

A black and white photograph of a Heritage Bank branch building. The building's facade is made of dark, textured panels. The word "Heritage" is written in large, white, sans-serif letters across the top. To the left of the text is a small logo featuring a stylized 'H' inside a shield-like shape. Below the main entrance, there are two self-service kiosks. The one on the left is labeled "SELF SERVICE" and "ATM". The one on the right is labeled "Heritage Bank" and "obina". In the background, through a glass door, an office interior is visible with a desk, chair, and a sign that says "People first."

Heritage

Constitution of Heritage Bank Limited

ABN 32 087 652 024

People first.



Heritage Bank Limited

ABN 32 087 652 024 AFS Licence No. 240984
Australian Credit Licence 240984

CONSTITUTION OF HERITAGE BANK LIMITED

ADOPTED 30 OCTOBER 2019

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1 INTERPRETATION

1.1 Definitions

In this Constitution:

“APRA” means the Australian Prudential Regulatory Authority.

“ASX Settlement Operating Rules” means the operating rules of ASX Settlement Pty Ltd ABN 49 008 504 532 as they are amended or applied from time to time and, to the extent they are applicable, includes the operating rules of each of ASX Limited ABN 98 008 624 691 and ASX Clear Pty Limited ABN 48 001 314 503.

“Bank Bill Rate” on any date means the rate calculated by taking the rates quoted on the Reuters Screen BBSW at approximately 10.00am on that day for each BBSW Reference Bank so quoting as being the mean buying and selling rate for bills of exchange having a tenor of 90 days.

“Banking Act” means the Banking Act 1959 (Commonwealth).

“Board” means the Board of Directors of the Company.

“Borrower” means a Member who has obtained financial accommodation from the Company or a related body corporate of the Company in the course of its banking business.

“Chairman” means the person elected by the Board as Chairman of the Board in accordance with Clause 76.

“Clauses” means the provisions of this Constitution as amended, modified or supplemented.

“Company” means Heritage Bank Limited ACN 087 652 024 or such other name by which it may be called from time to time.

“Constitution” means those provisions for the operation of the Company set forth in this Constitution as it is amended, modified or supplemented from time to time.

“Corporations Act” means the Corporations Act 2001 (Commonwealth) as it applies to the Company from time to time.

“Deposit” means a sum of money deposited with the Company or a related body corporate of the Company and accepted by the Company or a related body corporate of the Company as a deposit.

“Depositor” means a person who has funds on deposit with the Company or a related body corporate of the Company.

“Deputy Chairman” means the person elected by the Board as Deputy Chairman of the Board in accordance with Clause 77.

“Director” means a director of the Company duly appointed from time to time.

“Financial Accommodation” means a transaction that the Company or a related body corporate of the Company provides or enters in the ordinary course of its banking business and which is:

- (a) a loan;
- (b) an advance;
- (c) money paid for, on behalf of or at the request of a person (other than by drawing on the person’s deposit account with the Company);
- (d) a forbearance to require payment of money owing on any account;
- (e) a transaction that, in substance, effects a loan or is regarded by the parties to the transaction as a loan; or
- (f) the creation of some form of financial indebtedness including an indebtedness, present or future, actual or contingent in respect of moneys borrowed or raised including under or in respect of a negotiable or other financial instrument, bill facility, guarantee, interest, or arrangement of any kind, discounting arrangement, finance or capital lease, hire purchase, deferred purchase price (for more than 90 days) of an asset or service or an obligation to deliver goods or other property or provide services paid for in advance by a financier or in relation to another financing transaction.

“Joint Member” means two or more persons admitted to membership in accordance with Clause 9.

“Listing Rules” means the rules, regulations and by-laws of any Stock Exchange for the purpose of any listing or trading on a Stock Exchange as they apply to the Company from time to time.

“Loan” includes any form of financial accommodation.

“Loan Documents” means any instrument or documents which constitutes or evidences the terms of a loan from the Company and includes without limitation any mortgage, guarantee or other security in respect of a loan.

“MCI” (short for mutual capital instrument) has the meaning given by the Corporations Act.

“MCI Holder” means a holder of an MCI.

“Member” means a person whose name is for the time being entered in the Register of Members as a member of the Company.

“Non-marketable Parcel” means a parcel of Shares of the same class registered in a Shareholder’s name and where the number of Shares in the parcel is less than:

- (a) the number that constitutes a marketable parcel of Shares of that class under the Listing Rules; or
- (b) subject to the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules, any other number determined by the Board from time to time as being the number that constitutes a marketable parcel of Shares of that class.

“Person” includes an individual and a body politic or corporate.

“Prescribed rate of interest” means the rate of interest determined by the Board for the purposes of this Constitution, and in the absence of such determination means the Bank Bill Rate plus a margin of 4% per annum.

“Prudential Standards” means:

- (a) any prudential standard that APRA determines under the Banking Act;
- (b) any prudential regulation made under the Banking Act; and
- (c) any APRA transitional prudential standard applying to the Company under the Financial Sector Reform (Amendments and Transitional Provisions) Regulations 1999 (Commonwealth).

“Qualified Member” means a Member of the Company who:

- (a) was a Member of the Company at 21st day of October 2009 and has continued to be a Member up to the Relevant Date; or
- (b) has continuously been a Member of the Company for at least two (2) years prior to and including the Relevant Date.

“Register of Members” means the register of members established under this Constitution and in accordance with the Corporations Act.

“Register of Shareholders” means a register established under this Constitution and in accordance with the Corporations Act being a register of Shareholders of the Company.

“Relevant Date” means:

- (a) for any meeting of the Company or any of its Members or Shareholders, the date of such meeting;
- (b) the date for determination of a reserve in accordance with Clause 91; or
- (c) the date for calculation of any Member’s entitlements under any Restructure of the Company and being the date for determination of eligibility of Members to receive any

payment, benefit or distribution as a result of such Restructure of the Company.

“Restructure of the Company” means:

- (a) any reconstruction of the Company, and any arrangement or agreement for the sale or disposal of the Company’s business (by amalgamation or otherwise) or for the carrying on of the Company’s business in partnership with another ADI (as that term is defined in the Banking Act), which requires the Company to obtain the consent of the Treasurer in accordance with the terms of the Banking Act; or
- (b) any voluntary transfer of business by or to the Company in accordance with the Financial Sector (Transfers of Business) Act 1999 (Commonwealth) whereby it is proposed or agreed to make any payment, benefit or distribution to Members of the Company as a result of such Restructure of the Company.

“Seal” means the common seal of the Company and includes any official seal of the Company.

“Secretary” means any person appointed to perform the duties of a secretary of the Company.

“Share” means a Share in the capital of the Company and, unless expressly stated otherwise, includes an MCI.

“Shareholder” means a holder of a Share.

“Stock Exchange” means any Stock Exchange on which any of the Company’s shares or any other form of security or interest are listed or traded including ASX Limited ABN 98 008 624 691.

“Voting MCI Holder” means an MCI Holder who is entitled to vote at a general meeting of the Company in accordance with the terms of issue of the relevant MCIs.

1.2 Corporations Act terms

Except so far as a contrary intention appears, if a provision of this Constitution deals with a matter dealt with in a particular provision of the Corporations Act, the provision of this Constitution has the same meaning as in that provision of the Corporations Act.

1.3 Inconsistencies with Corporations Act

If any of this Constitution is inconsistent with the Corporations Act the provisions of the Corporations Act will prevail to the extent of the inconsistency.

1.4 Replaceable Rules

Notwithstanding Clause 1.3, the replaceable rules prescribed by the Corporations Act are displaced by the terms of this Constitution and do not apply to the Company.

1.5 Power to act

In addition to anything in this Constitution, the Company and the Board are empowered to do any act, matter or thing which is not forbidden by law but is considered by the Board to be necessary or desirable to allow the Company and the Board to comply with the requirements of any law or statute.

1.6 Listing Rules and ASX Settlement Operating Rules

Notwithstanding anything in this Constitution, the Company will comply with each of the Listing Rules and the ASX Settlement Operating Rules as they may apply to the Company and any Shares or other securities listed or traded in accordance with such Clauses and the Company is not permitted or authorised by this Constitution to breach or fail to comply with the Listing Rules or the ASX Settlement Operating Rules and, in either case, the Company may exercise any power or right given to the Company by those Clauses.

1.7 Miscellaneous interpretive provisions

In this Constitution, unless there is something in the subject or context inconsistent herewith:-

- (a) Paragraph headings are for convenience only and shall not affect the interpretation of the provisions of this Constitution.
- (b) Words importing only singular include the plural and vice versa.
- (c) Words importing any gender include the other gender.
- (d) Words importing only natural persons include corporations, partnerships, joint ventures, associations and other bodies corporate and any governmental and semi-governmental agencies and vice versa.
- (e) A reference to any law statute or regulation includes all statutes and regulations amending, consolidating or replacing them and a reference to a statute or law includes all regulations, proclamations, ordinances, by-laws, prudential and other standards, guidance notes, policy statements, practice guides or by-laws issued under that statute or law.
- (f) A reference to a document includes an amendment, supplement to, replacement or novation of that document.
- (g) A reference to a party to a document includes that party's successors and permitted assigns.
- (h) A reference to a "Clause" means a clause

number, together with any sub-clause of this Constitution as the case may require.

2 REGISTERED OFFICE

The registered office of the Company will be situated at any place in Australia as the Board may from time to time determine. Until otherwise determined by the Board the address for the registered office will be the 6th Floor, 400 Ruthven Street, Toowoomba, Queensland.

3 EFFECT OF CONSTITUTION

3.1 Contractual effect of Constitution

This Constitution has effect as a contract:-

- (a) between the Company and each Member and each MCI Holder;
- (b) between the Company and each Director and each Secretary; and
- (c) between a Member or MCI Holder and each other Member and each other MCI Holder,

under which the Company and each person agrees to observe and perform the terms of the Constitution so far as they apply to that person or the Company.

3.2 Agreement to be bound

Unless a Member or MCI Holder of the Company agrees in writing to be bound, they are not bound by a modification of the Constitution made after the date on which they become a Member or MCI Holder (as applicable) so far as the said modification:-

- (a) requires the Member or MCI Holder to take up additional Shares;
- (b) increases the Member's or MCI Holder's liability to contribute to the share capital of, or otherwise pay money to, the Company in the Member's or MCI Holder's capacity as a Member or MCI Holder (as applicable); or
- (c) imposes or increases restrictions on the right to transfer the Shares already held by the Member or MCI Holder, unless the modification is made to insert takeover approval provisions of a kind referred to in section 648D of the Corporations Act.

4 OBJECTS, RIGHTS AND POWERS OF THE COMPANY

4.1 Objects

The objects of the Company include the following objects:-

- (a) to raise funds by subscription, deposit or in any other manner, as authorised or not forbidden by law;

- (b) to apply its funds as prescribed by law in providing financial accommodation to its Members;
- (c) to encourage savings among its Members;
- (d) to promote co-operative enterprise and to provide programs and services to its Members;
- (e) to assist its Members to meet their financial needs; and
- (f) to apply its funds for any other purpose permitted or not forbidden by law and which the Board deems is in the interest of Members.

4.2 Legal capacity

Subject to the provisions of the Corporations Act, the Company has the legal capacity and powers of an individual both in and outside Australia. The Company also has all the powers of a body corporate including the power to:-

- (a) receive amounts on deposit;
- (b) make arrangements for providing insurance;
- (c) acquire shares in other bodies corporate;
- (d) hold a subsidiary, as allowed by law;
- (e) act as trustee;
- (f) issue and cancel Shares in the Company;
- (g) issue debentures;
- (h) grant options over unissued Shares in the Company;
- (i) distribute any of the Company's property among the Members and Shareholders, in kind or otherwise;
- (j) give security by charging uncalled capital;
- (k) grant a security interest over the Company's property;
- (l) arrange for the Company to be registered or recognised as a body corporate in any place outside this jurisdiction;
- (m) transact any business that it is allowed by law to transact both with Members and with persons who are not Members; and
- (n) do anything that it is authorised to do or not prohibited from doing by any other law (including a law of a foreign country).

5 NATURE OF COMPANY AND MEMBERS' LIABILITY

5.1 Public company

The Company is a public company and the liability of its Members and Shareholders is limited by shares and by guarantee.

5.2 MCI mutual entity

The Company is intended to be an MCI mutual entity for the purposes of the Corporations Act.

6 MEMBERS' GUARANTEE

6.1 Existing Members' guarantee

Each person who was a Member of the Company immediately before the adoption of the Company's Constitution on the 18th day of October 2000 is taken to have given a guarantee (but only for the purpose of determining whether the person is a Member of the Company).

6.2 Members' guarantee

The liability of persons who became or become Members of the Company on and from the adoption of the Company's Constitution on the 18th day of October 2000 is limited to \$1.00 for each Member and such Members undertake to contribute to the property of the Company in the event of it being wound up whilst that person is a Member or within one year after that person ceases to be a Member for payment of the debts and liabilities of the Company (contracted before that person ceases to be a Member), together with the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

6.3 Limitation of Shareholders' liability

The liability of any Shareholder is limited to any sum unpaid on any Shares held by the Shareholder. This liability is in addition to any guarantee given by the person as a Member under Clause 6.2.

6.4 Liability of former Members

A person:-

- (a) who was a past Member of the Company but was not a Member on the 18th day of October 2000;
- (b) who after that date did not again become a Member; and
- (c) who has not held Shares in the Company

is not liable to contribute to the debts and liabilities of the Company on a winding up.

6.5 Existing Members' guarantee liability

A person who is taken to have given a guarantee pursuant to Clause 6.1 is not liable to contribute to the debts and liabilities of the Company on a winding up merely because the person is taken to have given a guarantee pursuant to that Clause.

6.6 Joint Members' guarantee

If a person who is taken to have given a guarantee by virtue of Clause 6.1 or 6.2 is a Joint Member, they are taken to have given the guarantee jointly with the other Member or Members of the joint membership.

7 MEMBERSHIP

7.1 Members of the Company

The Members of the Company are:-

- (a) those persons who were Members as at the 21st day of October 2009; and
- (b) those persons admitted to membership since that date in accordance with Clause 7.2 or Clause 7.3;

and, in either case who have not since ceased to be Members.

7.2 Admission to Membership

A person becomes a Member of the Company upon that person's application under Clause 7.4 being approved and either:-

- (a) the person becoming a Depositor; or
- (b) the person becoming a Borrower.

7.3 Shareholders' Membership

A person also becomes a Member of the Company upon that person becoming registered as the holder of at least one Share in the Company (other than a Share which is an MCI).

For the avoidance of doubt, unless expressly stated otherwise in this Constitution:-

- (a) an MCI Holder is not a Member of the Company merely by virtue of holding an MCI;
- (b) an MCI Holder may be or become a Member of the Company if they otherwise satisfy the requirements of Clauses 7.1 or 7.2, or this Clause 7.3; and
- (c) an MCI Holder who is also a Member 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.

7.4 Application for Membership

A person who wishes to become a Member of the Company under Clause 7.2 must complete and lodge with the Company an application in the form approved from time to time by the Company.

7.5 Depositors

Where a person is seeking to qualify for membership under Clause 7.2(a), the person must also tender not less than

the amount of \$1.00 to the Company or to a related body corporate of the Company, and upon membership being approved, the amount tendered will constitute a deposit.

7.6 Refusal of application for Membership

The Board may in its absolute discretion refuse any membership application under Clause 7.2 at any time prior to entry of the person's name in the Register of Members and need not assign any reason for such refusal but if an application for membership is not approved any amount tendered with the application in accordance with Clause 7.5 will be returned to the applicant without interest.

7.7 Review of Membership

The Board may in its absolute discretion terminate the membership of any person who applies for membership of the Company under Clause 7.2 after the 21st day of October 2009 providing such termination is effected within 28 days of the day of entry of the person's name into the Register of Members.

