ii) remove the title of Life Membership from a Member.
- c) A Life Member:
 - i) shall be entitled to notice of, attend, and vote whether as a proxy or otherwise at meetings of the Company;
 - ii) may become a Director of the Company, or a Director's Representative; and
 - iii) shall enjoy the rights and benefits and shall be subject to the obligations of a Member except any requirement to pay annual membership fees.

Part 10 Partnership Representative

- 10.1 Where a partnership is a Member, the partnership must nominate, in writing to the Company, an individual as its representative to exercise all or any of the powers the partnership may exercise:
- a) at meetings of the Company's Members;
 - b) at meetings of creditors or debenture holders; or
 - c) relating to resolutions to be passed without meetings.
- 10.2 The appointment may be a standing appointment.
- 10.3 The appointment may set out restrictions on the representative's powers. If the appointment is to be by reference to a position held, the appointment must identify the position.
- 10.4 Unless otherwise specified in the appointment, the representative may exercise, on the partnership's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

Part 11 Body Corporate Representative

- 11.1 Where a body corporate is a Member, the body corporate must nominate, in writing to the Company, an individual as its representative to exercise all or any of the powers the body corporate may exercise:
- a) at meetings of the Company's Members;
 - b) at meetings of creditors or debenture holders; or
 - c) relating to resolutions to be passed without meetings.
- 11.2 The appointment may be a standing appointment.

- 11.3 The appointment may set out restrictions on the representative's powers. If the appointment is to be by reference to a position held, the appointment must identify the position.
- 11.4 A body corporate may appoint more than one (1) representative but only one (1) representative may exercise the body's powers at any one (1) time.
- 11.5 Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

Part 12 Attorney of Member

- 12.1 An attorney for a Member may do whatever the Member could do personally as a Member, but if the attorney is to vote at a meeting of Members the instrument conferring the power of attorney or a certified copy of the instrument must be produced to the Company at least twenty-four (24) hours before the meeting, in the same way as the appointment of a proxy.

Part 13 Notification by Members

- 13.1 Each Member must promptly notify the Secretary in writing of any change which may affect their qualification to be a Member in accordance with Rule 9.1.
- 13.2 A Person nominated as a nominated representative must consent to the nomination in writing.

Part 14 Register of Members

- 14.1 A register of Members must be kept in accordance with the Law.
- 14.2 The following must be entered in the register of Members in respect of each Member:
 - a) the full name of the Member;
 - b) the residential address, or registered office and electronic mail address, if any, of the Member;
 - c) the class of Membership;
 - d) the date of admission to and cessation of Membership;
 - e) the date of last payment of the Member's annual membership fee; and
 - f) such other information as the Directors require.
- 14.3 Each Member and nominated representative must notify the Secretary in writing of any change in that person's name, address or electronic mail address (if any) within one (1) month after the change.

Part 15 Entrance Fee and Annual Membership Fee

15.1 The Company may from time to time by the Board passing a resolution, impose, vary or abolish:

- a) an entrance fee; and
- b) an annual membership fee,

upon such terms as are specified in the resolution. The Board may also establish rules relating to the payment and non-payment of the same. Any such levy is to be used only for the promotion of the objectives of the Company.

Part 16 Assignment of Membership

16.1 Rights, privileges or benefits of membership of the Company are personal to the Member and no Member shall assign or transfer any of the rights, privileges or benefits of membership of the Company.

Part 17 Cessation of Membership

17.1 A Member ceases to be a Member of the Company:

- a) if the Member gives written notice of their resignation as a Member to the Secretary. The resignation takes effect on the date of receipt of the notice of resignation or any later date provided in the notice;
- b) if the Member ceases to for any reason to be an Eligible Person;
- c) if the Member is an individual, on the death of the Member their legal personal representative shall become a Member; and
- d) if the Member fails to pay the entrance fee or annual membership fee.

17.2 If a Member ceases to be a Member of the Company pursuant to Rule 17.1, the Company is not required to provide a pro-rata refund of any annual membership fees paid by the Member.

Part 18 Disciplining Members

18.1 If any Member:

- a) wilfully refuses or neglects to comply with the provisions of this Constitution; or
- b) is guilty of any conduct which, in the opinion of the Directors, is unbecoming of a Member or prejudicial to the interest of the Company,

the Board may resolve to censure, suspend or expel the Member from the Company and, in the case of expulsion, to remove the Member's name from the register of Members.

- 18.2 The Board must not expel a Member under Rule 18.1 unless at least one (1) week before the meeting of the Board at which a resolution of the nature referred to in Rule 18.1 is passed and the Board has given to the Member notice of:
- a) the meeting;
 - b) what is alleged against the Member;
 - c) the intended resolution,
- and at the meeting, the Member was provided with the opportunity of giving orally or in writing any explanation or defence the Member sees fit.
- 18.3 A Member may, by notice in writing lodged with the Secretary at least twenty-four (24) hours before the time for holding the meeting at which the resolution is to be considered by the Board, elect to have the question dealt with by the Company in general meeting and in that event, a general meeting of the Company must be called for that purpose.
- 18.4 If at the meeting a resolution to the same effect as the resolution which was to be considered by the Board is passed by a Special Resolution (and the vote must be taken by secret ballot), the Member concerned must be punished in the manner resolved and in the case of a resolution for expulsion the Member is expelled and the Member's name must be removed from the register of Members.
- 18.5 If any Member ceases to be a Member under Rule 18.1, the Board may reinstate the Member and restore the name of that Member to the register of Members upon and subject to any terms and conditions they see fit.

Part 19 Effect of Cessation of Membership

- 19.1 If any Member ceases to be a Member under this Constitution, the Member remains liable to pay to the Company any money which, at the time of the Member ceasing to be a Member, the Member owes to the Company on any account and for any sum not exceeding, twenty dollars (\$20.00) for which the Member is liable under Rule 7.1 of this Constitution.

