

Constitution of Property Council of Australia Limited

Property Council of Australia Limited

ACN 008 474 422

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**CONSTITUTION OF
PROPERTY COUNCIL OF AUSTRALIA LIMITED**

ACN 008 474 422

1. PRELIMINARY

1.1 Definitions

In this document unless the context otherwise requires:

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

Annual Subscription means the amount fixed from time to time by the Company under rule 3.1.

Associate Member means a Member, belonging to the class of Membership defined in clause 2.2(c).

Auditor means the auditor of the Company from time to time.

Board means the Directors acting collectively under this document.

Business Day means a day other than a Saturday, Sunday or public holiday in New South Wales.

Business Plan means the business plan adopted by the Board in accordance with rule 12.10.

Chief Executive Officer means the person appointed as chief executive officer of the Company pursuant to rule 17.1.

Common Seal means the common seal of the Company.

Committee means a committee appointed under rule 15.15.

Company means the company named at the beginning of this document whatever its name may be from time to time.

Core Member means a Member, belonging to the class of Membership defined in clause 2.2(b).

Corporate Leader means a Member, belonging to the class of Membership defined in clause 2.2(a).

Director means a person appointed as a Director for the time being of the Company.

Division means a Division established under rule 8.1.

Division Council means, in relation to a Division, the Division Council appointed under rule 9.

Division Management Committee means, in relation to a Division, the Division Management Committee appointed under rule 10.

Division Nominee means, in relation to a Division, a person nominated by a Member of that Division under rule 2.15.

Division President means a person appointed and holding office under rule 10.6(a).

Executive Director means the person appointed to that position in respect of each Division.

Financial Year means the financial year of the Company determined pursuant to rule 19.1.

Honorary Life Member means a Member, belonging to the class of Membership defined in clause 2.2(d).

Levy means an amount fixed from time to time under rule 3.3.

Member means a person who becomes a member in terms of rule 2 and whose name is entered in the Register as a member of the Company and, in relation to a Division, means a Member affiliated with that Division and, where the context requires, the Nominee of such Member nominated pursuant to rule 2.15.

Money Due means, where payment in respect of an Annual Subscription or Levy is not made on the day specified for its payment, the amount of money payable in respect of that Annual Subscription or Levy plus, subject to rule 3.9.

- (a) interest on that amount at the Prescribed Rate from that day until payment is made; and
- (b) all costs and expenses incurred by the Company because payment was not made on that day.

National Committee means a Committee appointed by the Board under rule 15.15.

National Honorary Life Member means an Honorary Life Member affiliated to the Company in accordance with rule 2.4(d).

National President means a person appointed and holding office under rule 12.8(b)(i).

Nominee means a person appointed by a Member as its nominee under rule 2.15.

Officer has the meaning given in section 9 of the Act.

Official Seal means the duplicate common seal referred to in rule 18.7.

Ordinary Resolution means, in relation to a general meeting of Members, a resolution other than a Special Resolution, passed in the manner specified in rule 7.11.

Prescribed Rate means in respect of each rule in which that term is used 15 per cent per annum or any other rate prescribed by the Board from time to time in respect of that rule.

President means, in relation to the Company, the National President, and in relation to a Division, the Division President of that Division.

Register means the register of members kept as required by sections 168 and 169.

Remuneration means any emolument but does not include any payment by way of compensation for loss of office or in connection with the retirement of a person from office.

Secretary means a person appointed and holding office under rule 16.

Senior Staff means the Chief Executive Officer appointed pursuant to rule 17.1, Executive Directors and such other persons identified from time to time by the Board.

Special Resolution means a resolution of a general meeting of Members as defined in section 9 of the Act.

State means New South Wales.

Transaction includes any contract, agreement, arrangement or dealing (whether formal or informal, whether in writing or oral and whether or not enforceable).

Vice-President means, in relation to the Company, a person appointed and holding office under rule 12.8(b)(ii) and in relation to a Division, a person appointed and holding office under rule 10.6(b).

Voting Member means:

- (a) in respect of a general meeting of members of the Company, a Member (other than an Associate Member):
 - (i) who is entitled to be present at a general meeting of the Company;
 - (ii) present at the meeting in any of the ways set out in rule 7.1(a); and
 - (iii) in respect of whom there is at least one item of business to be considered at the meeting on which the Member is not disqualified from voting; and
- (b) in respect of a meeting of members of the Division, a Member (other than an

Associate Member) affiliated with that Division:

- (i) who is entitled to be present at a meeting of that Division;
- (ii) present at the meeting in any of the ways set out in rule 7.1(b); and
- (iii) in respect of whom there is at least one item of business to be considered at the meeting on which the Member is not disqualified from voting.

1.2 Interpretation

In this document, unless the context otherwise requires:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation or statutory instrument issued under, that legislation or legislative provision;
- (b) the singular includes the plural and vice versa;
- (c) a word denoting an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa and any executor administrator or successor in law of that person;
- (d) a reference to a person is also to the legal personal representative of that person;
- (e) a word denoting a reference to any gender includes all genders;
- (f) a reference to any agreement or document (including this document) is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (g) an expression defined in, or given a meaning for the purposes of the Act (except where defined, or given a meaning, in this document) has the same definition or meaning in this document where it relates to the same matters as the matters for which it is defined or given a meaning in the Act;
- (h) a reference to a matter being written includes that matter being in any mode of representing or reproducing words, figures or symbols in any mode in a visible form;
- (i) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
- (j) a reference to power is also a reference to authority and discretion;
- (k) where an expression is defined anywhere in this document it has the same meaning throughout;

- (l) a reference to a particular Chapter, Part, Division, section, sub-section, paragraph or sub-paragraph is a reference to a Chapter, Part, Division, section, sub-section, paragraph or sub-paragraph of the Act;
- (m) a reference to anything (including a right, obligation or concept) includes each part of it; and
- (n) if an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

1.3 Headings

Headings and marginal notes are for convenience of reference only and do not affect interpretation.