7.8 Notice of termination

In the event that the Board terminates the membership of a person in accordance with Clause 7.7, the Board will forthwith give written notice of such termination to the person and after satisfaction of all liabilities and obligations of the person to the Company any moneys standing to the credit of the person will be paid to them.

7.9 Unincorporated Associations

An unincorporated body or association of persons, including a partnership, is not eligible to become a Member in the body's associated, partnership or business name.

7.10 Approval of application

The Board may approve applications for membership or registration as a Shareholder in accordance with the procedures adopted by the Board.

7.11 Entry in Register of Members

On approval of an application for membership or registration as a Shareholder (other than an MCI Holder), the Board must immediately:-

- (a) allocate to the person applying for membership a membership number; and
- (b) enter in the Register of Members and, if applicable, the Register of Shareholders, the name of the applicant and such other particulars as are prescribed by law.

7.12 Time when Membership effective

A person becomes a Member of the Company under this Clause when the person's name is entered in the Register of Members.

7.13 Membership numbers

A Member who has more than one membership number assigned to the person by the Company is only counted as one Member for all purposes of this Constitution.

7.14 Rights and liabilities of Members

Members have the rights and liabilities as provided under the Corporations Act, and where not inconsistent with this Constitution, the rights and obligations of Members at law including:-

- (a) the right to receive notice of and to attend general meetings of the Company and to receive copies of any reports required to be provided to Members by law;
- (b) the right to vote at a general meeting of the Company to the extent and in the manner specified in this Constitution; and
- (c) the rights and liabilities specified in this Constitution in respect of a winding up of the Company.

7.15 Application fees

Except as expressly provided in this Constitution, a Member is not required to make any payment, or acquire any Share or interest prior to exercising the Member's rights of membership.

7.16 Other fees

No application fees or admission fees are payable for admission to membership other than in respect of:-

- (a) any amount to be paid upon subscription or issue of Shares which qualify a person for membership of the Company;
- (b) any fees payable on application for a loan;
- (c) a minimum Deposit as specified in Clause 7.5; or
- (d) any fee imposed under this Constitution.

8 MINORS

8.1 Membership of minors

The Board may approve an application for membership by a minor.

8.2 Restrictions on minors' Membership

A Member who is a minor may not:-

- (a) vote at a meeting of the Company; or
- (b) hold office as a Director or Secretary of the Company.

9 JOINT MEMBERS

9.1 Joint Membership

The Board may approve an application for membership by two or more persons as a Joint Member.

9.2 Order of names

The persons constituting the Joint Member may determine the order in which their names are to appear in the Register of Members and, if applicable, the Register of Shareholders.

9.3 Default determination

If the persons constituting the Joint Member do not determine the order in which their names are to be entered in a register, or other document, the Company may enter the names, in the appropriate register or other document, in the order the Company considers to be appropriate.

9.4 Primary Joint Member

The Joint Member who is named first in the Register of Members and, if applicable, the Register of Shareholders will be the primary Joint Member, but in the event of an inconsistency the entry in the Register of Members shall determine the primary Joint Member.

9.5 Notices

Notices or other documents, must, and need only be given or sent to the primary Joint Member and the Company shall not be required to enquire, ascertain or otherwise show whether any other Joint Member has received the notice.

9.6 One Membership

The persons constituting a Joint Member do not between them constitute a separate Joint Member if the persons' names are also entered in the Register of Members and, if applicable, the Register of Shareholders in a different order or under a different membership number and, in the event of any inconsistency, the entry in the Register of Members and, if applicable, the Register of Shareholders made earliest in time shall determine the primary Joint Member.

9.7 Voting by Joint Members

Any of the persons comprising a Joint Member may exercise any voting rights attaching to such membership including the right to appoint a proxy but in the event that more than one of them shall be present at a meeting either in person or by proxy only the primary Joint Member either in person or by proxy may exercise any voting rights attaching to such membership.

9.8 One vote

The provisions of Clause 9.7 shall not operate to give any person more than one vote at any meeting of the Company.

9.9 Joint MCI Holders

The provisions of this Constitution relating to Joint Members apply so far as they are capable of application and with any necessary changes to joint holders of MCIs.

10 BODY CORPORATE REPRESENTATIVES

10.1 Body Corporate representatives

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise:-

- (a) at meetings of the Company's Members or Voting MCI Holders;
- (b) at meetings of creditors or debenture holders;
- (c) relating to resolutions to be passed without meetings; or
- (d) in the capacity of a Member's or Voting MCI Holder's proxy appointed under Clause 52.

10.2 Appointment of representative

The appointment of the body corporate representative must be in writing and signed by the body corporate as required by law.

10.3 Proof of appointment

The original of the appointment together with any Power of Attorney under which the appointment is executed or, in either case, a copy of the document certified as a true copy by another officer of the body corporate, must be lodged with the Secretary at least 7 days before any meeting at which the person is to represent the body corporate.

10.4 Notices to Body Corporate

The Company is not required to give any notice of meeting or other document to the body corporate representative.

10.5 Effect on proxy

Clause 10.1 does not restrict the Member's or Voting MCI Holder's ability to appoint a proxy.

10.6 Standing appointment

The appointment of a body corporate representative may be a standing one.

10.7 Restrictions on representative powers

The appointment may set out restrictions on the representative's powers.

10.8 Representative as office holder

If the appointment of a body corporate representative is to be by reference to a position held, the appointment must identify the position.

10.9 Multiple representatives

A body corporate may appoint more than one body corporate representative but only one person may exercise the body's powers at any one time.

10.10 Chairman to resolve conflicts

Where there is more than one body corporate representative present at a meeting, then, in the absence of any direction in the instrument or instruments of appointment or of agreement between the representatives, the Chairman may determine which representative shall be entitled to exercise the powers of the body corporate at the meeting.

10.11 Representatives' powers

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.

11 ENTRY OF TRUSTS

11.1 Notation of Trusts

The Company may, in respect of any Shares in or moneys deposited with the Company, indicate in any register or account by entry that the Shares or moneys are held by or vested in a person upon trust for some other person so named.

11.2 Effect of Trusts

The Company is not regarded as being affected by notice of any trust in relation to the money whether or not any such entry is made and shall not be liable on any account to any beneficiary of a trust to enquire or ensure that a trustee is acting in accordance with or subject to the terms and conditions applying to such trust or otherwise for the benefit of such beneficiary.

11.3 Membership of Trustees

The trustee or the trustees jointly who are registered in their capacity as trustee or trustees as Members or Shareholders of the Company will, for all the purposes of the Company, be regarded as a Member or Shareholder of the Company (as the case may be) and in the case of one or more trustees as a Joint Member of the Company and separately to any membership of the trustee or trustees in their own right or under a separate trust.

11.4 Voting by Trustees

For the purposes of voting, the membership or shareholding shall be treated as separate and in addition to any other membership or shareholding of the trustee.

11.5 Joint Trustees

Where there is more than one trustee, this Clause 11, shall be interpreted and construed with consequential reference to Clause 9 as if the trustees were a Joint Member.

12 FINANCIAL ACCOMMODATION

12.1 No requirement for Membership

The Company may provide financial accommodation to its Members and to persons who are not Members.

12.2 Approval

The Board has an absolute discretion to approve or refuse to approve financial accommodation in full or in part or to impose conditions on any approval, without being obliged to give any reasons except as required by law.

12.3 Policies and procedures

The Board must establish policies and procedures for the granting of financial accommodation.

12.4 Financial Accommodation to Related Parties

The Company may provide financial accommodation to related parties as defined in the Corporations Act and in accordance with any requirements of the Corporations Act.

12.5 Company's powers on sale

Where the Company exercises its power of sale in respect of real property and the Borrower fails to remove the Borrower's chattels from the mortgaged property prior to settlement of that sale the Company shall have the power to remove, store, dispose of and/or sell such chattels and to pass title in respect thereof as the agent of the Borrower and to debit any account of the Borrower with all costs incurred and to credit any account of the Borrower with the net proceeds of any such sale.

12.6 Limitation of liability for sale

The Company shall not incur any liability of any kind whatsoever to the Borrower in respect of any actions taken by the Company pursuant to Clause 12.5.

13 DEPOSITS

13.1 Acceptance of Deposits

The Company may accept deposits from its Members and from persons who are not Members.

13.2 Classes of Deposits

The Board may establish different classes of deposits as well as the terms and conditions attaching to any deposit and including terms and conditions or any qualifications and criteria applying to any class of deposits.

14 DORMANCY

14.1 Dormant account

The Board may determine a Depositor's account to be dormant if no transactions have been made within a period in excess of one year and providing the Company does not receive a written notice from the Depositor pursuant to Clause 14.2.

14.2 Notice before determination

The Board must ensure that before a deposit account is declared dormant, a written notice is sent to the Depositor at the Depositor's last known address stating the Company

intends to close the account unless the Depositor gives to the Company a written notice within 1 month of the date of the Company's notice, stating the Depositor wishes the account to remain open.

14.3 Multiple accounts

A notice given in accordance with Clause 14.2 may relate to more than one account.

14.4 Suspense account

When a deposit account is declared dormant, the Company may credit the amount of money held in the deposit account to a designated suspense account.

14.5 Reinstatement

A Depositor who has had an account declared dormant will be entitled to have the Depositor's membership (if applicable) and account reinstated on application unless the account has been dealt with in accordance with a law dealing with unclaimed moneys.

14.6 Fees on dormant account

The Company may charge a fee or fees for keeping an amount for the Depositor in a suspense account.

14.7 No interest on dormant accounts

An account declared dormant shall not bear interest during any period of dormancy.

14.8 Unclaimed moneys

The provisions of this Clause 14 are in addition to and not in substitution for any duties or obligations of the Company pursuant to law including the provisions of the Banking Act.

15 DEATH OF A MEMBER

15.1 Liability of deceased Members

The estate of a deceased Member:-

- (a) remains liable to the Company for the amount of any unpaid financial accommodation provided by the Company to the deceased Member; and
- (b) retains any entitlements due from the Company.

15.2 Payments

The Company may make certain payments out of the account of a deceased Depositor in accordance with the provisions of the Banking Act.

15.3 Payments without grant

The Board may, but is not required to, allow payments to be made from any account of a deceased Depositor in excess of the amount prescribed by the Banking Act

and on such terms and conditions as the Board may deem fit by way of general policy or in any particular case and no action shall lie against the Company or the Directors or any of them for making such allowance or refusing or failing to do so.

15.4 Status of Deposit of deceased Member

A Deposit standing to the credit of a deceased Member in that person's name and not jointly on the Relevant Date is not a Deposit of a Qualified Member for the purposes of participating in any surplus on a winding up or for the purpose of a Restructure of the Company.

16 BANKRUPTCY OR WINDING UP OF MEMBER

The rights and liabilities of Members will be as provided in the laws relating to bankruptcy and insolvency and the Corporations Act.

17 CESSATION OF MEMBERSHIP

17.1 Criteria for cessation

A person will cease to be a Member of the Company:-

- (a) where the person is expelled in accordance with this Constitution;
- (b) where any contract of membership is rescinded on the ground of misrepresentation or mistake;
- (c) where the person's membership is terminated in accordance with Clause 7.7;
- (d) where the Member is a corporation, if the corporation is wound up or struck off;
- (e) where the person becomes bankrupt and the proper officer disclaims in accordance with the provisions of any bankruptcy law; or
- (f) where the person dies.

17.2 Finalisation of Member's accounts

A person who is or becomes a Member of the Company will, subject to Clause 17.1, automatically cease to be a Member unless the person at all times satisfies at least one of the following criteria:-

- (a) the person has at least \$1.00 (including interest accrued but unpaid) standing to the person's credit as a deposit or deposits and all deposits of the person are not at the time declared dormant in accordance with Clause 14;
- (b) the person is a Shareholder (other than a Shareholder holding only MCIs); or
- (c) the person is a Borrower and is indebted as a Borrower to the Company.

17.3 Temporary lapses

For the purposes of paragraph (a) of Clause 17.2, a Member who is not a Borrower or a Shareholder is deemed to satisfy the requirements of that paragraph unless there is more than 60 days for which there is less than \$1.00 (including interest accrued but unpaid) standing to the person's credit as a deposit or deposits.

17.4 Board may readmit

Where a person has ceased to be a Member as a result of the operation of Clause 17.2, the Board may readmit that person to membership and may determine either generally or in any particular case whether such person's membership shall be deemed to be continuous for the purposes of this Constitution including for calculation of the length of membership for any purpose of this Constitution.

18 EXPULSION OF MEMBERS

18.1 Expulsion

A Member may be expelled by the Board from the Company if:-

- (a) the Member has failed to discharge the Member's obligations to the Company whether prescribed by this Constitution or arising out of any contract; or
- (b) the Member (or any one of the persons' constituting a joint Member or an officer, employee or representative of a Member) has been guilty of conduct detrimental to the Company or any of its officers, employees or other Members has, in the opinion of the Secretary or the Board done anything which is, or might reasonably be suspected of being fraudulent or otherwise illegal or who has conducted themselves in a way which is, or might reasonably be expected to be detrimental to, damaging or might reasonably be expected to be otherwise contrary to the interests of the Company or any of its officers, employees or any other Member of the Company and having regard to its or their reputation, credibility, safety or well being.

18.2 Notice of expulsion

Upon a Member being expelled, the Company shall forthwith give written notice of expulsion to the Member.

18.3 Effect of expulsion

Any moneys standing to the credit of a Member who has been expelled will be paid to the Member after satisfaction of all liabilities and obligations of the Member to the Company.

18.4 Appeal against expulsion

The expelled Member has the right of appeal according to the conditions prescribed in Clause 18.7.

18.5 Repayment of loan on expulsion

Notwithstanding the provisions of any Loan Document, any moneys owing to the Company by a Member who has been expelled under this Constitution may, at the Company's discretion, immediately become payable in full to the Company and the Company may take action to recover those moneys as if that Member were in default with the Member's repayments or obligations under the said Loan Document.

18.6 No Expulsion for quoted Shares

A Member whose membership derives from the Member's holding of Shares which are officially quoted on a Stock Exchange may not be expelled.

18.7 Notice of appeal

A person, who wishes to appeal against the person's expulsion as a Member, must give written notice to the Secretary, at the Company's registered office, of the person's request to appeal.

18.8 Grounds of appeal

Notice of appeal must be received by the Secretary within 14 days of the date of expulsion and set out the grounds of appeal against the expulsion.

18.9 Notice of hearing

The Secretary must within 14 days of the next meeting of the Board after receipt of any valid notice of appeal, give written notice to the person of the time, date and place at which the Board will consider the appeal.

18.10 Date for hearing

The date for hearing of the appeal, in accordance with Clause 18.9, must not be less than 21 days nor more than 2 months from the date on which the Secretary gives the notice.

18.11 Notice of appearance at appeal

The Member may be present and be heard at such meeting of the Board in accordance with Clause 18.9, provided that such Member has given to the Board 7 days notice in writing of the Member's desire to be present or to be present and heard and, in either case, in person.

18.12 Right of appearance at appeal

Subject to the requirements of Clause 18.11, at the hearing of the appeal, the Member is entitled to be present and to be heard.

18.13 Representation

At the hearing of the appeal, the Member is not entitled to be represented by or to be heard through the Member's

legal representative or other agent without the prior consent of the Board, and which consent the Board may give or refuse and with conditions as the Board in its discretion shall think fit.

18.14 Other persons

The Board may invite any other person, including a legal representative, to address it at the hearing of the appeal.

18.15 Board to decide

The Board must consider any representations or submissions made to it at the hearing of the appeal and the Member is not entitled under any circumstances to be present during such consideration.

18.16 Adjournment of appeal

Any meeting of the Board to consider the appeal may be adjourned from time to time.

18.17 Board's decision final

The Board's decision on the appeal is final and the Board is not required to publish or give any reasons for such decision.

18.18 Notice of decision

The Secretary shall give written notice to the Member of the Board's decision within 7 days of such decision having been made.