APPOINTMENT OF DIRECTORS

Part 20 Number of Directors

- 20.1 The number of the Directors must be not less than eight (8) and no more than twelve (12).
- 20.2 At all times, the Company must:
- a) have at least one (1) Director appointed by the Board to represent the Principal Partner Member (if any); and
 - b) not have more than two (2) Directors that are related by blood or marriage.

- 20.3 The Company in a general meeting may by resolution increase or reduce the number of Directors but the number may not be reduced below eight (8).

Part 21 Directors' Qualifications

- 21.1 No person may be a Director unless that person is a Member or representative (pursuant to Rules 9,10 or 11).

Part 22 Election of Directors

- 22.1 Provided that a Director does not breach his or her obligations under the Law or this Constitution, an elected Director holds office for a period of two (2) years until the termination of the second annual general meeting held after his or her election.
- 22.2 A Director is entitled to stand for re-election after the term set out in Rule 22.1.

Part 23 Nomination for Appointment

- 23.1 Each candidate for appointment as a Director must:
- a) be proposed by a Member or the nominated representative of a Member; and
 - b) be seconded by another Member or the nominated representative of another Member.
- 23.2 No Member or nominated representative of an ordinary Member may propose more than one (1) person as a candidate but may second more than one (1) nominee.
- 23.3 A nomination of a candidate for election must:
- a) be in writing;
 - b) be signed by the candidate; and
 - c) be signed by the proposer and seconder.

Part 24 Appointment Procedure – Directors

- 24.1 All nominated candidates will be assessed by the Board against the Company's skills matrix for Directors.
- 24.2 The Board may appoint any of the nominated candidates as a Director.
- 24.3 If a Director is appointed pursuant to Rules 24.1 to 24.3 (inclusive), they will be presented to the Members at the next general meeting for ratification. If the appointment is ratified by the Members, the Director will service a two (2) year term. If the appointment is not ratified by the Members, the Director will continue to service as a Director until the next general meeting.

- 24.4 The Board may appoint a Director pursuant to Rule 20.2(a) from time to time. Such an appointment is not subject to ratification by the Members.

APPOINTMENT OF DIRECTORS BETWEEN AGMs

Part 25 Casual Vacancies and Additional Directors

- 25.1 The Company in a general meeting may by resolution and the Board may at any time appoint a person qualified to be a Director, either to fill a casual vacancy until the end of the term of that Director that they are replacing, or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the number fixed in accordance with this Constitution.
- 25.2 Any Director appointed under Rule 25.1 as an additional Director (opposed to a replacement Director) holds office until the termination of the next annual general meeting of the Company and is then eligible for re-election.

Part 26 Insufficient Directors

- 26.1 In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Directors may act, but if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, they may act only for the purpose of increasing the number of Directors to a number sufficient to constitute a quorum or convening a general meeting of the Company.

ALTERNATE DIRECTORS

Part 27 No Appointment

- 27.1 A Director may not appoint any person to act as an alternate Director in place of the appointing Director for a meeting or for a specified period.

Part 28 Rights and Powers of Alternate Director

- 28.1 Intentionally deleted.

Part 29 Suspension of Revocation of Appointment

- 29.1 Intentionally deleted.

Part 30 Form of Appointment, Suspension of Revocation

- 30.1 Intentionally deleted.

Part 31 Termination of Appointment

- 31.1 Intentionally deleted.

Part 32 Power to Act as Alternate for More than One Director

32.1 Intentionally deleted.

POWERS OF DIRECTORS

Part 33 Validation of Acts of Directors and Secretaries

33.1 The acts of a Director or Secretary of the Company are valid despite any defect that may afterwards be discovered in his/her appointment or qualification.

33.2 Where a person whose office as Director of the Company is vacated under a provision of the Law purports to do an act as a Director of the Company, that act is as valid, in relation to a person dealing with the Company in good faith and for value and without actual knowledge of the matter because of which the office was vacated, as if the office had not been vacated.

Part 34 General Business Management

34.1 The business of the Company is to be managed by or under the direction of the Board.

34.2 The Board may exercise all the powers of the Company except any powers that the Law or this Constitution requires the Company to exercise in a general meeting.

34.3 No rule made or resolution passed by the Company in a general meeting can invalidate any prior act of the Board which would have been valid if that rule or resolution had not been made or passed.

34.4 Intentionally deleted.

Part 35 Borrowing Powers

35.1 Without limiting the generality of Rule 34, but subject to Rule 3, the Board may exercise all the powers of the Company to borrow money, 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.

Part 36 Appointment of Attorney

36.1 The Board may appoint any Member or Members to be the attorney or attorneys of the Company for the purposes, with the powers and discretions (being powers and discretions vested in or exercisable by the Directors), for the period and subject to the conditions they see fit.

36.2 A power of attorney may contain those provisions for the protection and convenience of persons dealing with the attorney that the Board sees fit and may also authorise the attorney to delegate all or any of the powers and discretions vested in the attorney.

Part 37 Negotiable Instruments

- 37.1 Any two (2) unrelated Directors may sign, draw, accept, endorse or otherwise execute a negotiable instrument.
- 37.2 The Board may determine that a negotiable instrument, including a class of negotiable instrument, may be signed, drawn, accepted, endorsed or otherwise executed in a different way.

CHIEF EXECUTIVE OFFICER

Part 38 Power to Appoint

- 38.1 The Board may appoint any suitably qualified person, not being a Director, to the position of Chief Executive Officer for the period and on the terms (including as to remuneration) the Directors see fit.

Part 39 Not a Member of the Board

- 39.1 The Chief Executive Officer is not a member of the Board of the Company but may attend meetings of the Directors except where the Directors otherwise request.