19 DISPUTE RESOLUTION

19.1 Procedure

A dispute between the Company and a Member (in their capacity as a Member) or Shareholder (in their capacity as a holder of Shares) where not settled by the Company's internal procedures, will be settled by arbitration in accordance with the Commercial Arbitration Act 1990 or such other form of arbitration or dispute resolution which may be adopted by the Company upon a resolution of the Board from time to time.

19.2 Exclusion of dispute resolution provisions

Nothing in Clause 19.1 will apply to any dispute as to the construction or effect of the Corporations Act or of any Loan Document, deposit, disclosure statement or of any contract contained in any document other than this Constitution.

19.3 Definitions

For the purposes of this Clause:-

"Company" includes the Board and any officer;

"Member" includes:-

- (a) any person aggrieved where the grievance arises out of that person's membership or cessation of membership and who has not for more than 3 months ceased to be a Member;

- (b) any person aggrieved where the grievance does not arise out of that person's membership or cessation of membership and who has not for more than 28 days ceased to be a Member; and
- (c) any person claiming by or through a Member or by or through a person referred to in (a) or (b).

20 CHARGE ON DEPOSITS AND AUTHORISED WITHDRAWALS

20.1 Charge on deposits

The Company has a charge upon the credit balance of any deposit account of a Depositor and upon any dividend, interest, bonus or rebate payable to the Depositor in respect of any debt due from the Depositor to the Company.

20.2 Appropriation

The Company is entitled to appropriate any amount credited or payable to the Depositor on any deposit account in or towards payment of any such debt due from the Depositor to the Company.

20.3 Authorised withdrawals

The Company may upon receipt of any appropriate authority from a legal, statutory or Government authority and where required by law, withdraw funds from a Depositor's account and forward the proceeds to the designated authority.

20.4 Fees on withdrawals

The Company may levy a fee for acting in accordance with Clause 20.3.

21 FEES

A Member, Depositor or Borrower will be liable to pay the fees authorised by the Board from time to time.

22 CAPITAL

22.1 Raising capital

The capital of the Company may be raised in any manner permitted by law, including the issue of Shares.

22.2 Board control

Subject to this Constitution, the Corporations Act and any applicable Prudential Standards, Shares are under the control of the Board who may issue or allot shares to Members or other persons on such terms and conditions (including with respect to the issue price for those Shares) as the Board may determine.

22.3 Paid and unpaid Shares

Subject to Clause 29.3, Shares may be issued either as fully paid up or as Shares to be paid for by periodical or other subscription, as the Board determines.

23 MAXIMUM PERMISSIBLE SHAREHOLDING

23.1 Maximum Shareholding

Unless exempted or approved by the Board and as allowed by law, no Shareholder will hold a stake in any class of Shares of more than 10 per centum or such lesser percentage as may be prescribed from time to time under the Financial Sector (Shareholdings) Act 1998 (Commonwealth) as being the maximum permissible shareholding of any class of Shares issued by the Company.

23.2 Calculation of stake

The calculation of a Shareholder's stake in any class of Shares shall be made in accordance with the provisions for the calculation of a stake as set out in the Financial Sector (Shareholdings) Act 1998 (Commonwealth).

23.3 Consequences of exceeding maximum permissible shareholding

If a person has more than the maximum permissible shareholding permitted under Clause 23.1 the Company may, subject to the provisions of any applicable legislation, forfeit and sell any excess Shares held by that person.

24 CONSOLIDATION OF SHARE CAPITAL

The Company may by resolution:-

- (a) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares but so that in such division the proportion between the amount paid and the amount (if any) unpaid on each such Share of a larger amount is the same as it was in the case of the Shares from which the Share of a larger amount is derived; or
- (b) subdivide all or any of its Shares into shares of a smaller amount than its existing Shares but so that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each such Share of a smaller amount is the same as it was in the case of the Share from which the Share of a smaller amount is derived.

25 RAISING OF CAPITAL

The Company may at the discretion of the Board:-

- (a) offer its Shares for subscription or purchase or issue invitations to subscribe for or buy its Shares in any manner authorised by the Corporations Act;
- (b) enter into any agreements or arrangements for the whole or partial underwriting of any issue of Shares;

- (c) apply for, obtain and maintain admission to an Official List of a Stock Exchange; and
- (d) apply for, obtain and maintain official quotation of any of its Shares by a Stock Exchange.

26 RIGHTS OF SHAREHOLDERS

The holder of a Share (other than an MCI) will have all of the rights of a Member, including the rights specified in Clause 7, together with:-

- (a) the right to receive a distribution of profits by way of dividends or bonus shares as determined from time to time by the Board; and
- (b) the right to transfer, sell or assign that Share.

The rights of MCI Holders shall be determined in accordance with Clause 29.

27 CALLS

Subject to this Constitution, the Company may:-

- (a) make arrangements on the issue of Shares for varying the amounts and times of payment of calls as among Shareholders; and
- (b) accept from a Shareholder the whole or a part of the amount remaining unpaid on any Shares although no part of that amount is being called up.

28 REDUCTION OF CAPITAL

The Company may by special resolution reduce its share capital or any share premium account in any way allowed by law but in particular may do all or any of the following:-

- (a) extinguish or reduce the liability of Shareholders on any of its shares in relation to share capital not paid up;
- (b) cancel any paid up share capital that is lost or is not represented by available assets; and
- (c) pay off any paid up share capital that is in excess of the Company's needs.

29 CLASSES OF SHARES AND MCIs

29.1 Classes of Shares

The Company may issue Shares of different classes and each class of Shares need not rank equally with the other classes of Shares in relation to the return of capital and any distribution of surplus assets and profits in the winding up of the Company, or upon any reduction of capital.

29.2 Issue of MCIs

The Company may issue MCIs (including, without limitation, MCIs which are issued upon conversion of another security), including MCIs which are, or at the option of the Company are, liable to be redeemed.

29.3 Terms of issue of MCIs

Each MCI issued by the Company must be issued as a fully paid share and:-

- (a) may confer a right to receive dividends at the rate specified in the terms of issue (provided that an MCI must not confer on the holder a right to receive dividends that are cumulative);
- (b) may participate in the profits if, and to the extent, specified in the terms of issue;
- (c) may 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 Shares;
- (d) may confer a right on its holder in a winding up and on redemption (if redeemable) to payment in priority to, equally with, or subordinated to, any other class of Shares as specified in the terms of issue, of:
 - (i) the amount of any dividend accrued but unpaid on the MCI at the date of winding up or the date of redemption (if redeemable); and
 - (ii) any amount paid up on the MCI or any other amount stated in, or calculated under, the terms of issue;
- (e) does not confer on its holder any right to participate in the profits or property of the Company except as set out in this Clause and Clause 104.2;
- (f) may 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;
- (g) may be redeemed or converted into ordinary Shares on such conditions as specified in the terms of issue; and
- (h) may entitle its holder to vote at, or may prohibit its holder from voting at, any general meeting of the Company, as specified in the terms of issue,

in each case, as determined by the Board under the terms of issue, provided that the rights attaching to MCIs must comply with this Constitution, the Corporations Act and any applicable Prudential Standards.

29.4 Additional MCIs

The Company may at any time create and issue MCIs ranking equally with, or in priority to, MCIs already on issue or with different rights to MCIs already on issue.

29.5 Regulatory capital

Notwithstanding anything to the contrary in this Constitution, the Board may determine that the terms of issue of any MCIs to be issued by the Company contain such terms and conditions as it considers necessary or desirable for those MCIs to be eligible for inclusion as regulatory capital under any applicable Prudential Standards including (without limitation):

- (a) to provide that the MCIs are not redeemable;
- (b) to limit the right to receive dividends; and
- (c) to limit the right to payment in a winding up and to participate in the profits or property of the Company.

29.6 Variation of rights attached to MCIs

The rights attached to MCIs (or a class of MCIs) may only be varied or cancelled by special resolution of the Company and:

- (a) by a special resolution passed at a meeting of Shareholders holding MCIs in that class; or
- (b) with the written consent of holders of at least 75% of the issued MCIs of that class.

29.7 Voting MCI Holders

A Voting MCI Holder is, for the purposes of:

- (a) Clauses 42 to 56 (inclusive);
- (b) Clauses 60, 62 and 64; and
- (c) Clause 88,

of this Constitution only (and not otherwise), deemed to be a Member of the Company and entitled to vote on resolutions at any general meeting of the Company to the extent specified in the terms of issue of the relevant MCIs.

For the avoidance of doubt, subject to the Corporations Act and the terms of issue of the relevant MCIs, a person who is both a Voting MCI Holder and a Member shall be entitled to exercise only one vote on any question arising for determination by the Members of the Company and Voting MCI Holders.

30 COMMISSION AND BROKERAGE

The Company may make a payment by way of brokerage or commission to a person in consideration of:-

- (a) the person subscribing or agreeing to subscribe (whether absolutely or conditionally) for Shares in the Company; or
- (b) the person procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares in the Company.

31 RIGHTS ISSUE

31.1 Proportionate offering

Where the Board determines pursuant to Clause 22.2 to

make a further issue of Shares to existing holders of Shares subsequent to the first issue of Shares, the issue will be offered to the then existing holders of Shares in proportion, as nearly as the circumstances allow, to the sum of the nominal value of the Shares already held by them.

31.2 Offer

The offer to participate in the rights issue will be made by notice in writing specifying the number of Shares offered, the terms and conditions of the offer and a time within which the offer may be accepted.

31.3 Declining offer

The offer will be deemed to be declined after the expiration of the specified time or on being notified by the person to whom the offer is made that the offer is declined, whichever first occurs.

31.4 Issue

If the offer is declined pursuant to Clause 31.3, the Board may issue by way of underwritten subscription or otherwise those Shares in such manner and to such persons as it thinks most beneficial to the Company.

31.5 MCIs

This Clause 31 does not apply to an issue of MCIs.

32 EQUITABLE AND OTHER INTERESTS IN SHARES

32.1 Exclusion of Trusts

Except as required by law, the Company shall not recognise a person as holding a Share upon any trust.

32.2 Absolute ownership

The Company is not bound by or compelled in any way to recognise (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or partial interest in any Share or unit of a Share or any other right in respect of a Share except in absolute right of ownership in the registered holder and except as otherwise provided by this Constitution or by law.

33 FORFEITURE OF SHARES

33.1 Forfeiture

Shares may be forfeited as required by or permitted under the Corporations Act and this Constitution. Without limiting the generality of the foregoing:-

- (a) if a call on a Share which has been made in accordance with the provisions of the Corporations Act, is unpaid at the end of 14 days after the day for its payment, the Share may be forfeited, at any time thereafter by resolution of the Board;

- (b) if a call on a Share is not paid on or before the day for its payment the Shareholder will not be entitled to any dividend or interest on the Share or in relation thereto after the day for payment and before the call is paid, or to exercise a vote in respect of that Share while the call remains unpaid in any meeting of Members or Shareholders of the Company as required under the Corporations Act; or
- (c) if a person has more than the maximum shareholding permitted by Clause 23.1 the Company must forfeit and sell the excess Shares in accordance with the provisions of the Corporations Act and such person will not be entitled to a vote at any meeting of Members or Shareholders of the Company until the excess Shares are forfeited and, if necessary, sold.

33.2 Sale of forfeited Shares

Shares forfeited in accordance with Clause 33.1 must be offered for sale within six weeks of their forfeiture:-

- (a) by auction; or
- (b) on a stock market as permitted by the Corporations Act.

33.3 Auction

If the forfeited Shares are to be sold at auction, the sale must be advertised not less than 14 and not more than 21 days before the date appointed for the sale in a daily newspaper circulating generally in the area of Queensland in which the Company operates, and if the Company operates in another State or other States, in that other State or States. The forfeited Shares may be offered for auction and sold credited as paid up to the sum of:

- (a) the amount paid up at the time of forfeiture;
- (b) the amount of the call unpaid, if any; and
- (c) the amount of any call or calls becoming payable on or before the date of sale.

33.4 Proceeds of sale

The proceeds of the sale of forfeited Shares will be applied in order in payment of:-

- (a) the expenses of the sale;
- (b) any expenses necessarily incurred in respect of the forfeiture;
- (c) any calls then due and unpaid;
- (d) any moneys owing to the Company by the Shareholder under any Loan Document,

and the balance (if any) must be paid to the Shareholder whose Share has been so sold on the Shareholder

delivering to the Company the Share Certificate (if any) that relates to the forfeited Share.

34 REGISTRATION AS HOLDER OF SHARES AND TRANSFER

34.1 Registration as Shareholder

A person becomes registered as a holder of a Share upon entry of the person's name by the Company in its Register of Shareholders as required by the Corporations Act.

34.2 Shares are transferable

Subject to any limitations or restrictions imposed by the Corporations Act, this Constitution or the terms of issue of the Share, Shares are transferable.

34.3 Effective date of transfer

Subject to Clause 34.6, the transferor of a Share remains the holder of the Share until the transfer is registered and the name of the transferee is entered in the Register of Shareholders in respect of the Share.

34.4 Transfer of listed Shares

Shares which are officially quoted on any Stock Exchange may be transferred in accordance with the Listing Rules and the ASX Settlement Operating Rules and any provisions of the Corporations Act or instrument issued under such legislation.

34.5 Transfer of unlisted Shares

Shares which are not officially quoted on a Stock Exchange may be transferred by instrument in writing in any usual or common form or in any other form that the Board approves.

34.6 Instrument of transfer

An instrument of transfer in respect of a Share not officially quoted on a Stock Exchange must be left for registration at the Registered Office of the Company, together with:-

- (a) such fee (if any) as the Board may require;
- (b) any certificate issued by the Company for such Share; and
- (c) such other information as the Board requires to show the right of the transferor to make the transfer,

and thereupon the Company will, subject to the right of the Board to refuse, at its sole discretion, consent to the transfer and subject to any other powers vested in the Board register the transferee as a Shareholder.

34.7 Automated security transfer systems

- (a) The Company may participate in any computerised or electronic system established or recognised by law or by the Listing Rules or the ASX Settlement Operating Rules for the purpose of facilitating dealings in Shares.

- (b) Where the Company participates in any such system, then notwithstanding any other provision of this Constitution relating to the transfer of Shares and the issue of certificates for Shares:-
- (i) Shares may be transferred and the transfers registered in a manner permitted or recognised by law or the Listing Rules or the ASX Settlement Operating Rules;
 - (ii) the Board may decide not to issue certificates for Shares or may decide to cancel such certificates without issuing any replacement certificates wherever such a practice is not contrary to applicable law or the requirements of the Listing Rules or the ASX Settlement Operating Rules; and
 - (iii) the transferor of a Share remains the holder of it until the time the Corporations Act or the ASX Settlement Operating Rules provide that the transfer takes effect and the name of the transferee is entered in the Register.
- (c) The Board may, to the extent the law permits, waive any of the requirements of this Clause 34 and prescribe alternative requirements instead, whether to give effect to Clause 34.7(a) or for another purpose.

34.8 Refusal to register transfer

The Board:-

- (a) may refuse to register a transfer of Shares only if that refusal would not contravene the Listing Rules or the ASX Settlement Operating Rules;
- (b) subject to the Corporations Act, must not register a transfer to a subsidiary of the Company;
- (c) must not register a transfer if the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules forbid registration;
- (d) without limiting paragraph (a), subject to the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules, may refuse to register a transfer of Shares where the registration of the transfer would create a new holding of a Non-marketable Parcel; and
- (e) may refuse to register a transfer where permitted or required by this Constitution.

34.9 Notice of refusal to register transfer

If the Board refuses to register a transfer, the Company must give the lodging party notice of the refusal and the

reasons for it within 5 business days after the date on which the transfer was delivered to it.

34.10 Right to refuse to register

The Board may refuse to register a transfer of Shares in the Company:-

- (a) if the Shares are not fully paid;
- (b) if the Company has a lien on the Shares; or
- (c) if it would give effect to a transfer which would be contrary to the requirements or provisions of Clause 23.1.