Part 40 Powers

- 40.1 The Board may, upon terms and conditions and with any restrictions they see fit, confer on the Chief Executive Officer and any other employee of the Company, any of the powers that the Directors can exercise.
- 40.2 Any powers so conferred may be concurrent with, or to the exclusion of, the powers of the Board.

Part 41 Withdrawal of Appointment or Powers

- 41.1 The Board may revoke or vary:
- a) an appointment of the Chief Executive Officer; or
 - b) any of the powers conferred on the Chief Executive Officer.

Part 42 Temporary Appointments

- 42.1 If the Chief Executive Officer becomes incapable of acting in that capacity the Board may appoint any other Member, not being a Director, to act temporarily as the Chief Executive Officer.

COMMITTEES OF DIRECTORS AND REGIONAL BRANCHES

Part 43 Committees of Directors and Members and Others

- 43.1 The Board may delegate any of their powers to a committee of Directors.

- 43.2 A committee must exercise the powers delegated to it in accordance with any directions of the Directors. The effect of the committee exercising a power in this way is the same as if the Directors exercised it.
- 43.3 The meetings and proceedings of any committee consisting of two (2) or more Directors are governed by the provisions in this Constitution regulating the meetings and proceedings of the Board.
- 43.4 The Board may from time to time, appoint, establish, modify or abolish a committee of Directors and Members on terms and conditions as the Board considers necessary. If the committee contains non-Directors, the role of such a committee is advisory only and the committee does not have the power to bind the Company.

Part 44 Temporary Appointments

- 44.1 If the Chief Executive Officer becomes incapable of acting in that capacity the Board may appoint any other Member, not being a Director, to act temporarily as the Chief Executive Officer.
- 44.2 Without limiting the operation of Rule 44.1 the Board may:
- a) establish any regional or local committees or branches;
 - b) appoint any Members of the Company or any nominated representative of a corporate Member to be a Member of the local committee or branch;
 - c) appoint any managers or agents, fix their remuneration and delegate to them any of the powers vested in the Directors; and
 - d) authorise the Members for the time being of the local committee or branch to fill any vacancies on it and to act despite vacancies.
- 44.3 A local committee or branch may remove any person appointed under Rule 44.2 and may revoke or vary the delegation but no person dealing in good faith and without notice of the revocation or variation is affected by it.

Part 45 Removal of Directors

- 45.1 Subject to the Law the Company may by resolution remove a Director from office.

Part 46 Resignation of Director

- 46.1 A Director may resign as a Director of the Company by giving a written notice of resignation to the Company at its registered office.
- 46.2 The resignation of a Director takes effect on the date of receipt of the notice of resignation or any later date provided in the notice.

Part 47 Vacation of Office or Director

- 47.1 In addition to any other circumstances in which the office of a Director becomes vacant under the Law, the office of a Director becomes vacant if the Director:
- a) becomes bankrupt or suspends payment or compounds with his or her creditors;
 - b) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health; or
 - c) is absent from:
 - i) three (3) consecutive meetings of Directors; or
 - ii) seventy-five (75%) of meetings of Directors within a financial year,
 without special leave of absence from the Directors and the Directors declare his or her seat to be vacant;
 - d) ceases to be qualified as a Director under Rule 18;
 - e) becomes prohibited from being a Director under or by reason of any order made under the Law;
 - f) is removed by resolution in accordance with Rule 45; or
 - g) resigns from office in accordance with Rule 46.

DIRECTORS' INTERESTS

Part 48 Prohibition on Being Present or Voting

- 48.1 Except where permitted by the Law a Director who has a material personal interest in a matter that is being considered by the Board:
- a) must not be counted in a quorum;
 - b) must not vote on the matter; and
 - c) must not be present while the matter is being considered at the meeting.
- 48.2 If a Director who has a material personal interest in a matter that is being considered by the Board is not prohibited by the Law from being present at the meeting and voting, the Director may be present, be counted in the quorum and may be heard but may not vote on the matter.

Part 49 Director to Disclose Interests

- 49.1 A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company must, as soon as practicable after the

relevant facts have come to the Director's knowledge, declare the nature of the interest at a meeting of the Board or by written notice to the Secretary of the Company.

- 49.2 A Director who holds any office or possesses any property by which, whether directly or indirectly, duties or interests might be created in conflict with his or her duties or interests as Director must declare at a meeting of the Board of the Company or by written notice to the Secretary of the Company the fact and the nature, character and extent of the conflict.
- 49.3 For the purposes of Rules 49.1 and 49.2, a Director's interest or any conflict must be disregarded if it arises from or relates solely to:
- a) a guarantee to be given by the Director (or by persons including the Director or by a body corporate of which the Director is a Member or officer) in respect of a loan to the Company; or
 - b) the position of the Director as a Director of a related body corporate.

Part 50 Effect of Interest in Contract

- 50.1 If a Director has an interest in a contract or proposed contract with the Company (other than as a Member), or a conflicting interest or duty in relation to any other matter being considered by the Directors, and the Director discloses the nature and extent of the interest or duty at a meeting of the Board or by written notice to the Secretary of the Company:
- a) the contract may be entered into; and
 - b) if the disclosure is made before the contract is entered into:
 - i) the Director may retain benefits under the contract even though the Director has an interest in the contract;
 - ii) the Company cannot avoid the contract merely because of the existence of the interest; and
 - iii) the Director is not disqualified from the office of Director.
- 50.2 For the purposes of Rule 50 "contract" includes an arrangement, dealing or other transaction.

Part 51 Other Interests

- 51.1 Without limiting Rules 48 or 49, a Director may to the extent permitted by the Law:
- a) hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with the office of Director; and
 - b) be interested in any operation, undertaking or business undertaken or assisted by the Company or in which the Company is or may be interested.

Part 52 Additional Interpretation for Conflict of Interest Provisions

- 52.1 For the purposes of Rules 49, 50 and 51 "Company" includes any subsidiary of the Company and any other company in which the Company or any subsidiary of the Company is or becomes a shareholder or is otherwise interested.

Part 53 Other Directorships and Shareholdings

- 53.1 A Director of the Company may be or become a Director, officer, employee or member of any company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and is not accountable for any reasonable benefits received as a Director, officer, employee or member of the other company.
- 53.2 Subject to the law:
- a) the Board may exercise the voting power conferred by the shares or other interest held by the Company in another company in favour of a resolution appointing themselves or any of them as Directors or other officers of the other company;
 - b) any Director of the Company may vote at a meeting of the Board in favour of a resolution that the Company exercises its voting power conferred by the shares or other interest held by the Company in the other company to appoint that Director as a Director or other officer of the other company;
 - c) any Director of the Company may be appointed as representative of the Company and may vote at a general meeting of the other company in favour of a resolution appointing that Director as a Director or other officer of the other company; and
 - d) a Director of the Company who is also a Director of the other company may vote as a Director of the other company in whatever manner he or she sees fit, including voting in favour of a resolution appointing the Director to any other office in the other company and a resolution appointing any other Directors of the Company as Directors or other officers of the other company.

REMUNERATION OF DIRECTORS

Part 54 Directors' Remuneration

- 54.1 Directors may receive any remuneration for his or her services in his or her capacity as a Director of the Company.

Part 55 Directors' Expenses

- 55.1 Without limiting Rule 54, the Company may pay the Directors' travelling and other expenses that they properly incur:
- a) in attending Directors' meetings or any meetings of committees of Directors;
 - b) in attending any general meetings of the Company; and
 - c) in connection with the Company's business.
- 55.2 The Directors must approve all payments the Company makes to its Directors.

Part 56 Financial Benefit

- 56.1 To the extent, if any, required by law, a Director must ensure that the requirements of the Law are complied with in relation to any financial benefit given by the Company to the Director or to any other related party of the Director.

SECRETARY

Part 57 Terms of Office of Secretary

- 57.1 A Secretary of the Company holds office on the terms and conditions (including as to remuneration) that the Directors determine.

DIRECTORS' MEETINGS

Part 58 Circulating Resolutions

- 58.1 The Directors may pass a resolution without a Board meeting being held if all the Directors entitled to vote on the resolution, except a Director absent from Australia who has not left an email address at which he/she may be given notice, sign a document containing a statement that he/she is in favour of the resolution set out in the document.
- 58.2 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.
- 58.3 The resolution is passed when the last Director signs.
- 58.4 Intentionally deleted.

Part 59 Meetings of the Board

- 59.1 The Board must meet together for the dispatch of business and adjourn and otherwise regulate their meetings at least six (6) times each financial year.

- 59.2 The minutes of any meeting of the Board must state the method of meeting and the persons present.

Part 60 Non-Voting Ex-Officio Member

- 60.1 Intentionally deleted.

Part 61 Director's Representative

- 61.1 A Director may not appoint any person to act as a Director's representative in place of the appointing Director for a meeting or for a specified period.

Part 62 Calling Board Meetings

- 62.1 A Director may at any time request a meeting of the Board, and a Secretary must on the requisition of two (2) Directors, call a meeting of the Board.

Part 63 Notice of Meeting

- 63.1 Reasonable notice of every Board meeting must be given to each Director and alternate Director except that it is not necessary to give notice of a meeting of Directors to any Director who:
- a) has been given special leave of absence; or
 - b) is absent from Australia and has not left an email address at which he/she may be given notice.
- 63.2 Any notice of a meeting of the Board may be given in writing or orally, and whether by telephone, electronic mail or any other means of communication.

Part 64 Technology Meeting of Directors

- 64.1 A Board meeting may be held using any technology consented to by all the Directors. The consent may be a standing one. A Director may only withdraw the consent within a reasonable period before the meeting.
- 64.2 If a Board meeting is held using any technology and all the Directors take part in the meeting, they must be treated as having consented to the use of the technology for that meeting.

64.3 The following provisions apply to a technology meeting:

- a) each of the Directors taking part in the meeting must be able to hear and be heard by each of the other Directors taking part in the meeting; and
- b) at the commencement of the meeting each Director must announce his or her presence to all the other Directors taking part in the meeting.

64.4 If the Secretary is not present at a technology meeting one (1) of the Directors present must take minutes of the meeting.

64.5 A Director may not leave a technology meeting by disconnecting his/her link to the meeting unless that Director has previously notified the chair of the meeting.

64.6 A Director is conclusively presumed to have been present and to have formed part of a quorum at all times during a technology meeting unless that Director has previously obtained the express consent of the chair to leave the meeting.

Part 65 Chairing Board Meetings

65.1 The Board may elect a chairperson and a deputy chairperson of its meetings and determine the period for which each is to hold office.

65.2 The appointment of:

- a) chairperson and deputy chairperson shall be for a term of two (2) years unless otherwise resolved by an Extra-Ordinary Resolution of the Board; and
- b) deputy chairperson shall be the Director appointed pursuant to Rule 20.2(a) and 24.4 unless otherwise resolved by an Extra-Ordinary Resolution of the Board.

65.3 Where no chairperson or deputy chairperson of the Board is elected or if at any meeting the chairperson and the deputy chairperson of the Board are not present at the time specified for holding the meeting, the Director's present may choose one (1) of their number to be chairperson of the meeting.

Part 66 Quorum for a Board Meeting

66.1 The quorum for a Board meeting is half of the Directors entitled to vote plus one (1) or a greater number determined by the Board. The quorum must be present at all times during the meeting.

66.2 An alternate Director is counted in a quorum at a meeting at which the Director who appointed the alternate is not present (so long as the alternate is, under the Law, entitled to vote).