34.11 Suspension of right to transfer

The Board may suspend registration of transfers of Shares in the Company at the times and for the periods they may determine but, the period of suspension must not exceed, in aggregate, 30 days in any one calendar year subject to the Listing Rules and the ASX Settlement Operating Rules.

34.12 Uncertificated securities

Unless the Listing Rules and ASX Settlement Operating Rules allow the Company to issue a certificate for particular securities, the Company:-

- (a) must not issue a certificate for those securities; and
- (b) may cancel a certificate for those securities without issuing another certificate.

35 STAFF SHARE PLAN

35.1 Board may establish staff share plan

Subject to the Corporations Act, this Constitution, any applicable Prudential Standards and, if required, to the approval of Members in accordance with the Corporations Act, the Board may establish a staff share plan to provide for the acquisition of Shares or options to take up Shares in the Company to be held by or for the benefit of participating employees.

35.2 Board's power to allot Shares

The Board will have full power to allot and issue Shares in accordance with the terms of such staff share plan.

35.3 Financial assistance for Shares

Any such plan may provide for the giving of financial assistance by the Company.

36 DIVIDEND REINVESTMENT PLAN

The Board may and, if required by law, with the approval of an ordinary resolution of the Company, establish a dividend reinvestment plan to allow all holders of Shares to elect to have dividends payable to them reinvested in Shares of the Company.

37 SHARE BUY BACKS AND REDEMPTIONS

To the extent permitted by the Corporations Act and their terms of issue, the Company may buy Shares in itself or redeem Shares on the terms and at the time determined by the Board.

38 FINANCIAL ASSISTANCE FOR SHARES

38.1 Company may provide financial assistance

The Company may financially assist a person to acquire Shares in the Company or a holding company of the Company only if:-

- (a) giving the assistance does not materially prejudice:-
 - (i) the interests of the Company or its Members or Shareholders; or
 - (ii) the Company's ability to pay its creditors;
- (b) the assistance is approved under Clause 38.4;
- (c) the assistance is exempted under section 260C of the Corporations Act; or
- (d) the assistance is provided in the manner required or prescribed by the Corporations Act.

38.2 Nature of assistance

Without limiting Clause 38.1, financial assistance may:-

- (a) be given before or after the acquisition of Shares; and
- (b) take the form of paying a dividend.

38.3 Nature of Shares

Clause 38.1 extends to the acquisition of shares by:-

- (a) issue;
- (b) transfer; or
- (c) any other means.

38.4 Member approval

Approval for financial assistance by the Company must be given by:-

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by the person acquiring the Shares or by their associates; or
- (b) a resolution agreed to, at a general meeting, by all Members and Shareholders.

38.5 Meeting requirements

If the Company calls a meeting for the purpose of Clause 38.4 it must include with the notice of the meeting a statement setting out all the information known to the

Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to its Members and Shareholders.

38.6 Prerequisite to meeting

Before the notice of meeting for the purpose of Clause 38.4 is sent to Members and Shareholders of the Company, the Company must lodge with the Australian Securities and Investments Commission such documents as it is required to by law.

38.7 Australian Securities and Investments Commission requirements

The Company must lodge with the Australian Securities and Investments Commission, before giving the financial assistance, any notices in the prescribed form as prescribed by law.

39 TRANSMISSION OF SHARES ON DEATH

39.1 Death of Shareholder

If a Shareholder dies and subject to Clause 39.7, the Company will recognise only the personal representative of the deceased Shareholder as being entitled to the deceased Shareholder's interest in the Shares.

39.2 Personal representative

If the personal representative gives the Board the information it reasonably requires to establish the personal representative's entitlement to be registered as holder of the Shares the personal representative may:-

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

39.3 Rights of personal representative

The personal representative is entitled, whether or not registered as the holder of the Shares, to the same rights as the deceased Shareholder.

39.4 Registration of successor

On receiving an election under Clause 39.2(a), the Company must register the personal representative or the transferee, as the case requires, as the holder of the Shares.

39.5 Requirements for transfer

A transfer under Clause 39.2(b) is subject to the same rules (for example, about entitlement to transfer and registration of transfers) as apply to transfers generally.

39.6 No release of liability

The estate of a deceased Shareholder is not released from any liability in respect of the Shares.

39.7 Jointly held Shares

If a Shareholder who holds Shares jointly dies, the Company will recognise only the survivor as being entitled to the deceased Shareholder's interest in the Shares.

40 TRANSMISSION OF SHARES ON BANKRUPTCY OR INSOLVENCY

40.1 Bankruptcy or insolvency of Shareholder

If a person entitled to Shares because of the bankruptcy or insolvency of a Shareholder gives the Board the information it reasonably requires to establish the person's entitlement to be registered as holder of the Shares, the person may:-

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

40.2 Registration of successor

On receiving an election under Clause 40.1(a), the Company must register the person as the holder of the Shares.

40.3 Requirements for transfer

A transfer under Clause 40.1(b) is subject to the same rules (for example, about entitlement to transfer and registration of transfers) as apply to transfers generally.

40.4 Laws of bankruptcy and insolvency

This Clause has effect subject to any law of bankruptcy or insolvency.

41 TRANSMISSION OF SHARES ON MENTAL INCAPACITY

41.1 Mental incapacity of Shareholder

If a person entitled to Shares because of the mental incapacity of a Shareholder gives the Board the information it reasonably requires to establish the person's entitlement to be registered as the holder of the Shares, the person may:-

- (a) by giving a written and signed notice to the Company, elect to be registered as the holder of the Shares; or
- (b) by giving a completed transfer form to the Company, transfer the Shares to another person; and

the person will be entitled, whether or not registered as the holder of the Shares, to the same rights as the Shareholder.

41.2 Registration of successor

On receiving an election under Clause 41.1(a), the Company must register the person as the holder of the Shares.

41.3 Requirements for transfer

A transfer under Clause 41.1(b) is subject to the same rules (for example, about entitlement to transfer and registration of transfers) as apply to transfers generally.

42 MEETINGS OF MEMBERS

42.1 Calling of meetings

The Board may call a meeting of the Company's Members whenever the Board thinks fit provided that the meeting is held at a reasonable time and place and is held for a proper purpose.

42.2 Provisions for holding of meeting

The Company may, if the Board so resolves and in its discretion, make such provisions for the holding of a meeting as the Board deems appropriate.

42.3 Adjournment of meeting

The Chairman may, in the Chairman's discretion, or a duly constituted meeting may direct the Chairman, to adjourn the meeting in which case no business is to be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

42.4 No notice for short adjournment

Except when a meeting is adjourned for more than 28 days, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

42.5 Notice of adjournment

A notice of an adjournment for a meeting adjourned for more than 28 days is to be given to Members before the date of the adjourned meeting and must comply with Clause 45 and state the general nature of the business left unfinished at the meeting from which the adjournment took place.

42.6 Class meetings

The provisions of this Constitution relating to general meetings apply so far as they are capable of application and with any necessary changes to every separate meeting of the holders of a class of membership or a class of Shares, except that:

- (a) a quorum is constituted by the required number of Members or Shareholders of the relevant class; and
- (b) a poll may be demanded by the required number of Members or Shareholders of the relevant class.

43 CALLING OF MEETINGS WHEN REQUESTED BY MEMBERS

43.1 Requisitioned meeting

The Board must call and arrange to hold a general meeting on the request of:-

- (a) Members with at least 5% of the votes that may be cast at the general meeting; or
- (b) at least 500 Members (or such number as may be prescribed by the Corporations Act) who are entitled to vote at the general meeting.

43.2 Form of requisition

A request in accordance with Clause 43.1 must:-

- (a) be in writing;
- (b) state any resolution to be proposed at the meeting;
- (c) be signed by the Members making the request; and
- (d) be given to the Company.

43.3 Receipt of requisition

Upon receipt of a request in accordance with Clause 43.2, the Secretary may issue a receipt to one of the Members making the request and the receipt shall be prima facie evidence of the time of receipt of the request.

43.4 Calculation of entitlement to vote

For the purpose of Clause 43.1 the percentage of votes that Members have is to be calculated as at midnight on the day before the request is given to the Company.

43.5 Expenses of meeting

The Members present at any meeting of Members called at the request of the Members, shall determine whether the Members requesting the meeting or any one or more of them shall be liable for all or any of the expenses of calling and holding the meeting and, if so, such Members shall be jointly and severally liable to pay such expenses to the Company on demand.

43.6 Calculation of expenses of meeting

The Board may request the Company's auditor to determine the expenses of the calling and holding of a meeting in accordance with a request made under Clause 43.2 in which case the auditor's calculation shall be prima facie evidence of the amount of those expenses.

44 CALLING OF GENERAL MEETINGS BY MEMBERS

44.1 Members may call meeting

Members with at least 5% of the votes that may be cast at a general meeting of the Company may call and arrange to hold a general meeting.

44.2 Expenses of meeting

The Members calling the meeting must pay the expenses of calling and holding the meeting.

44.3 Method of calling meeting

The meeting must be called in the same way (as far as is possible) in which general meetings of the Company may be called.

44.4 Calculation of entitlement to vote

For the purposes of Clause 44.1, the percentage of votes that Members have is to be calculated as at midnight on the day before the notice of the meeting is given.

45 NOTICE OF MEETINGS

45.1 Length of notice

At least 28 days notice must be given of a meeting of the Company's Members.

45.2 To whom notice given

Written notice of a meeting of the Company's Members must be given to Members, Directors and the Company's Auditor as required by law.

45.3 Others not entitled to notice

No other person is entitled to receive notices of a meeting of the Company's Members.

45.4 Notice to Joint Members

Notice to joint Members must and need only be given to the primary joint Member.

45.5 Notice for adjourned meetings

When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for 28 days or more.

45.6 Requirements of notice

A notice of a meeting of the Company's Members must:-

- (a) set out the place, date and time for the meeting and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this;
- (b) state the general nature of the business of the meeting;
- (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) if a Member is entitled to appoint a proxy, contain a statement setting out the following information:-

- (i) that the Member has a right to appoint a proxy;
- (ii) whether or not the proxy does not need to be a Member of the Company; and
- (iii) that a Member who is entitled to cast two or more votes, appoints two or more proxies, the Member may specify the proportion or number of votes each proxy is appointed to exercise.

45.7 Notice for Annual General Meeting

It is not necessary for a notice of an annual general meeting to state that the business to be transacted at the meeting includes the declaring of a dividend, the consideration of accounts and the reports of the Directors and auditors, the election of Directors in place of those retiring, or the appointment of and fixing the remuneration of auditors.

46 MEMBERS' RIGHT TO PUT RESOLUTIONS AT MEETINGS

46.1 Member's notice of proposed resolution

Members with:-

- (a) at least 5% of the votes that may be cast on a resolution; or
- (b) at least 500 Members (or such higher number as may be prescribed by the Corporations Act) who are entitled to vote at a general meeting,

may give the Company notice of a resolution that they propose to move at a general meeting.

46.2 Form of notice

The notice must:-

- (a) be in writing;
- (b) set out the wording of the proposed resolution;
- (c) be signed by the Members proposing to move the resolution; and
- (d) be given to the Company at least 2 months before its next general meeting.

46.3 Multiple copies of notice

Separate copies of a document setting out a notice in accordance with Clause 46.2, may be used for signing by Members if the wording of the notice is identical in each copy.

46.4 Calculation of entitlement to vote

For the purposes of Clause 46.1, the percentage of votes that Members have is to be calculated as at midnight on the day before the Members give notice.

47 QUORUM

47.1 No business without quorum

No business shall be transacted at any meeting of the Company's Members unless a quorum of Members is present within 15 minutes after the time for the meeting set out in the notice of meeting.

47.2 Chairman to determine quorum

The Chairman may determine whether a quorum of Members is present and the Chairman's declaration shall be conclusive evidence of that fact at that time.

47.3 Number for quorum

The quorum for a meeting of the Company's Members is 20 Members personally present at the meeting and the quorum must be present at all times during the meeting.

47.4 Quorum for certain meetings

Notwithstanding Clause 47.3, the quorum for a meeting of the Company's Members held pursuant to either of Clauses 43 or 44 is the same number as the number of Members required to requisition or call a meeting pursuant to either of Clauses 43 or 44 as the case requires, and those Members must be personally present at the meeting and the quorum must be present at all times during the meeting.

47.5 Representatives do not count

In determining whether a quorum is present, if an individual is attending both as a Member and as a proxy or body corporate representative, the individual is only counted once.

47.6 Lack of quorum of requisitioned meetings

If a meeting of the Company's Members that is convened at the request of or on the requisition of Members that does not have a quorum present within 15 minutes after the time for the meeting set out in the notice of meeting shall be dissolved but:-

- (a) any proposed resolution shall be deemed lost;
- (b) for a meeting requisitioned under Clause 43, the Members present may determine the issue of payment of expenses for the meeting as prescribed by Clause 43.5; or
- (c) the meeting shall otherwise be dissolved.

47.7 Adjournment for lack of quorum

Subject to Clause 47.6, a meeting of the Company's Members that does not have a quorum present within 15 minutes after the time for the meeting set out in the notice of meeting is adjourned to the date, time and place the Board specifies or as provided in Clause 47.8.

47.8 Procedure for adjournment

If the Board does not specify one or more of these things, the meeting is adjourned to:-

- (a) if the date is not specified - the same day in the next week;
- (b) if the time is not specified - the same time; and
- (c) if the place is not specified - the same place.

47.9 Dissolution of resumed meeting

If no quorum is present at a resumed meeting within 15 minutes after the time for the meeting, the meeting is dissolved.

48 CHAIRING MEETINGS OF MEMBERS

48.1 Chairman

The Chairman or, in the Chairman's absence, the Deputy Chairman will be the chairman at every general meeting.

48.2 Absence of Chairman

If at a general meeting:-

- (a) there is no Chairman or Deputy Chairman;
- (b) neither the Chairman nor the Deputy Chairman is present within fifteen minutes after the time appointed for holding the meeting; or
- (c) the Chairman and Deputy Chairman are both unwilling to act as chairman of the meeting,

the Directors present may elect a chairman of the meeting.

48.3 Members may elect Director as chairman

If no person is willing to act or elected as chairman in accordance with Clause 48.1 or 48.2, the Members may elect one of the Directors present as chairman of the meeting.

48.4 Sole Director to be chairman

If there is only one Director present at a general meeting, that Director shall be the chairman of the meeting.

48.5 Members may elect Member as chairman

If no Director is present or is willing to take the chair at a general meeting, the Members may elect one of the Members present as chairman of the meeting.

48.6 Election procedure

Any election required to be undertaken pursuant to this Clause shall be conducted by the Secretary and in such manner as the Secretary shall think fit.

48.7 Secretary as chairman

Pending the outcome of an election in accordance with Clause 48.6, the Secretary shall be the chairman of the meeting.

48.8 Chairman's duties

The chairman of a general meeting:-

- (a) has charge of the general conduct of the meeting and of the procedures to be adopted at the meeting;
- (b) may determine any dispute about questions of procedure or the admission or rejection of a vote (including a vote recorded in a form of proxy);
- (c) may require the adoption of any procedure which is in the chairman's opinion necessary or desirable for proper and orderly debate or discussion and the proper and orderly casting or recording of votes at the general meeting; and
- (d) may, having regard where necessary to any requirements of the Corporations Act, terminate discussion or debate on any matter whenever the chairman considers it necessary or desirable for the proper conduct of the meeting.

48.9 Chairman's decisions final

A decision by the chairman under Clause 48.8 is final.

49 VOTING RIGHTS

49.1 Member's vote

A Member is entitled to exercise only one vote on any question arising for determination by the Members of the Company.

49.2 Voting entitlement subject to restrictions

A Member is not entitled to vote in any circumstances unless the Corporations Act or this Constitution so provides.

49.3 Requirements for entitlement to vote

A Member is entitled to vote at a meeting if:-

- (a) the Member has had at least \$100.00 on deposit with the Company continuously for at least 3 months immediately preceding the relevant meeting; or
- (b) the Member has been the holder of at least one fully paid Share in the Company, for a period of at least 3 months immediately preceding the relevant meeting.

49.4 Entitlement to vote for certain meetings

To be entitled to vote for the purposes of that term in Clauses 43, 44 and 46, the Member is entitled to vote if, and only if, the Member has the minimum amount of \$100.00 on deposit with the Company or the Member

has been the holder of at least one fully paid Share in the Company and in either case for a period of at least 3 months immediately preceding the time of calculation for the purposes of the Clause.

49.5 Clause 49.3 applies to all meetings

Notwithstanding Clause 49.4, to be entitled to vote at the meeting, the Member must satisfy the requirements of Clause 49.3 at any meeting called in accordance with Clauses 43, 44 and 46.

49.6 Representatives

On a poll, a Member who has been appointed to represent a corporate Member of the Company may vote both as a Member and in that person's representative capacity.

49.7 Joint Shareholders

If a Share is jointly held and more than one Shareholder purports to vote in respect of that Share, only the vote of the Shareholder whose name appears first in the Register of Shareholders is to be counted.

49.8 Shareholders

A Shareholder is not entitled to vote at a meeting of the Company's Members unless all calls and other sums presently payable by the Shareholder in respect of Shares in the Company have been paid.

49.9 Returning officer may require proof of identity

A Member, a proxy or body corporate representative for a Member before being eligible to vote at a meeting of Members, may be required by the returning officer or the Secretary to establish to that person's satisfaction the identity or authority of the Member, proxy or body corporate representative and that person's right to vote at a meeting of Members.

50 HOW VOTING IS CARRIED OUT

50.1 Voting procedure

A resolution put to the vote of a meeting of the Company's Members must be decided on a show of hands unless a poll is demanded before a vote is taken, or before the declaration of the result of the show of hands or immediately after the voting results of a show of hands are declared.

50.2 Proxy votes

Before a vote is taken the chairman of the meeting must inform the meeting whether any proxy votes have been received and how any directed proxy votes are to be cast.

50.3 Chairman to declare result

On a show of hands:-

- (a) a declaration by the chairman of the meeting

is conclusive evidence of the result; and

- (b) neither the chairman of the meeting nor the minutes need state the number or proportion of the votes recorded in favour or against.

50.4 Chairman's casting vote

The chairman of the meeting does not have a casting vote on any question arising for determination by the Company's Members.

50.5 Equal vote

In the event of an equal vote the matter will be decided in the negative.

50.6 Mental incapacity of Member

If a Member is mentally incapacitated or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, his or her committee or trustee or such other person as properly has the management of his or her estate may exercise any rights of the Member in relation to a general meeting as if the committee, trustee or other person were the Member.

51 WHEN AND HOW POLLS MUST BE TAKEN

51.1 Demand for poll

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

- (a) at least 10 Members (or such higher number as may be prescribed by the Corporations Act) entitled to vote on the resolution;
- (b) Members with at least 5% of the vote that may be cast on the resolution on a poll; or
- (c) the chairman of the meeting.

51.2 When poll may be demanded

A poll may be demanded on any resolution.

51.3 Withdrawal of demand for poll

The demand for a poll may be withdrawn by the person or persons making the demand.

51.4 Chairman to direct poll

A poll demanded on a matter other than the election of a chairman of the meeting or the question of an adjournment must be taken when and in the manner the chairman directs.

51.5 Certain polls to be taken immediately

A poll on the election of a chairman of the meeting or on the question of an adjournment must be taken immediately.

51.6 Chairman may adjourn meeting

For the purposes of determining the result of any poll, the chairman of the meeting may adjourn the meeting for a period not exceeding 14 days.

52 APPOINTMENT OF PROXIES

52.1 Member may appoint proxy

A Member of the Company 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, subject to any rights or restrictions for the time being attached to any class or classes of Shares.

52.2 Standing appointment

The appointment of a proxy may be a standing one.

52.3 Multiple proxies

If a Member is entitled to cast two or more votes at a meeting, the Member may appoint two or more proxies.

52.4 Proxy form may specify proportions

The appointment of a proxy may specify the proportion or number of votes that the proxy may exercise.

52.5 Prescribed form to be in writing

An appointment of a proxy is valid if it is in writing and signed, or otherwise authenticated in a manner prescribed by law by the Member making the appointment, or if the Member is a body corporate, either under seal or under the hand of an officer or attorney duly authorised 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.

52.6 Prescribed forms of proxy

Without limiting the generality of Clause 52.5, if the Board has prescribed the form of proxy, an instrument appointing a proxy must be in the form prescribed.

52.7 Inconsistent proxy forms

A later appointment of a proxy revokes an earlier one if both appointments could not be validly exercised at the same meeting.

52.8 Lodgement of proxy form

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 48 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.

52.9 Proxies for adjourned meeting

If a meeting of the Company's Members has been adjourned, an appointment and any authority received by the Company at least 48 hours before the resumption of the meeting are effective for the resumed part of the meeting.

52.10 Time of receipt of proxy form

The Company receives a document referred to in Clause 52.8:

- (a) when the document is received at any of the following:-
 - (i) the Company's registered office;
 - (ii) a fax number at the Company's registered office; or
 - (iii) a place, fax number or electronic address specified for the purpose in the notice of meeting; and
- (b) if the notice of meeting specified other electronic means by which a Member may give the document - when the document given by those means is received by the Company as prescribed by law.

53 RIGHTS OF PROXIES

53.1 Proxy may attend and vote

A proxy appointed to attend and vote for a Member has the right to:-

- (a) speak at the meeting;
- (b) vote (but only to the extent allowed by the appointment); and
- (c) join in a demand for a poll.

53.2 Proxy vote for show of hands

A proxy is entitled to vote on a show of hands.

53.3 Directed proxies

An appointment may specify the way the proxy is to vote on a particular resolution and if it does, the proxy is not entitled to vote on the resolution except as specified in the instrument of appointment.

53.4 Multiple proxies

If a Member appoints two or more proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise a proportionate number of the votes unless the Member only has one vote, in which case, the later appointment shall prevail and any earlier appointment shall be invalid and of no effect.

53.5 Suspension of proxy's rights

A proxy's authority to speak and vote for a Member or, in the case of a Body Corporate representative, that representative, at a meeting is suspended while the Member is present at the meeting.

53.6 Member may cast own vote

If a proxy is also a Member, this Clause does not affect the way that the person can cast any votes the person has as a Member.

53.7 Proxy who is not a Member

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 proxy's appointment specifies the way the proxy is to vote on the resolution and the proxy votes that way.

54 VALIDITY OF PROXY VOTE

Unless the Company receives written notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by a proxy will be valid if given in accordance with the terms of the instrument of proxy 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;
- (d) the Member revokes the authority under which the proxy was appointed by a third party; or
- (e) the Shareholder transfers the Share in respect of which the proxy was given.

55 OBJECTIONS TO RIGHT TO VOTE

55.1 Challenge may be made

A challenge to a right to vote at a meeting of a Company's Members:-

- (a) may only be made at the meeting or adjourned meeting at which the vote objected to is given; and
- (b) must be determined by the chairman of the meeting, whose decision is final.

55.2 Validity of vote

A vote not disallowed pursuant to an objection in accordance with Clause 55.1 is valid for all purposes.

56 OFFENSIVE MATERIAL

56.1 Refusal of admission to meeting

A person may be refused admission to, or required to leave and not return to, a meeting if the person:-

- (a) refuses to permit examination of any article in the person's possession;
- (b) is in possession of any:-
 - (i) electronic, recording or photographic device;
 - (ii) placard or banner; or
 - (iii) other article which the chairman of the meeting considers to be dangerous, offensive or liable to cause disruption or in respect of which the chairman has not given consent; or
- (c) behaves in a manner which the chairman of the meeting considers dangerous, offensive or liable to cause disruption.

56.2 Prohibited items

No person shall be entitled to have any electronic, recording or photographic device in their possession at any meeting of the Company without the chairman of the meeting's prior consent.

56.3 Chairman's decision final

The decision of the chairman of the meeting on any matter arising under Clause 56 is final.

57 MINUTES

57.1 Minute books

The Company must keep minute books as it is required to do by law.

57.2 Minutes of meetings

The Company must ensure that minutes of a meeting are signed within a reasonable time after the meeting by one of the following:-

- (a) the chairman of the meeting; or
- (b) the chairman of the next meeting.

57.3 Location of minute books

The Company must keep its minute books at:-

- (a) its registered office; or
- (b) another place approved by the Australian Securities and Investments Commission.

57.4 Minutes as evidence

A minute that is so recorded and signed is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.

58 FINANCIAL RECORDS

The Company must keep such financial records as is required by law.

59 ELECTION, APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS

59.1 Number of Directors

Unless otherwise determined by the Company in general meeting, the Board shall comprise not less than 3 and not more than 12 Directors and, in addition, may include not more than one employee Director.

59.2 Change in number of Directors

Subject to the Corporations Act, the Company in general meeting may approve a board limit proposed by the Directors which restricts the number of Directors to less than the number specified in Clause 59.1.

59.3 Additional Directors

The Directors may, at any time, appoint a person to be a Director providing that:

- (a) the total number of Directors does not exceed any maximum number specified in Clause 59.1 or approved under Clause 59.2; and
- (b) the person is eligible to be a Director in accordance with Clause 61.1.

59.4 Casual vacancy provisions to apply

All provisions of this Constitution relative to the qualification, appointment, retirement, re-election and remuneration of Directors appointed to fill a casual vacancy will apply to any appointment of a Director pursuant to Clause 59.3.

59.5 Current Directors

The Directors in office at the time of adoption of this Constitution continue in office subject to this Constitution.

60 EMPLOYEE DIRECTORS

60.1 Board may nominate employee

Only the Board may nominate an employee for election as a Director of the Company.

60.2 Members may elect

The Members in general meeting may elect one employee of the Company, nominated by the Board and otherwise qualified under the Corporations Act or this Constitution, to be a Director of the Company.

61 QUALIFICATION OF DIRECTORS

61.1 Eligibility criteria

A person is not eligible to be a Director of the Company if the person:-

- (a) is a minor;
- (b) is not a Member;
- (c) subject to Clause 60, is an employee of the Company;
- (d) is bankrupt, has applied to take the benefit of any law for the relief of bankruptcy or insolvent debtors, compounded with the person's creditors or made an assignment of the person's remuneration for their benefit;
- (e) is prohibited from being a Director of a body corporate by the Corporations Act or any other law;
- (f) has been convicted in the last 10 years:-
 - (i) of an indictable offence in relation to the promotion, formation or management of a body corporate; or
 - (ii) of an offence involving fraud or dishonesty;
- (g) has not, when required, provided a declaration of interest disclosing all matters required by law or under this Constitution;
- (h) is a Member whose voting rights have been suspended;
- (i) is at least 3 months in arrears in relation to money due to the Company and has failed to make arrangements satisfactory to the Company for payment;
- (j) does not have at least the sum of \$1,000.00 deposited with the Company or hold 1000 fully paid up Shares in the Company and in each case in the Member's own right and not jointly;
- (k) is of unsound mind;
- (l) has not, prior to being appointed, given to the Company a signed consent to act as a Director of the Company; or
- (m) is not a fit and proper person to be a Director in accordance with the requirements of any law or a policy of the Company or the Board.

61.2 No disqualification for fiduciary relationships

A Director is not disqualified by the Director's office and the fiduciary relationship established by it from holding any office or place of profit, other than that of auditor, under the Company or a related body corporate of the Company.

61.3 Potential conflicts of interest

A Director may, subject to the Corporations Act or any other law:-

- (a) be or become a director of or otherwise hold office or a place of profit in any other company promoted by the Company or in which the Company may be interested as vendor, shareholder or otherwise;
- (b) contract or make any arrangement with the Company or any related body corporate whether as vendor, purchaser, broker, solicitor or accountant or other professional person or otherwise and any contract or arrangement entered or to be entered into by or on behalf of the Company or any related body corporate in which any director is in any way interested is not avoided for that reason; and
- (c) participate in any association, institution, fund trust or scheme for past or present employees or Directors of the Company or any related body corporate, or any of their respective predecessors in business or their dependants or persons connected with them.

62 ELECTION OR APPOINTMENT AND REMOVAL OF DIRECTORS

The Directors of the Company will be elected or appointed at the Annual General Meeting of the Company and will hold and vacate office and retire or be removed from office as prescribed by this Constitution and the Corporations Act.

63 CASUAL VACANCY

63.1 Directors may fill vacancies

The Board may, but is not required to, appoint a person as a Director to fill a casual vacancy and providing that person is eligible to be a Director in accordance with Clause 61.1.

63.2 Term of office of appointees

The term of office of a Director appointed to fill a casual vacancy will end at the end of the next Annual General Meeting of the Company at which meeting the retiring Director is eligible for election.

63.3 Rotation of Directors

The retirement of a Director pursuant to Clause 63.2 will be taken into account in determining which Directors must retire by rotation.

63.4 Types of vacancies

For the purposes of this Clause a casual vacancy is a vacancy occurring as a result of the application of Clause 68.1.

64 ELECTION OF DIRECTORS

64.1 Type of election

An election of Directors of the Company is to be held by show of hands unless a ballot is demanded by the chairman of the meeting or at least 10 Members present and entitled to vote at the meeting.

64.2 Vote to be taken

A vote must still be taken in relation to the appointment of the Directors if it is required by the Corporations Act.

64.3 Appointment of returning officers

The Board must appoint a returning officer who may appoint assistant returning officers, none of whom can be a Director or a person who intends to nominate for the office of Director.

64.4 Returning officer may delegate

The returning officer may delegate any of the returning officer's duties or powers to any assistant returning officer.

64.5 Nominations

In order to nominate a person:-

- (a) must be eligible for election under Clause 61.1;
- (b) must lodge a notice of nomination and consent to appointment at the Company's registered office:
 - (i) in the case of the annual general meeting, before 4.00pm on or before the 15th day of August in the year in which the election is to be held, or if a relevant day is not a business day, the immediately preceding business day; or
 - (ii) in the case of a meeting required by section 250W(2) of the Corporations Act:
 - (A) if there is a time period under which nominations must be accepted under the law for that meeting, that time period; or
 - (B) in any other case, the 45th business day prior to the date of the meeting; and
- (c) if at the time of lodgement of a nomination, the person is not a Director of the Company, then at the time of lodgement of the

nomination the person shall also furnish to the Secretary such information as may reasonably be required to allow the Board to consider whether the person is a fit and proper person to be a Director of the Company.

64.6 Nomination of retiring Directors

A retiring Director or a Director appointed to fill a casual vacancy is deemed to have nominated for and consented to re-election (without the need to comply with Clause 64.5(b)) unless the retiring Director has given written notice to the Company by the closing date that such person does not wish to nominate for re-election at that election.

64.7 Fit and proper person details

For the purposes of Clause 64.5(c), the information to be provided to the Secretary shall be such information as may be required to allow the Board to consider the person's standing having regard to any law, standard, guidance or practice note including any policy of the Board and which may include:-

- (a) full details of the person's experience and qualifications;
- (b) a full criminal history record for the person in any jurisdiction thought appropriate by the Secretary or the Board; and
- (c) details of the person's business and financial affairs and those of any associate thought appropriate by the Secretary or the Board.

64.8 Declaration by nominee

A person seeking election as a Director (other than a retiring Director seeking re-election) must furnish to the Company a declaration in such form as the Board of Directors may require:-

- (a) as to the person's eligibility for election or re-election under Clause 61.1; and
- (b) as to whether the person has an interest in a contract or a proposed contract, with the Company; and
- (c) as to whether the person holds an office or has an interest in property, whereby, whether directly or indirectly, duties or interests may be created that could conflict with a Director's duties or interests as a Director of the Company.

64.9 Board policy to be available

The Secretary shall make available to a person who wishes to nominate as a Director a copy of its policy

relative to the assessment of persons as fit and proper to be Directors.