Part 67 Passing of Board Resolutions

- 67.1 A resolution of the Board must be passed by a majority of the votes cast by Directors entitled to vote on the resolution.
- 67.2 The chairperson does not have a casting vote if necessary in addition to any vote he or she has as a Director.
- 67.3 A person who is an alternate Director is entitled (in addition to his or her own vote if he/she is a Director) to one (1) vote on behalf of each Director whom he/she represents as an alternate Director at the meeting and who is not present at the meeting.

MEETINGS OF MEMBERS

Part 68 Circulating Resolutions

- 68.1 Rule 68 applies to resolutions which the Law, or this Constitution, requires or permits to be passed at a general meeting, except a resolution under section 329 of the Law to remove an auditor.
- 68.2 The Company may pass a resolution without a general meeting being held if all the Members 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.
- 68.3 Separate copies of a document may be used for signing by Members if the wording of the resolution and statement is identical in each copy.
- 68.4 The resolution is passed when the last Member signs.
- 68.5 If the Company receives by email transmission a copy of a document referred to in Rule 68.2 it is entitled to assume that the copy is a true copy.

Part 69 Calling of General Meeting

- 69.1 A majority of the Board may call a general meeting whenever they see fit.
- 69.2 Except as permitted by law, a general meeting, to be called the "annual general meeting", must be held at least once in every calendar year.
- 69.3 Except as provided in the Law, no Member or Members may call a general meeting.

Part 70 Notice of Meeting

- 70.1 Subject to the provisions of the Law as to short notice, at least twenty-one (21) days' notice of a general meeting must be given in writing to those Persons who are entitled to receive notices from the Company.

Part 71 Persons Entitled to Notice of General Meeting

- 71.1 Written notice of a meeting of the Company's Members must be given individually to:
- a) each Member entitled to vote at the meeting;
 - b) each Director; and
 - c) the Company's auditor (if any).
- 71.2 No other person is entitled to receive notice of general meetings, however, may receive such a notice in the absolute discretion of the Board.

Part 72 How Notice is Given

- 72.1 The Company may give the notice of meeting to a Member:
- a) personally;
 - b) by sending it by post to the address for the Member in the register of Members or the alternative address (if any) nominated by the Member; or
 - c) by sending it to the electronic address (if any) nominated by the Member.

Part 73 When Notice is Given

- 73.1 A notice of meeting sent by post is taken to be given three (3) days after it is posted.
- 73.2 A notice of meeting sent by electronic means, is taken to be given on the business day after it is sent.
- 73.3 Service by electronic mail is effective if:
- a) in the case of service by electronic mail, the Company's computer reports that delivery has succeeded; or
 - b) in either case the addressee notifies the Company immediately that the notice was fully received in a legible form.

Part 74 Contents of Notice

- 74.1 A notice of a general meeting must:
- a) set out the place, date and time for the meeting (and, if the meeting is to be held in two (2) or more places, the technology that will be used to facilitate this);
 - b) state the general nature of the meeting's business;

- c) if a Special Resolution is to be proposed at the meeting, set out an intention to propose the Special Resolution and state the resolution; and
- d) contain a statement setting out the following information:
 - i) that the Member has a right to appoint a proxy; and
 - ii) that the proxy need not be a Member.

Part 75 Notice of Adjourned Meeting

- 75.1 When a meeting is adjourned, a new notice of the resumed meeting must be given if the meeting is adjourned for one (1) month or more.

Part 76 Accidental Omission to Give Notice

- 76.1 The accidental omission to give notice of any general meeting to or the non-receipt of the notice by any person entitled to receive notice of a general meeting under this Constitution does not invalidate the proceedings at or any resolution passed at the meeting.

Part 77 Postponement of General Meeting

- 77.1 The Directors may postpone the holding of any general meeting whenever they see fit (other than a meeting requisitioned by Members as provided by the Law) for not more than forty-two (42) days after the date for which it was originally called.
- 77.2 Whenever any meeting is postponed (as distinct from being adjourned under Rule 75) the same period of notice of the meeting must be given to persons entitled to receive notice of a meeting as if a new meeting were being called for the date to which the original meeting is postponed.

Part 78 Technology

- 78.1 The Company may hold a meeting of its Members at two (2) or more venues using any technology that gives the Members as a whole a reasonable opportunity to participate.

Part 79 Quorum for a Meeting of the Company's Members

- 79.1 The quorum for a meeting of the Company's Members is twenty-five (25) Members. The quorum must be present at all times during the meeting.
- 79.2 In determining whether a quorum is present, individuals attending as proxies or body corporate representatives are counted. If an individual is attending both as a Member and as a proxy or body corporate representative, the individual is counted only once.
- 79.3 If a quorum is not present within thirty (30) minutes after the time for the meeting set out in the notice of meeting:

- a) where the meeting was called by the members or upon the requisition of Members, the meeting is dissolved; or
- b) in any other case, the meeting is adjourned to the date, time and place the Directors specify. If the Directors do not specify one (1) or more of those things, the meeting is adjourned to:
 - i) if the date is not specified - the same day in the next week; and
 - ii) if the place is not specified - the same place.
- c) if no quorum is present at the resumed meeting within thirty (30) minutes after the time for the meeting, the meeting is dissolved.

Part 80 Chair at General Meetings

- 80.1 The chairperson and a deputy chairperson of a Members' meeting shall be those appointed shall be those appointed by the Board pursuant to Rule 65.
- 80.2 Where the chairperson or deputy chairperson set out in Rule 80.1 are not present at the time specified for holding the meeting or otherwise unable to chair the meeting, the Members present may choose one (1) of their number to be chairperson of the meeting.

Part 81 Business at Adjourned Meetings

- 81.1 Only unfinished business is to be transacted at a meeting resumed after an adjournment.

PROXIES

Part 82 Who can Appoint a Proxy

- 82.1 A Member who is entitled to attend and cast a vote at a meeting of the Company's Members may appoint a Person as the Member's proxy to attend and vote for the Member at the meeting. The proxy must be a Member.

Part 83 Rights of Proxies

- 83.1 A proxy appointed to attend and vote for a Member has the same rights as the Member:
 - a) to speak at the meeting;
 - b) to vote (but only to the extent allowed by the appointment); and
 - c) to join in a demand for a poll.
- 83.2 If a proxy is only for a single meeting it may be used at any postponement or adjournment of that meeting, unless the proxy states otherwise.

- 83.3 A proxy's authority to speak and vote for a Member at a meeting is suspended while the Member is present at the meeting.

Part 84 When Proxy Form Must be Sent to all Members

- 84.1 If the Company sends a Member a proxy appointment form for a meeting or a list of persons willing to act as proxies at a meeting:
- a) if the Member requested the form or list the Company must send the form or list to all Members who ask for it and who are entitled to appoint a proxy to attend and vote at the meeting; or
 - b) otherwise - the Company must send the form or list to all its Members entitled to appoint a proxy to attend and vote at the meeting.

Part 85 Appointing a Proxy

- 85.1 An appointment of a proxy is valid if it is signed by the Member making the appointment and contains the following information:
- a) the Member's name and address;
 - b) the Company's name;
 - c) the proxy's name or the name of the office held by the proxy; and
 - d) the meetings at which the appointment may be used.
- 85.2 An appointment may be a standing appointment.
- 85.3 An undated appointment is taken to have been dated on the day it is given to the Company.
- 85.4 An appointment may specify the way the proxy is to vote on a particular resolution. If it does:
- a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
 - b) if the proxy has two (2) or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands;
 - c) if the proxy is the chair - the proxy must vote on a poll, and must vote that way; and
 - d) if the proxy is not the chair - the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
- 85.5 If a proxy is also a Member, Rule 85.4 does not affect the way that the person can cast any votes the person holds as a Member.

85.6 An appointment does not have to be witnessed.

85.7 A later appointment revokes an earlier one if both appointments could not be validly exercised at the meeting.

Part 86 Form of Proxy sent out by Company

86.1 A form of proxy sent out by the Company may be in a form determined by the Directors but must:

- a) enable the Member to specify the manner in which the proxy must vote in respect of a particular transaction; and
- b) leave a blank for the Member to fill in the name of the person primarily appointed as proxy.

86.2 The form may provide that if the Member leaves it blank as to the person primarily appointed as proxy or if the person or persons named as proxy fails or fail to attend, the chair of the meeting is appointed proxy.

86.3 Despite Rule 86.1 an instrument appointing a proxy may be in the following form or in a form that is as similar to the following form as the circumstances allow:

TOWNSVILLE ENTERPRISE LIMITED A.C.N. 053 020 536

I/We, of [...], being a Member/Members of the above named Company, appoint [...] of [...] or in his or her absence, [...] of [...] as my / our proxy to vote for me / us on my / our behalf at the *annual general / *general meeting of the Company held on [...] and at any adjournment of that meeting.

This form is to be used *in favour of / *against the resolution.

Signed on [.....]

*Strike out whichever is not desired.

To be inserted if desired.

Part 87 Receipt of Proxy Documents

87.1 For an appointment of a proxy for a meeting of the Company's Members to be effective, the following documents must be received by the Company at least twenty-four (24) hours before the meeting:

- a) the proxy's appointment; and
- b) if the appointment is signed by the appointor's attorney- the authority under which the appointment was signed or a certified copy of the authority.

- 87.2 If a meeting of the Company's Members has been adjourned, an appointment and any authority received by the Company at least twenty-four (24) hours before the resumption of the meeting are effective for the resumed part of the meeting.
- 87.3 The Company receives an appointment or authority when it is received at any of the following:
- a) the Company's registered office; or
 - b) a place or electronic mail address specified for the purpose in the notice of meeting.
- 87.4 An appointment of a proxy is ineffective if:
- a) the Company receives either or both the appointment or authority at a fax number or electronic address; and
 - b) a requirement (if any) in the notice of meeting that:
 - i) the transmission be verified in a way specified in the notice; or
 - ii) the proxy produce the appointment and authority (if any) at the meetings,
- is not complied with.

Part 88 Validity of Proxy Vote

- 88.1 A proxy who is not entitled to vote on a resolution as a Member may vote as a proxy for another Member who can vote if the appointment specifies the way the proxy is to vote on the resolution and the proxy votes that way.
- 88.2 Unless the Company has received written notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by the proxy will be valid even if, before the proxy votes:
- a) the appointing Member dies;
 - b) the Member is mentally incapacitated;
 - c) the Member revokes the proxy's appointment; or
 - d) the Member revokes the authority under which the proxy was appointed by a third party.

VOTING AT MEETINGS OF MEMBERS

Part 89 How Vote May be Exercised

- 89.1 At any general meeting of Members, subject to Rules 9.5, 9.6 and 24, each Member is entitled to a vote or votes as follows:

- a) one (1) vote per Ordinary Member; and
- b) one (1) vote per Life Member.

An Associate Member is not entitled to vote.

- 89.2 The vote may be exercised in person or by proxy, body corporate representative or attorney.

Part 90 Objections to Right to Vote

- 90.1 A challenge to a right to vote at a meeting of Members:

- a) may only be made at the meeting; and
- b) must be determined by the chairperson, whose decision is final.

- 90.2 A vote not disallowed following the challenge is valid for all purposes.

Part 91 How Voting is Carried Out

- 91.1 A resolution put to the vote at a meeting of the Company's Members must be decided on a show of hands unless a poll is demanded.

- 91.2 On a show of hands, a declaration by the chairperson is conclusive evidence of the result. Neither the chairperson nor the minutes need to state the number or proportion of the votes recorded in favour or against.