64.10 Rejection of nomination

The Board must scrutinise nominations immediately upon receipt and reject a nomination where in the opinion of the Board the person is not eligible under Clause 61.1 or where a declaration has not been provided as required by Clause 64.8.

64.11 Notice of rejection

Upon rejection of a nomination by the Board under Clause 64.10, the Secretary must immediately notify the nominee of the rejection.

64.12 Candidates for election

The candidates for election are those persons who have nominated the Directors and whose nominations have not been rejected by the Board by Clause 64.10.

64.13 Candidates names to be included in notice of Annual General Meeting

After the closing date under Clause 64.5 the returning officer must prepare a list of candidates for inclusion in the notice of Annual General Meeting.

64.14 Nominations to be available to Members

The notice of nomination and, where applicable, the declaration of the person, pursuant to this Clause, will be made available for perusal by Members at the registered office of the Company upon closure of nominations and at the meeting at which the election is to be held.

64.15 Preparation of ballot papers

If an election is necessary then, at the same time, the returning officer is to prepare ballot papers for the election, in case of a demand for a ballot at the meeting.

64.16 Ballot papers to be marked

The returning officer must cause some authenticating mark to appear on each ballot paper prior to their distribution to voters at the meeting.

64.17 Ballot papers to contain instructions

Ballot papers are to contain, in plain English, appropriate instructions as to completion for the benefit of voters.

64.18 Conduct of the election

The election is to be conducted at the Annual General Meeting in the manner provided in Clause 64.23.

64.19 Appointment of scrutineers

The chairman of the meeting may appoint scrutineers, but no candidate for election is eligible to be a scrutineer.

64.20 Duties of scrutineers

The duties and responsibilities of scrutineers are to observe the counting of votes.

64.21 Voting system

On any election of Directors, the persons receiving the highest number of votes in accordance with the numbers of vacancies to be filled are elected Directors.

64.22 Chairman's casting vote

In the case of an equality of votes, the chairman of the meeting shall exercise a casting vote and irrespective of whether the chairman has exercised a deliberative vote.

64.23 Ballot

If, at the election of Directors, a ballot is demanded under Clause 64.1, then the following provisions apply:-

- (a) the returning officer shall distribute the ballot papers to those persons present at the meeting and entitled to vote;
- (b) the returning officer is to provide secure places for the depositing of votes;
- (c) the ballot is to be conducted at that meeting;
- (d) the ballot closes at a time specified by the chairman of the meeting;
- (e) immediately after the close of the ballot, the returning officer must deal with the ballot as follows:-
 - (i) cause the ballot papers to be scrutinised under the returning officer's supervision and reject such ballot papers as the returning officer finds to be informal (and in respect of which the returning officer shall be the sole arbiter);
 - (ii) count the votes;
 - (iii) prepare and sign a declaration of the ballot; and
 - (iv) deliver the declaration to the chairman of the meeting.

64.24 Declaration of ballot

A declaration of ballot in accordance with Clause 64.23 shall include:-

- (a) the number of ballot papers lodged;
- (b) the number of formal votes;
- (c) the number of informal votes;
- (d) the number of votes cast for each candidate; and

- (e) the names of those persons elected.

64.25 Informal ballot papers

A ballot paper is informal if:-

- (a) it is not authenticated by the authenticating mark of the returning officer;
- (b) it has no vote indicated on it or it does not indicate the voter's preference for a candidate; or
- (c) it does not comply with any instructions on the ballot paper as to how a vote is to be cast.

64.26 Destruction of ballot papers

The returning officer shall, unless otherwise instructed by the Board, destroy the ballot papers 1 month after the declaration of the ballot.

64.27 Errors and omissions

No election will be voided on account of any error or omission of the returning officer which did not materially affect the results of the election.

65 RETIREMENT BY ROTATION

65.1 Directors to retire

At the end of each Annual General Meeting one-third of the Directors or, if their number is not a multiple of three, then the number nearest to but not less than one-third will retire from office.

65.2 Which Directors retire

Subject to Clause 65.4, the Directors to retire by rotation at an Annual General Meeting are those Directors who have been longest in office since their last election.

65.3 Directors may agree who retires

Directors elected on the same day may agree among themselves or determine by lot which of them must retire.

65.4 Casual vacancies

A Director who has been appointed to fill a casual vacancy shall retire at the end of the next Annual General Meeting of the Company after the Director's appointment and such retirement shall be counted for the purposes of determining the Directors to retire by rotation.

66 DIRECTORS MAY BE RE-ELECTED

Retiring Directors are eligible for re-election.

67 TERM OF OFFICE

67.1 Maximum term

A Director must retire from office at the end of the third Annual General Meeting after the Director was last elected,

even if the Director's retirement results in more than one-third of all Directors retiring from office.

67.2 Commencement of term

The election or re-election of a Director takes effect from the end of the meeting at which the election or re-election of the Director (as the case may be) occurs.

68 VACATION OF OFFICE

68.1 How vacancies occur

The office of a Director immediately becomes vacant if the Director:-

- (a) dies;
- (b) becomes a person who is not, or ceases to be, eligible to be a Director pursuant to Clause 61.1;
- (c) having been elected as Director under Clause 60 ceases to be an employee of the Company;
- (d) is absent from three consecutive ordinary meetings of the Board without its prior leave;
- (e) resigns by written notice addressed to the Board and given to the Company at its registered office;
- (f) is 3 months in arrears for an amount payable to the Company and has failed to make arrangements satisfactory to the Company for payment; or
- (g) is removed from office by a resolution under Clause 68.3.

68.2 Vacancy if not re-appointed

The office of a Director immediately becomes vacant when the Director completes a term of office and is not reappointed or re-elected.

68.3 Removal of Directors

The Company may, by resolution in general meeting and in accordance with the Corporations Act, remove a Director before the end of the Director's term of office despite anything in this Constitution or in any agreement between it and the Director.

69 REMUNERATION OF DIRECTORS

69.1 Remuneration

The Company in general meeting must determine any remuneration of Directors and such remuneration may be by way of any or all of fees, concessions or other benefits, including retiring allowances.

69.2 Directors to apportion

The Directors may determine how the sum for their remuneration is to be apportioned among them and how and when it is to be paid.

69.3 Remuneration accrues

The remuneration of Directors accrues from day to day.

69.4 Vacation of office of Director

Subject to the Corporations Act, the Company may pay a former Director, or the personal representative of a Director who dies in office, a retiring allowance in recognition of past services of an amount determined by the Directors. The Company may also enter into a contract with a Director providing for payment of a retiring allowance. A retiring allowance under this article is not remuneration to which article 69.3 applies.

69.5 Retirement allowance may be contributed as superannuation

A Director or former Director may, with the consent of the Board, require all or part of any retiring allowance to which the Director has or may become entitled in accordance with Clause 69.4 to be paid or payable by the Company to a superannuation fund of which the Director is a member and which is a complying fund in accordance with the requirements of the Superannuation Industry (Supervision) Act 1993 (Commonwealth) and any amounts paid or payable by the Company in accordance with this Clause shall be deducted from any amount otherwise payable to the Director under Clause 69.4 on the vacation of office by the Director.

69.6 Board may administer

The Board shall have the power to do all acts and things necessary to implement the provisions of Clause 69.

69.7 Payment of Directors' fees

Directors' fees will be paid in such manner or form as, in each case, may be agreed between the Company and each Director including by way of superannuation or other form of salary sacrifice.

69.8 Casual vacancies retiring allowances

For the avoidance of doubt, a Director who is appointed by the Board to fill a casual vacancy on the Board shall not be entitled to a retiring allowance under Clause 69.4 unless that Director is subsequently elected as a Director at the next Annual General Meeting.

69.9 Proportionate payments

Subject to Clause 69.8, a Director who is appointed to fill a casual vacancy is entitled to receive remuneration on a proportionate pro rata basis at a rate to be determined by the Board.

69.10 Additional Directors

Where an additional Director is appointed by the Directors pursuant to Clause 59.3 the remuneration for such Director pending the next Annual General Meeting of the Company shall be in addition to any remuneration of the Directors determined in accordance with Clause 69.1.

69.11 Payment pending Annual General Meeting

Where the Directors remuneration has been approved for a specified period, then following the expiration of that period, the Directors shall be entitled to continue to receive remuneration at the same rate on a pro rata basis pending any further resolution of the Company.

69.12 Directors' expenses

In addition to remuneration, the Directors may be paid all reasonable expenses incurred by them in connection with the business of the Company.

69.13 Other duties

If any Director is required to perform services for the Company which are outside the scope of the ordinary duties of a Director, then the Company may subject to approval in general meeting pay the Director a fixed sum determined by the Directors in addition to or instead of the Director's remuneration.

70 POWERS AND DUTIES OF DIRECTORS, OFFICERS AND AGENTS

70.1 Directors to manage Company

All issues and matters pertaining to the operations and business of the Company shall be managed by the Board which may and shall exercise all powers of the Company except those that this Constitution and the Corporations Act require to be exercised by the Company in general meeting.

70.2 Confidentiality

Except as otherwise required by law, every Director, officer, consultant or other agent of the Company must:-

- (a) keep secret all aspects of all transactions of the Company, except:-
 - (i) to the extent necessary to enable the person to perform the person's duties to the Company;
 - (ii) as required by law; or
 - (iii) when requested to disclose information by the Directors, the auditors of the Company or a general meeting of the Company; and

- (b) if requested by the Board, sign and make a declaration or deed agreeing not to disclose or publish any aspect of any transaction of the Company.

71 INTERNAL MANAGEMENT AND DELEGATION

71.1 Appointment of attorneys and agents

The Board may from time to time by resolution or power of attorney under the Seal appoint any person to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those exercisable by the Board under this Constitution) and for such period and subject to such conditions as the Board thinks fit.

71.2 Appointees may include companies

Any appointment may (if the Board thinks fit) be made in favour of:-

- (a) any body corporate;
- (b) the members, directors, nominees or managers of any body corporate or firm; or
- (c) any other person or persons.

71.3 Appointment may include assurances

Any power of attorney may contain such provisions for the protection and convenience of any attorney and of persons dealing with an attorney as the Board thinks fit.

71.4 Methods of appointment

The Board may appoint attorneys or agents by facsimile or other electronic or digital means providing a written record, in cases of urgency, to act for and on behalf of the Company.

71.5 Officeholders

The Board may appoint a particular officer or the holder for the time being of a particular office as its attorney and the holder of that particular office is taken to be the person for the time being occupying or acting in the office concerned.

71.6 Delegation of authority

The Board may delegate to any officer or officers of the Company, power to perform any function of the Board not required by law or this Constitution to only be exercised by the Board.

71.7 Concurrent delegation of authority

Any appointment or delegation by the Board may be made to any number of persons or officers (jointly, severally or otherwise) and does not exclude the right of the Board to consider or perform any function which has been delegated or which another person is authorised to perform.

72 INDEMNITY

72.1 General indemnity

Every person who is or has been a Director, Secretary or officer of the Company shall be indemnified by the Company, to the maximum extent permitted by law, out of the property of the Company against any liabilities for costs and expenses incurred by that person as a result of that person so acting.

72.2 Indemnity for liability of others

Every person who is or has been a Director, Secretary or officer of the Company is entitled to be indemnified by the Company, to the maximum extent permitted by law, out of the property of the Company against any liability to another person (other than the Company or a related body corporate) as such an officer except and then only to the extent that the liability arises out of conduct involving a lack of good faith.

72.3 Indemnities continue

The indemnities in Clauses 72.1 and 72.2 are each an irrevocable, unconditional, continuing and principal obligation of the Company and remain in full force until released by the Director, Secretary or officer.

72.4 Pre-conditions to indemnity

To obtain the benefit of an indemnity provided in Clauses 72.1 and 72.2, the Director, Secretary or officer must:-

- (a) give notice promptly to the Company on becoming aware of any claim that may give rise to a right to indemnity;
- (b) take any reasonable action the Company requests in relation to that claim;
- (c) not make any admission of liability or settle a claim without the Company's prior written consent;
- (d) at the Company's request, give all reasonable assistance and co-operation to the Company in the conduct of any claim; and
- (e) at the Company's request, do anything reasonably necessary or desirable to enable the Company (so far as possible) to be subrogated to and enjoy the benefits of the person's rights in relation to any cross-claim or claim against a third party and give assistance reasonably requested by the Company for that purpose.

72.5 Exclusion of liabilities

If it is established that the Director, Secretary or officer has failed to satisfy their obligations under Clause 72.4 and to the material prejudice of the Company in relation to the

relevant claim, the Company is relieved of its obligations under Clause 72.1 and 72.2 in respect of that claim.

72.6 Conduct of proceedings

Unless, and until, the Company is unable at law to indemnify or continue to indemnify the Director, Secretary or officer, the Company shall assume the conduct, negotiation and defence of the claim and may do either or both of the following:-

- (a) institute a cross-claim or counterclaim; and
- (b) subject to Clause 72.9, retain legal practitioners in relation to a claim to act on behalf of both the Director, Secretary, or officer and the Company, and when it does so, the conduct of the claim will be under the management and control of the Company and its insurers.

72.7 Company may compromise claims

The Company may compromise or settle a claim on terms that it deems fit.

72.8 Reimbursement of costs

The Director, Secretary or officer is entitled to be reimbursed by the Company for the person's actual costs reasonably incurred in taking action or giving assistance under this Clause 72.

72.9 Separate representation

If the Director, Secretary or officer shall engage separate legal representation and participate in the claim, the Company will pay any expense relating to the representation or participation, but only to the extent that they are:-

- (a) incurred before the Company assumes conduct of the claim or proceeding;
- (b) incurred with the Company's prior written authority; or
- (c) reasonably incurred in all the circumstances.

72.10 Insurance

The Director, Secretary or officer must make a claim under any insurance policy held in respect of any liability the person may be able to claim under this Clause 72 and in the event that person has received the proceeds of any policy in respect of that claim, such proceeds must be paid to the Company upon receipt unless those proceeds are paid to the person as reimbursement of moneys to which the person is entitled.

73 PROCEEDINGS OF DIRECTORS

73.1 Convening of Directors' meetings

The Chairman may at any time, and the Chairman must, upon the written requisition of at least 3 Directors, require the Secretary to convene a meeting of Directors.

73.2 Absence of Chairman

In the event that:-

- (a) the Chairman refuses to require the Secretary to convene a meeting in accordance with Clause 73.1; or
- (b) the Chairman is unwilling or unable to attend to the Chairman's duties other than as a result of a temporary absence,

and, in either case, not less than 3 Directors of the Company certify to the Secretary that they are of the opinion, reasonably reached, that it is in the material interests of the Company to do so, such Directors may by written requisition given to the Secretary require the Secretary to and the Secretary shall convene a meeting of Directors.

73.3 Notice of meetings

Except as specified in Clause 73.4, 48 hours notice must be given to each Director of all meetings of Directors.

73.4 Meetings on short notice

Meetings of Directors may be convened upon less than 48 hours notice where:-

- (a) the Chairman determines that there are appropriate circumstances; or
- (b) a majority of Directors, by written notice but subject to the requirements of Clause 73.2, authorise the Secretary to convene a meeting on shorter notice.

73.5 Intervals between meetings of Directors

Board meetings must be held at intervals of not longer than 3 months.

74 DIRECTORS MEETINGS

74.1 Directors need not be present

The Directors need not all be physically present in the same place for a Board meeting.

74.2 Participation by Directors

A Director who participates in a Board meeting held in accordance with this Clause is deemed to be present and entitled to vote at the meeting.