Part 92 Matters on which a Poll may be Demanded

- 92.1 A poll may be demanded on any resolution.

- 92.2 A demand for a poll may be withdrawn.

Part 93 When a Poll is Effectively Demanded

- 93.1 At a meeting of the Company's Members, a poll may be demanded by:

- a) at least three (3) Members entitled to vote on the resolution; or
- b) the chairperson.

- 93.2 The poll may be demanded:

- a) before a vote is taken;
- b) before the voting results on a show of hands are declared; or
- c) immediately after the voting results on a show of hands are declared.

Part 94 When and How Polls Must be Taken

- 94.1 A poll demanded on a matter other than the election of a chairperson or the question of an adjournment must be taken when and in the manner the chairperson directs.
- 94.2 A poll on the election of a chairperson or on the question of an adjournment must be taken immediately.
- 94.3 The demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 94.4 The result of the poll is the resolution of the meeting at which the poll was demanded.

Part 95 Chairperson's Casting Vote

- 95.1 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting does not have a casting vote in addition to any vote he or she may have in his or her capacity as a Member or proxy.

ANNUAL GENERAL MEETING

Part 96 Business of an Annual General Meeting

- 96.1 The business of an annual general meeting may include any of the following, even if not referred to in the notice of meeting:
- a) the consideration of the annual financial report, Directors' report and auditor's report;
 - b) the election, ratification or notification of Directors;
 - c) the appointment of the auditor (if required); and
 - d) the fixing of the auditor's remuneration (if applicable).
- 96.2 All other business transacted at an annual general meeting and all other business transacted at any other general meeting is special business.
- 96.3 The business of the annual general meeting also includes any other business which under this Constitution or the Law ought to be transacted at an annual general meeting.
- 96.4 The chair of the annual general meeting must allow a reasonable opportunity for the Members as a whole at the meeting to ask questions about or make comments on the management of the Company.
- 96.5 If the Company's auditor or the auditor's representative is at the meeting, the chair of an annual general meeting must allow a reasonable opportunity for the

Members as a whole at the meeting to ask the auditor or that representative questions relevant to the conduct of the audit and the preparation and content of the auditor's report.

Part 97 Resolutions Proposed by Members

- 97.1 No Member may at any meeting move any resolution relating to special business unless:
- a) the Member has given not less than one (1) month's previous notice in writing of the Member's intention to move an ordinary resolution or two (2) months' notice in writing of the Member's intention to move a Special Resolution at the meeting by leaving the notice and a signed copy of the resolution at the registered office of the Company; or
 - b) the resolution has previously been approved by the Directors.
- 97.2 Upon receiving a notice referred to in Rule 97.1 the Secretary must:
- a) if the notice convening the meeting has already been dispatched, immediately notify the Members of the proposed resolution; or
 - b) otherwise include notice of the proposed resolution in the notice convening the meeting.

MINUTES

Part 98 Minutes to be Kept

- 98.1 The Directors must keep minute books in which they record within one (1) month:
- a) proceedings and resolutions of meetings of the Company's Members;
 - b) proceedings and resolutions of Directors' meetings (including meetings of a committee of Directors);
 - c) resolutions passed by Members without a meeting; and
 - d) resolutions passed by Directors without a meeting.
- 98.2 The Directors must ensure that minutes of a meeting are signed within a reasonable time after the meeting by one (1) of the following:
- a) the chairperson of the meeting; or
 - b) the chairperson of the next meeting.
- 98.3 The Directors must ensure that minutes of the passing of a resolution without a meeting are signed by a Director within a reasonable time after the resolution is passed.

98.4 Without limiting Rule 98.1 the Directors must record in the minute books:

- a) all appointments of officers and executive employees;
- b) the names of the Directors and alternate Directors present at all meetings of Directors and the Company; and
- c) the method by which a meeting of Directors was held.

ACCOUNTS, AUDITS AND RECORDS

Part 99 Accounts

- 99.1 The Directors must cause proper accounting and other records to be kept in accordance with the law and generally accepted accounting standards.
- 99.2 The Directors must distribute copies of every profit and loss account, balance sheet and statement of cash flows (including every document required by law to be attached to them) as required by the Law.

Part 100 Audit

- 100.1 A registered company auditor must be appointed if required under the Laws.
- 100.2 The remuneration of the auditor must be fixed and the auditor's duties regulated in accordance with the Law.

EXECUTION OF DOCUMENTS

Part 101 Common Seal

- 101.1 The Company may, but need not, have a common seal.

Part 102 Use of Common Seal

- 102.1 If the Company has a common seal the Directors must provide for its safe custody.
- 102.2 The common seal may not be fixed to any document except by the authority of a resolution of the Directors or of a committee of the Directors duly authorised by the Directors.
- 102.3 The Company executes a document with its common seal if the fixing of the seal is witnessed by:
- a) two (2) unrelated Directors of the Company; or
 - b) a Director and a Secretary of the Company, provided that they are unrelated.

Part 103 Execution of Documents Without Common Seal

- 103.1 The Company may execute a document without using a common seal if the document is signed by:
- a) two (2) unrelated Directors of the Company; or
 - b) a Director and a Secretary of the Company, provided that they are unrelated.

Part 104 Execution of Document as a Deed

- 104.1 The Company may execute a document as a deed if the document is expressed to be executed as a deed and is executed in accordance with Rules 102 103.

Part 105 Execution – General

- 105.1 The same person may not sign in the dual capacities of Director and Secretary.
- 105.2 A Director may sign any document as Director, with or without the common seal, although the document relates to a contract, arrangement, dealing or other transaction in which he or she is interested and his or her signature complies with the requirements of this Constitution as to execution despite his or her interest.
- 105.3 Rules 102, 103 and 104 do not limit the ways in which the Directors may authorise documents (including deeds) to be executed on behalf of the Company.