74.3 Meeting by use of technology

The linking together of the Directors by any type or kind of technology to which all the Directors consent shall be deemed to constitute a meeting of the Directors and all the provisions in this Constitution as to meetings of the Directors shall apply to such meetings as long as the following conditions are met:-

- (a) the use of the technology is consented to by all the Directors and this consent may be a standing one;
- (b) a Director may only withdraw their consent within a reasonable period before the meeting (which, unless special circumstances necessitate otherwise, shall be at least 1 month);
- (c) all the Directors for the time being entitled to receive notice of a meeting of the Directors shall be entitled to notice of a meeting to be held by the specific technology and this notice may be given by telephone or other means of communication;
- (d) each of the Directors and the Secretary taking part in the meeting by any of the abovementioned means of communication must be able to hear each of the other participants taking part at the commencement of the meeting; and
- (e) at the commencement of the meeting each Director must acknowledge his or her presence for the purpose of a meeting of the Directors of the Company to all the other participants taking part in the meeting.

74.4 Director to obtain consent to leave meeting

A Director may not leave the meeting by disconnecting the technology in use for the meeting or otherwise absenting himself unless the Director has previously obtained the express consent of the chairman of the meeting.

74.5 Director deemed present at meeting

A Director shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting held through the use of technology unless the Director has previously obtained the express consent of the chairman of the meeting to leave the meeting as aforesaid.

74.6 Leave of absence

The Board may grant leave of absence on such terms as the Board thinks appropriate in the circumstances to any Director where the Director is unable to attend any meeting or meetings of the Board or is otherwise unable to attend to the Director's duties.

74.7 No notice of meeting to Director on leave

Subject to the terms of leave granted to any Director, it shall not be necessary for that Director to be given notice of any meeting of Directors to be held during the period of such leave and a Circular Resolution may be made under Clause 79 without the consent of that Director.

75 PROCEDURES FOR DIRECTORS' MEETINGS

75.1 General

Except as provided by this Constitution the Directors may meet together, adjourn and regulate their meetings as they think fit.

75.2 Quorum

The number of Directors whose presence is necessary to constitute a quorum is the next whole number which is greater than half of the aggregate of the number of Directors established under Clause 59.2 together with any employee Directors.

75.3 Employee Director

An employee Director is counted for the purposes of determining a quorum.

75.4 Lack of quorum

If, within thirty minutes of the time appointed for a meeting of the Board, a quorum is not present the meeting will stand adjourned to the same day in the next week at the same time and place.

75.5 Board with vacancies

The Directors may act even if there are vacancies on the Board.

75.6 Directors may establish quorum

If the number of Directors is not sufficient to constitute a quorum at a Board meeting, the Directors must only act to:-

- (a) appoint a Director to fill a casual vacancy; or
- (b) convene a general meeting of the Company.

75.7 Decision on questions

Subject to this Constitution, questions arising at a Board meeting are to be decided by a majority of votes of the Directors present and voting at that meeting.

75.8 Casting vote

The Chairman of a meeting of the Board has a casting vote in addition to the Chairman's deliberative vote and irrespective of whether the Chairman has exercised the Chairman's deliberative vote.

75.9 Execution of documents

A Director may not attest the affixing of the Seal to any document relating to any contract or arrangement or proposed contract or arrangement in which the Director has any interest.

75.10 No appointment of alternate Directors

Alternate Directors cannot be appointed.

76 CHAIRMAN OF THE BOARD

76.1 Election of Chairman

The Directors must elect a Director other than an employee Director as Chairman of the Board at the first Directors' meeting after each Annual General Meeting and may determine the period for which the Chairman will hold office but, unless otherwise determined, the Chairman will hold office until the end of the next Annual General Meeting after the Chairman's appointment.

76.2 Removal of Chairman

The Chairman, whilst remaining qualified to act as a Director of the Company, may only be removed from office as Chairman by resolution of the Board of which notice has been given to all Directors not less than 14 days before the meeting at which the resolution is proposed.

76.3 Chairman's attendance

The meeting must be one which the Chairman attends unless the Chairman wilfully absents himself or herself from that meeting.

76.4 Chairman of Directors' meetings

The Chairman shall be the Chairman of Directors' meetings but, if no Chairman is elected or if the Chairman is not present at any Directors' meeting within a reasonable time after the time appointed for the meeting to begin, the Deputy Chairman shall be Chairman of the meeting but, in the Deputy Chairman's absence, the Directors present must elect a Director to be Chairman of that meeting.

76.5 Chairman ceasing to be Director

A Chairman, who ceases to be a Director, also ceases to be the Chairman.

76.6 Vacancy in office of Chairman

Upon the office of Chairman becoming vacant the Directors must elect a Director, other than an employee Director, as Chairman at the first Directors' meeting after such vacancy occurs and may determine the period for which the Chairman will hold office.

77 DEPUTY CHAIRMAN

77.1 Election of Deputy Chairman

The Directors must elect a Director, other than an employee Director, as Deputy Chairman of the Board at the first Directors' meeting after each Annual General Meeting and may determine the period for which the Deputy Chairman will hold office but, unless otherwise determined, the Deputy Chairman will hold office until the end of the next Annual General Meeting after the Deputy Chairman's appointment.

77.2 Removal of Deputy Chairman

The Deputy Chairman, whilst remaining qualified to act as a Director of the Company, may only be removed from office as Deputy Chairman by resolution of the Board of which notice has been given to all Directors not less than 14 days before the meeting at which the resolution is proposed.

77.3 Deputy Chairman's attendance

The meeting must be one which the Deputy Chairman attends unless the Deputy Chairman wilfully absents himself or herself from that meeting.

77.4 Deputy Chairman ceasing to be Director

A Deputy Chairman, who ceases to be a Director, also ceases to be the Deputy Chairman.

77.5 Powers of Deputy Chairman

The Deputy Chairman shall have the powers, fulfil such functions and perform such duties as may be allocated to the Deputy Chairman by the Chairman or the Board from time to time and shall have the powers of, fulfil the functions and perform the duties of the Chairman in the absence of the Chairman.

78 DIRECTORS' COMMITTEES

78.1 Board may establish committees

The Board must where it is required to do so by law and, otherwise, may establish committees where the Board believes that it is appropriate or necessary to do so to exercise such powers or duties as the Board sees fit and the Board may delegate any of its powers to committees as it thinks fit and may, from time to time, revoke such delegation or disband such committees.

78.2 Committee to include a Director

Any committee so formed must have at least one Director as a member and will, in the exercise of its powers, conform to any policies and procedures that may, from time to time, be imposed upon the committee by the Board.

78.3 Chairman of committees

The Board may appoint the chairman of any committee but, in the event that the Board does not make such appointment, the most senior Director (by length of service as a Director) on the committee shall be chairman of that committee.

78.4 Committee meetings

The meetings and proceedings of any committee will be governed by the provisions of this Constitution for regulating the meetings and proceedings of the Directors so far as the same are applicable (including the requirements as to the taking of minutes) and are not superseded by any policies or procedures made by the Board under this Clause.

79 CIRCULAR RESOLUTIONS

79.1 Directors may sign resolution

If all the Directors who are eligible to vote on a resolution have signed a document containing a statement that they are in favour of a resolution in terms set out in the document or who consent to the resolution in accordance with Clause 79.5, a resolution in those terms is deemed to have been passed at a Directors' meeting held on the day on which the document was last signed by or consented to by a Director and must be minuted accordingly.

79.2 One document

For the purposes of this Constitution, two or more identical documents, each of which is signed by one or more Directors, together constitute one document signed by those Directors on the days on which they signed the separate documents.

79.3 Facsimile copies

Any document referred to in Clause 79.2, may be in the form of a facsimile transmission.

79.4 References to Directors

A reference in Clause 79.1 to all the Directors does not include a reference to:-

- (a) a Director who, at a meeting of Directors, would not be entitled to vote on the resolution;
- (b) a Director, who disqualifies himself or herself from considering the resolution in question; or
- (c) any Director on leave of absence approved by the Directors.

79.5 Electronic technology

For the purposes of Clauses 79.1 and 79.2 and subject to any policy of the Board or any law either broadening or limiting these provisions:-

- (a) a statement sent electronically by a Director to an agreed electronic address that the Director is in favour of a specified resolution shall be taken to be a document containing that statement and duly signed by the Director;
- (b) such document shall be taken to have been signed by the Director at the time of its receipt at the agreed electronic address; and
- (c) a Director may consent to a resolution by telephoning the Secretary or the Chairman and signifying assent to the resolution and clearly identifying its terms.

79.6 Telephone consent to be recorded

The Secretary or the Chairman as the case requires, who receives the consent of a Director in accordance with Clause 79.5(c) must prepare a written note of the conversation including details of the time and date of such call, a true copy of which shall be kept with the minute of the resolution.

80 VALIDITY OF ACTS OF DIRECTORS

If it is discovered that:-

- (a) there was a defect in the appointment or election of a person as a Director or member of a Directors' committee; or
- (b) a person appointed or elected to one of those positions was disqualified,

all acts of the Directors or the Directors' committee before the discovery was made are as valid as if the person had been duly appointed or elected and was not disqualified.

81 MANAGING DIRECTOR

81.1 Appointment of Managing Director

The Board may from time to time appoint an employee, to the office of Managing Director for such period and on such terms as it thinks fit and, subject to the terms of any agreement between the Company and the Managing Director, the Board may from time to time vary those terms and may remove or replace the Managing Director.

81.2 No other employee Director

In the event of an appointment of a Managing Director the Company is prohibited from having another employee Director at the same time.

81.3 Managing Director to act as Director

A person other than an employee of the Company removed from the position of Managing Director in accordance with this Clause will continue as a Director unless otherwise removed from that position in accordance with this Constitution.

81.4 Term of office

The term of office of a Managing Director must not be for life and, subject to the Corporations Act, is to be determined by the Directors at the time of the Managing Director's appointment.

81.5 Vacation of office of Managing Director

A Managing Director is subject to the same provisions as to election, resignation and removal as the other Directors and the Managing Director will ipso facto and immediately cease to be a Managing Director, if he or she ceases for any reason to be an employee of the Company or ceases to hold the office of Director.

81.6 Remuneration

The remuneration of a Managing Director is to be fixed by the Board from time to time and may be by way of fixed salary or commission or by participation in profits of the Company or by way of the provision of other benefits determined by the Board or by any or all of those means and in any case as varied from time to time.

81.7 Power of Managing Director

The Board may from time to time entrust to and confer on a Managing Director such powers, with such restrictions, as the Board thinks fit and may from time to time revoke, alter or vary any of the powers conferred on a Managing Director.

81.8 Board control

The Managing Director is at all times subject to the control of the Board.

82 MANAGERS, AGENTS AND SERVICE PROVIDERS

Subject to the Corporations Act, the Board may from time to time under such contractual arrangements as it sees fit engage managers, agents and service providers to perform such functions and services as the Board deems appropriate.

83 APPOINTMENT OF OFFICERS

The power to appoint officers (other than Directors) of the Company and to determine the amount of their remuneration and their powers and duties, and the power to remove officers is vested in the Board.

84 OFFICERS' INSURANCES

84.1 Contracts of insurance

The Board must use reasonable endeavours to ensure that the Company has an appropriate contract of insurance against any material defalcation by any Director, Secretary or officer of the Company.

84.2 Payment of premiums

The Company may pay a premium for a contract insuring a person who is or has been a Director, Secretary or officer of the Company and its related bodies corporate against:-

- (a) any liability incurred by that person as such an officer which does not arise out of conduct involving a wilful breach of duty in relation to the Company or a contravention of Section 182 or 183 of the Corporations Act; and
- (b) any liability for costs and expenses incurred by that person in defending proceedings relating to that person's position with the Company, whether civil or criminal, and whatever their outcome.

84.3 Restriction on insurance

Nothing in Clauses 84.1 and 84.2 allows the Company to pay a premium for a contract of insurance in contravention of any provision of the Corporations Act.

85 SECRETARY

85.1 Board to appoint

The Board must appoint at least one Secretary.

85.2 Terms of appointment

Each Secretary holds office on the terms and conditions (including as to remuneration) that the Board determines.

85.3 Director as Secretary

A Director may be appointed as Secretary.

85.4 Validity of acts

An act done by a Secretary is effective even if the Secretary's appointment, or the continuance of the Secretary's appointment, is invalid because the Company or the Secretary did not comply with this Constitution or any provision of the Corporations Act.

85.5 Liability

Clause 85.4 shall not be construed to imply that an act by a Secretary:-

- (a) binds the Company in its dealings with other people; or
- (b) makes the Company liable to another person.

86 INSPECTION OF RECORDS

86.1 Rights of inspection

Members, Directors and other persons shall have no right of inspection of or to copies of any books, records or Registers unless allowed by and in accordance with the Corporations Act, as otherwise provided by this Clause or as may be agreed to by the Board in its discretion and upon such terms and conditions as the Board may think appropriate.

86.2 Officers' access to records

A Director, each Secretary and the Company's Chief Executive Officer has a right of access to all records of the Company at all reasonable times but only whilst acting in that capacity.

86.3 Officers may inspect records

A Director, Secretary or Chief Executive Officer may inspect the books of the Company and obtain copies (other than financial records) at all reasonable times for the purpose of a legal proceeding or an investigation by any competent authority:-

- (a) to which the person is a party;

- (b) that the person proposes in good faith to bring; or

- (c) that the person has reason to believe will or may be brought against them.

86.4 Former Officers may inspect records

A person who ceases to be a Director, Secretary or Chief Executive Officer may inspect the books of the Company and take copies at the Director's cost (including its financial records) at all reasonable times for the purposes of a legal proceeding or an investigation by any competent authority:-

- (a) to which the person is a party;
- (b) that the person proposes in good faith to bring; or
- (c) that the person has reason to believe will or may be brought against them,

and which books, proceedings or investigation relates to the period during which the person held the relevant office.

86.5 No time limit for access

A person's rights pursuant to Clause 86.4 continue indefinitely after the person ceases to be a Director, Secretary or Chief Executive Officer as the case may be.

86.6 Other Officers

The Board may resolve to extend the operation of this Clause to any officer of the Company on terms and conditions as resolved.

86.7 Confidentially

A Director, Secretary, Chief Executive Officer or other person who inspects or takes copies of records or other information in accordance with this Clause 86 may only use or disclose such information or details to the extent required by law or as may reasonably be required for the purposes of any proceedings or investigation as contemplated by this Clause.

87 SEAL

87.1 Device

The Company must have its registered name inscribed in legible letters upon a seal.

87.2 Affixing of Seal

The Seal of the Company must not be affixed to any instrument except by authority of and in the manner prescribed from time to time by the Board and until otherwise resolved shall be approved by any two Directors or a Director and a Secretary.

87.3 Share Seal

The Company may also have a duplicate seal which will be a facsimile of the Seal with the addition on its face of the words "Share Seal".

87.4 Use of Share Seal

The Share Seal may be used by the Company on any document of title referring to or relating to securities of the Company as if it were the Seal.

87.5 Attorney to affix Share Seal

The Board may appoint one or more persons by power of attorney to affix the Share Seal on such terms as the Board resolves.

87.6 Custody

The Seal will be kept in such custody as the Board directs.

88 ALTERATION OF CONSTITUTION

The Constitution may be altered only if the alteration has been approved by a special resolution of the Members in accordance with the Corporations Act.

89 AUDIT

89.1 Appointment of Auditor

The Company must, at its first Annual General Meeting (and subsequently, if there is a vacancy) appoint a qualified person or firm as auditor for the Company, in accordance with the Corporations Act or as otherwise required by law.

89.2 Powers of Auditor

An auditor appointed by the Company will hold office and has the powers and duties as specified in the Corporations Act and this Constitution.

89.3 Auditor's fees and expenses

The Company must pay the auditor's reasonable fees and expenses, including those incurred in giving any report required under the Corporations Act.

89.4 Fixing of Auditor's fees

The Board may fix the auditor's reasonable fees without authorisation of a general meeting.

89.5 Duties in relation to the Auditor

The Board must take reasonable steps to ensure that the accounts and group accounts of the Company are audited as and when required by the Corporations Act.