INDEMNITY AND INSURANCE

Part 106 Indemnity

- 106.1 To the relevant extent, the Company indemnifies:
- a) every person who is or has been an officer of the Company; and
 - b) where the Board considers it appropriate to do so, any person who is or has been an officer of a related body corporate of the Company,
- against any liability incurred by that person in his or her capacity as an officer of the Company or of the related body corporate (as the case may be):
- c) to any other person (other than the Company or a related body corporate) unless the liability arises out of conduct involving fraud or dishonesty; and
 - d) for costs and expenses:
 - i) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted; and

- ii) in connection with an application in relation to those proceedings, in which the Court grants relief to the person under the Law.

Part 107 Insurance

107.1 The Company may pay or agree to pay a premium in respect of a contract insuring a person who is or has been an officer of the Company or a related body corporate of the Company against:

- a) any liability other than a liability incurred by the person as an officer of the Company or a related body corporate arising out of conduct involving:
 - i) a wilful breach of duty in relation to the Company; or
 - ii) without limiting Rule 107.1, a contravention of subsection 232 of the Law; and
 - iii) any costs and expenses incurred by the person in defending proceedings, whether civil or criminal, whatever their outcome.

107.2 In the case of a Director, any premium paid under this Rule is not remuneration for the purpose of Rule 54.

Part 108 Interpretation for Indemnity and Insurance Provisions

108.1 In Rules 106 and 107:

- a) "officer" means a Director, Secretary, Chief Executive Officer or employee; or a person appointed as a trustee by, or acting as a trustee at the request of the Company, and includes a former officer;
- b) "duty" means and includes, in any particular case where the Board considers it appropriate, duties arising by reason of the appointment, nomination or secondment in any capacity of an officer by the Company or, where applicable, the subsidiary of the Company to any other corporation; and
- c) "liability" means all costs, charges, losses, damages, expenses, penalties and liabilities of any kind including, in particular, legal costs incurred in defending any proceedings (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal, government authority or other body.

108.2 In Rule 106:

- a) "to the relevant extent" means:
 - i) to the extent the Company is not precluded by law from doing so; and

- ii) to the extent and for the amount that the officer is not otherwise entitled to be indemnified and is not actually indemnified by another person (including, but without limitation, a subsidiary or an insurer under any insurance policy); and where the liability is incurred in or arising out of the conduct of the business of another corporation or in the discharge of the duties of the officer in relation to another corporation, to the extent and for the amount that the officer is not entitled to be indemnified and is not actually indemnified out of the assets of that corporation.

Part 109 Director Voting on Contract of Insurance

- 109.1 Despite anything in this Constitution, a Director is not precluded from voting in respect of any contract or proposed contract of insurance, merely because the contract insures or would insure the Director against a liability incurred by the Director as an officer of the Company or of a related body corporate.

INSPECTION OF RECORDS

Part 110 Rights of Inspection

- 110.1 The Board, or the Company by a resolution passed at a general meeting, may authorise a Member to inspect books of the Company.
- 110.2 A Member other than a Director does not have the right to inspect any document of the Company, other than the minute books for the meetings of its Members and for resolution of Members passed without meetings, except as provided by law or authorised by the Directors or by the Company in general meeting.

Part 111 Confidential Information

- 111.1 Except as provided by law, no Member (not being a Director) is entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret, secret process or other confidential information of or used by the Company.

INADVERTENT OMISSIONS

Part 112 Formalities Omitted

- 112.1 If some formality required by this Constitution is inadvertently omitted or is not carried out the omission does not invalidate anything, including any resolution, which but for the omission would have been valid unless it is proved to the satisfaction of the Directors that the omission has directly prejudiced any Member financially. The decision of the Directors is final and binding on all Members.

WINDING UP

Part 113 Winding Up

- 113.1 If upon the winding up or dissolution of the Company any property remains, after satisfaction of all its debts and liabilities, that property must not be paid to or distributed among the Members of the Company but must be given or transferred to some other institution or institutions determined by the Members of the Company at or before the time of dissolution.
- 113.2 If the Members do not make the necessary determination under Rule 113.1, the Company may apply to the Supreme Court to determine the institution or institutions.
- 113.3 No institution is eligible to receive property under Rule 113.1 unless:
- a) it has objectives similar to the objectives of the Company;
 - b) its Constitution prohibits the distribution of its or their income and property among its or their Members to an extent at least as great as is imposed on the Company under Rules 4, 5 and 113.1;
 - c) its income is exempt from income tax under the ITAA97; and
 - d) It is a deductible gift recipient under the ITAA97.

Part 114 Revocation of Deductible Gift Recipient Status

- 114.1 If the Company is endorsed under the ITAA97 with deductible gift recipient status and the endorsement is later revoked, any property of the Company, after satisfaction of all its debts and liabilities, must not be paid to or distributed among the Members of the Company but must be given or transferred to some other authority, institution or institutions determined by the Members of the Company upon receiving notice of revocation of the deductible gift recipient status.
- 114.2 If the Members do not make the necessary determination under Rule 114.1, the Company may apply to the Supreme Court to determine the institution or institutions.
- 114.3 No institution is eligible to receive property under Rule 114.1 unless:
- a) its has objectives similar to the objectives of the Company;
 - b) its Constitution prohibits the distribution of its or their income and property among its or their Members to an extent at least as great as is imposed on the Company under Rules 4, 5 and Rule 114.1;
 - c) its income is exempt from income tax under ITAA97; and
 - d) it is a deductible gift recipient under the ITAA97.

REPLACEABLE RULES

Part 115 Replaceable Rules

115.1 The replaceable rules in the Law do not apply to the Company.

SPECIALIST DIRECTOR POSITIONS

Part 116 Positions

116.1 Notwithstanding any other provisions in this Constitution the chairperson must not be affiliated with a government organisation unless the chairperson has obtained the Board's prior written approval.