89.6 Auditor's access to Records

The Board must ensure that:-

- (a) the auditor has access at all reasonable times to:-

- (i) the accounting records;
 - (ii) other records and registers; and
 - (iii) such other documents, securities or certificates as the Corporations Act may specify or requires the auditor to inspect, of the Company and of any entity which the Company, as a holding company, controlled during all or part of, or at the end of, any relevant financial year even if the Company no longer controls the entity; and
- (b) each officer of the Company and of any entity controlled by the Company as a holding company gives the auditor, as requested, and at the expense of the Company, information and explanations required for the audit.

89.7 Auditor's powers in relation to general meetings

In addition to any other rights or powers under the Corporations Act, the auditor, or an agent authorised by the auditor in writing:-

- (a) is entitled to attend any general meeting of the Company;
- (b) is entitled to receive all notices of, and other communications relating to, any general meeting that a Member is entitled to receive;
- (c) is entitled to be heard at any general meeting that he or she attends on any part of the business of the meeting that concerns the auditor in the capacity of auditor; and
- (d) is entitled so to be heard even though:-
 - (i) the auditor retires at that meeting; or
 - (ii) a resolution to remove the auditor from office is passed at that meeting.

90 RESERVES

90.1 Reserves required by the Corporations Act

The Board must at the end of each financial year transfer to reserves such amount (if any) as is required by the Corporations Act, any law or in accordance with the terms of issue of any Shares.

90.2 Power to set aside Reserves

The Board may, before declaring any dividend, set aside out of the profits or other surplus assets of the Company, such sums as it thinks proper as special reserves to be applied at the discretion of the Board, for any purpose for which the funds of the Company may be properly applied.

90.3 Use of Reserves

The reserves may, at the discretion of the Board, be used in the business of the Company or be invested in the manner as authorised by the Corporations Act or this Constitution.

90.4 Gain or surplus

The Board may carry forward profits it considers should not be distributed as dividends, without transferring those profits to a reserve.

90.5 Carry forward

The Board may carry forward profits as retained earnings.

91 PRE-FLOAT RESERVE

91.1 Application of clause

This Clause only applies if the Board determines to issue Shares (other than MCIs).

91.2 Determination of Pre-Float Reserve

The General Reserve of the Company shall be determined by the Board as at a date ("the Relevant Date") in accordance with the Company's financial accounts as at that date and the amount of that Reserve shall be transferred to a reserve ("the Pre-Float Reserve") and preserved for the benefit of those Qualified Members who were Depositors at the Relevant Date in proportion to the amount of deposits held by those Qualified Members at the Relevant Date.

91.3 Amortisation of Reserve

The Pre-Float Reserve will be reduced by five equal annual instalments each amounting to twenty per centum of the aggregate of the amount of the Pre-Float Reserve at the Relevant Date.

91.4 Commencement of amortisation

The first reduction will be made on the anniversary of the Relevant Date and annually thereafter and the amount so reduced will be transferred to the General Reserve of the Company.

91.5 Cessation of Membership

Where a Member, entitled to participate in the Pre-Float Reserve, ceases to be a Member of the Company, the Member's entitlement in the Pre-Float Reserve shall remain in the Pre-Float Reserve for the benefit of those Members of the Company who were holders of deposits in the Company at the Relevant Date and who remain Qualified Members and, in the event of the winding up of the Company such amount remaining in the Pre-Float Reserve shall, subject always to the provisions of Clause 91.3 be

available to those Qualified Members in proportion to the amount of deposits held by them at the Relevant Date.

92 DIVIDENDS

92.1 Declaration of dividend

The Board may at its discretion, declare a dividend to be paid to Shareholders holding Shares to which a right to participate in dividends attaches (subject to the terms of issue of those Shares).

92.2 Dividends to be paid equally

Subject to this Constitution and the terms of issue of any class of Shares, all dividends are to be declared and paid equally in respect of a class of fully paid Shares.

92.3 Dividends on contributing Shares

Where contributing Shares are on issue, dividends must be declared and paid on contributing Shares pro rata to the proportion of the total issue price paid up or credited as paid up on the shares in respect of which the dividend is paid, at the date of declaration of the dividend.

92.4 Calculation of amount paid up

For the purposes of Clause 92.3, the total issue price paid up or credited as paid up means the amount paid up or credited as paid up on the value of the Shares, if any, at which they were issued.

92.5 Pre-paid amounts on contributing Shares

An amount paid on a Share in advance of a call is not to be taken to be paid on the Share so as to confer a right to participate in profits.

92.6 Distribution of specific assets

Except as provided in the terms of issue of any Shares, when declaring a dividend or resolving to pay a dividend, the Board may:-

- (a) (i) direct payment of the dividend wholly or partly by the distribution of specific assets, including paid-up shares or other securities of the Company or of another body corporate, either generally or to specific Shareholders; and
- (ii) unless prevented by the Listing Rules, direct payment of the dividend to particular Shareholders wholly or partly out of any particular fund or reserve or from any particular source, and to the other Shareholders wholly or partly out of any other particular fund or reserve or from any other particular source.

- (b) where a difficulty arises in regard to such a distribution, the Board may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any Shareholders on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Board considers expedient.

Dividends on MCIs must not be paid other than in the form of cash, but may be reinvested in accordance with a dividend reinvestment plan.

92.7 Prudential requirements

A dividend must not, if declared and paid, place (or potentially place) the Company in breach of an applicable Prudential Standard.

93 INTERIM DIVIDENDS

Subject to the Corporations Act and this Constitution, the Board may authorise the payment by the Company to Shareholders of such interim dividends as appear to the Board to be justified.

94 DEDUCTIONS FROM DIVIDENDS

The Board may deduct from any dividend or interest payable to a Shareholder all sums of money (if any) presently payable by the Shareholder to the Company on account of calls or otherwise in relation to Shares in the Company.

95 DIVIDENDS PAYABLE ONLY WHEN PERMITTED

No dividend is to be paid otherwise than in accordance with the Corporations Act.

96 DIVIDEND PAYABLE OUT OF RESERVES

Subject to the Corporations Act and this Constitution, the Board may determine that a dividend declared by it is to be made payable out of a particular reserve or otherwise as the Board thinks appropriate or having regard to the terms on which any Shares are issued.

97 AMOUNT AVAILABLE FOR DIVIDENDS

A declaration by the Board as to the amount of the profits available for the payment of dividends is conclusive and binding on all Members and Shareholders.

98 EFFECTIVE TRANSFER

A transfer of Shares does not pass the right to any dividend

declared on the Shares after the transfer and before the registration of the transfer.

99 BONUS SHARES

Subject to the Corporations Act, the Board may capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of the profit and loss account or otherwise available for distribution to Shareholders and apply the same, for the benefit of Shareholders in the proportions to which they would have been entitled to a distribution of that sum by way of dividend:-

- (a) in paying up any amounts unpaid on Shares; and/or
- (b) in issuing to them fully paid Shares.

100 DIVIDENDS PAYABLE TO SHAREHOLDERS

All dividends belong and are to be paid, subject to any lien or charge, to those Shareholders on the Register of Shareholders at the date specified for the purpose of payment of the dividend notwithstanding any subsequent transfer or transmission of Shares.

101 PAYMENT OF DIVIDENDS

Any dividend, interest or other money payable to a Shareholder's deposit account or in cash in respect of Shares may be paid electronically by transfer of funds or by cheque sent through the post direct to:-

- (a) the address of the holder as shown in the Register of Shareholders;
- (b) in the case of Joint Members, to the address shown in the Register of Shareholders as the address of the primary Joint Member; or
- (c) to such other address as the holder or primary joint holder in writing directs.

102 NO INTEREST ON DIVIDENDS

No Shareholder may claim, and the Company must not pay, interest on a dividend (either in money or kind).

103 RECEIPT OF JOINT MEMBER

The primary Joint Member may give effectual receipt for any dividends, interest or other money payable in respect of the Shares held as a Joint Member.

104 WINDING UP

104.1 Procedure

The Company may be wound up in the manner provided in the Corporations Act.

104.2 Distribution of surplus to Shareholders and Members

In the event of a surplus of funds on winding up after payment of any Deposits and other liabilities of the Company, such surplus will be distributed amongst the Shareholders and Members of the Company as follows:-

- (a) firstly, in satisfaction of any priority entitlements of Shareholders (other than MCI Holders) in accordance with the terms of issue of any Shares (other than MCIs);
- (b) secondly, to Shareholders in proportion to the paid-up amount of Shares held by them as at the date of commencement of the winding up of the Company and subject to the terms of issue of any Shares; and
- (c) thereafter, to Qualified Members in proportion to the amount of Deposits held by them at the date of commencement of the winding up of the Company.

For the avoidance of doubt, where the Company has issued MCIs and another class of Shares, subject to the terms of issue of the MCIs:-

- (a) an MCI holder's claim to the paid-up amount of any MCIs ranks equally with and proportionally with the claims of all other Shareholders to receive the paid-up amount of any Shares (including other MCI holders); and
- (b) the amount of the MCI holder's claim cannot exceed the paid up value of the MCIs held by them.

104.3 Distribution of Members' Reserve

The provisions of Clause 104.2 hereof shall be subject to the distribution of any reserve established pursuant to Clause 91.2.

105 RESTRUCTURE OF THE COMPANY

105.1 Voting for restructure of the Company

Any Restructure of the Company must be agreed to by special resolution of Qualified Members and any such special resolution must be passed as a separate resolution at any general meeting of Members or Shareholders of the Company required by this Constitution or by law or to be held in relation to, and for the purposes of, such Restructure of the Company.

105.2 Meeting procedure for restructure of the Company

All provisions of this Constitution relating to the giving of notice for holding of meetings, entitlements to vote, voting and other matters relating to or pertaining to the holding and conduct of a meeting as set out in this Constitution

shall apply so far as is applicable to the passing of any special resolution pursuant to this Clause 105.

105.3 Payments to Members

Only Qualified Members have any right to participate in any payment, allocation or financial benefit to be given to Members of the Company as a result of a Restructure of the Company.

105.4 Method of distribution of payments

Any payment, distribution or other financial benefit to be given or made to Qualified Members of the Company must be paid proportionally to Qualified Members as if such payment, allocation or financial benefit were the distribution of a surplus in accordance with the provisions of Clause 104.

105.5 Restriction on amendment

This Clause 105 may only be amended with the consent of a special resolution of Qualified Members in accordance with the meeting procedures outlined in this Clause.

106 PROFIT AND LOSS

106.1 Determined in accordance with standards

The Company's profit or loss in any one financial year arising from its operation must be determined and dealt with in accordance with the Corporations Act and the Board must determine the amount of the profit (if any) which is to be carried to a reserve.

106.2 Satisfaction of loss

Any losses which may result from the transactions of the Company in any financial year are to be borne in order of the following:-

- (a) firstly, by any accumulated profits carried forward but not transferred to a reserve at the end of the previous financial year's trading;
- (b) secondly, from reserves to the extent permitted under the Corporations Act and any other applicable law; and
- (c) thirdly, in any other manner permitted under the Corporations Act.

107 SIGNATORIES

107.1 Categories

The Board shall determine the number of signatories required on every cheque, draft, bill of exchange, promissory note and other negotiable instrument for and on behalf of the Company and may determine, either generally as a class or specifically, who shall be authorised as such signatories.

107.2 Resolution of Board

The Board may by resolution determine either generally or in any particular case that the signatures of one or more of such persons as are authorised by virtue of Clause 107.1 may be placed upon interest or dividend cheques or other cheques relating to payments specifically approved for payment by the Board by means of printing or other mechanical process.

107.3 Cheques

Any interest or dividend cheques or other cheques referred to in Clause 107.2 which have been printed or prepared by other mechanical process, shall be valid and binding upon the Company unless otherwise determined by the Board prior to the issue of such cheques and notwithstanding the death, retirement or resignation of any signatory to such cheques.

108 REGISTERS AND RECORDS

108.1 Board to keep Registers

The Board must cause to be kept and maintained at the registered office the following Registers:-

- (a) a Register of Directors and Secretaries;
- (b) a Register of Members;
- (c) a Register of Shareholders; and
- (d) such other registers as are prescribed by the Corporations Act or by law.

108.2 Register of Shareholders

Nothing in Clause 108.1 requires the Board to keep a Register of Shareholders unless or until any Shares have been issued or allotted.

108.3 Other Registers

The Board may keep such other registers as it sees fit including a Register of Members who do not hold Shares.

108.4 Format of Registers and records

The Board may keep any register or record in any form including digitally or electronically as the Board determines.

108.5 Custody of securities

All books of account, securities, documents and papers of the Company other than such (if any) as the Board may direct to be kept elsewhere will be kept at the registered office of the Company in such manner and with such provision for their security as the Board directs.

108.6 Accounting records

In the event of any discrepancy between the Company's records and the records of any other person in relation to passbooks, Loan accounts, Deposits or other financial

records, the Company's records, as verified by the Secretary, shall be conclusive evidence of the state of such records.

109 NOTICES

109.1 Service of notices

The Company may give a notice or other document to a Member or MCI Holder:-

- (a) personally;
- (b) by sending it by post to the address for the Member or MCI Holder in the Register of Members or the Register of Shareholders (as applicable) or the alternative address (if any) nominated by the Member or MCI Holder;
- (c) by sending it to the fax number or electronic address (if any) nominated by the Member or MCI Holder; or
- (d) by general notification or advertisement in a newspaper circulating generally in each State or Territory in which the Company conducts its business.

109.2 Notice to representatives

The Company may give a notice to a person entitled to a Share in consequence of the death or bankruptcy of a Shareholder:-

- (a) personally;
- (b) by sending it by post addressed to the person by name or by the title of representative of the deceased or assignee of the bankrupt or by any like description, at the address (if any) supplied by that person for the purpose of sending notices to that person;
- (c) if such address has not been supplied - by sending it by post at the address to which the notice might have been sent if the death or bankruptcy had not occurred;
- (d) by sending it to the fax number or electronic address (if any) nominated by that person; or
- (e) by general notification or advertisement in a newspaper circulating generally in each State or Territory in which the Company conducts its business.

109.3 Notice to Joint Members

The Company may give a notice to the joint holders of a Share by only giving the notice to the joint holder first named in the Register of Shareholders.

109.4 Receipt of notices

The Company receives a notice, document or an appointment authority when it is received at any of the following:-

- (a) the Company's registered office;
- (b) a facsimile number at the Company's registered office; or
- (c) it is delivered personally to one of the Directors or a Secretary of the Company.

109.5 Time of delivery

A notice or other document given by the Company to its Members or MCI Holders or a notice or other document given to the Company by its Members or MCI Holders is taken to be given on the day that the notice is sent, unless the notice is given after 5.00 pm on any business day and before 9.00 am on the next following business day and its receipt is not acknowledged by the person(s) to whom the notice is sent during that period, in which case the notice shall be deemed to have been given at 9.00 am on that next following business day.

109.6 Time of delivery - facsimile transmissions

Any notice or other document that is given by the Company to its Members or MCI Holders, or a notice or other document given by the Members or MCI Holders to the Company, through the transmission of a facsimile copy thereof via the telephone network to the number nominated (if any) for that purpose shall be deemed to have been given (unless the contrary is shown) upon the date and at the time contained in any transmission confirmation report which contains the identification code of the person to whom it was intended to be transmitted and which indicates that the transmission was received without error.

110 CURRENCY FOR PAYMENTS

110.1 Board may decide currency

The Board may, with the agreement of the recipient or in accordance with the terms of issue of a Share, pay:-

- (a) dividends;
- (b) other amounts payable to Members or Shareholders (including repayments of capital and distributions of capitalised amounts); and
- (c) remuneration of Directors or other officers,

in the currency of a country other than Australia.

110.2 Conversion to Australian dollars

If the Board decides to make a payment in a currency other than Australian dollars and it is necessary, for the purposes of this Constitution or for any other purpose, to calculate the Australian dollar equivalent of the payment, the Board must fix a time (earlier than the time for payment) and specify the buying or selling rate quoted by the Company or by any other financial institution approved by the Board as the time and rate that apply for that purpose.