1.4 Company limited by guarantee

The Company is a company limited by guarantee and the liability of Members is limited as provided in this document.

1.5 Objects of the Company

The Company is formed with the object to:

- (a) increase prosperity in the Australian property investment, ownership, construction and property asset management sectors by fostering an efficient, informed, skilled, competitive and productive market place;
- (b) represent property interests to Governments;
- (c) exchange with other organisations and people information relevant to improving commerce, technological advancement and professionalism within the property marketplace and the broader economy;
- (d) communicate the important contribution made by the property industry to the broader economy, and community;
- (e) manage programs that help Members develop their professional skills on a continuing basis;
- (f) collect, collate, analyse and distribute information that helps Members make the most of their own resources and initiatives;
- (g) commission research into subjects relevant to improving the efficiency, productivity and profitability of the industry;
- (h) establish standards and guidelines that improve communication within the

marketplace and promote confidence in the quality of the products and services the industry offers to its customers;

- (i) provide Members with opportunities to exchange information and ideas between themselves and others;
- (j) publish magazines, journals, and newsletters as well as manage other information vehicles that will keep Members informed of trends and issues critical to the industry's existing and future prosperity; and
- (k) recognise and reward excellence in the property industry.

1.6 Restriction on application of profits

Subject to rules 1.7 and 13.1 all profits (if any) and other income of the Company must be applied in promoting the objects of the Company as stated in rule 1.5. No part of the Company's profit or other income may be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to Members.

1.7 Certain payments allowed

Rule 1.6 does not prevent the payment of reasonable remuneration to any officer or employee of the Company or to any Member of the Company or other person in return for service rendered to the Company. In addition rule 1.6 does not prevent the Company:

- (a) paying to a Member:
 - (i) interest on money lent by the Member to the Company at a rate not exceeding the rate charged by Australian banks for overdrawn accounts;
 - (ii) reasonable remuneration for goods and services supplied by the Member to the Company in the ordinary course of business; and
 - (iii) reasonable rent for premises lent by the Member to the Company; and
- (b) making payments to a Director pursuant to rule 13.2

1.8 Replaceable rules

The replaceable rules referred to in section 141 of the Act do not apply to the Company and are replaced by the rules set out in this document.

2. MEMBERSHIP

2.1 Number

The number of Members is unlimited.

2.2 Classes of Membership

There are four classes of Membership, the classes and the qualification for which are as follows:

- (a) Corporate Leader, which must be an entity with national activities which invests (directly or indirectly), develops, finances, owns or manages property or property securities, either as its core business or as a major corporate activity;
- (b) Core Member, which must be an entity which invests (directly or indirectly), develops, finances, owns or manages property or property securities, either as its core business or as a major corporate activity;
- (c) Associate Members, which must be engaged in a profession or business associated with the property industry; and
- (d) Honorary Life Member, which must be a person who is or has been a Corporate Leader, Core Member or Associate Member or an employee, officer or partner of a Corporate Leader, Core Member or Associate Member and who has satisfied the criteria for Honorary Life Membership as determined by the Board from time to time.

2.3 Sub-classes of Membership

The Board may from time to time divide a class of membership into two or more sub-classes and must specify the rights and incidents applicable to each such sub-class, which must be in every case consistent with the rights and incidents of membership applicable to the class from which that sub-class is derived.

2.4 Appointment of Honorary Life Members

The Board may invite an individual qualified under rule 2.2(d) to become an Honorary Life Member. An Honorary Life Member:

- (a) is admitted to Membership at the time appointed by the Board;
- (b) is affiliated to the Division in which that Member resides from time to time;
- (c) may, in addition, be designated upon appointment as being affiliated with one or more other Divisions; and
- (d) may, in addition, be designated as a "National Honorary Life Member", being a Member affiliated with the Company as a whole.

2.5 Application for Membership and Affiliation

- (a) A person who is not a Member may apply to become a Core Member or Associate Member affiliated with a Division by submitting to the Company a properly

completed application in the form approved or accepted by the Board.

- (b) A person who is a Member affiliated with a particular Division or particular Divisions may apply to become affiliated with another Division by submitting to the Company a properly completed application in the form approved or accepted by the Board.
- (c) A person may apply to become a Corporate Leader by submitting to the Board a properly completed application in the form approved or accepted by the Board.

2.6 Effect of Application

By completing an application form the Member agrees to be bound by this document and by any code or rules of conduct or any other standard prescribed from time to time either by the Division Management Committee of the Division to which that Member is to be affiliated or by the Board.

2.7 Further Information

Where the Company receives an application under rule 2.5, the Board may require the applicant to provide such further information relating to the applicant as it determines in its absolute discretion.

2.8 Decision

If the Company receives an application under rule 2.5, the Board must resolve whether to approve or disapprove the application consistent with this document and any policy document or direction issued by the Board from time to time at its first meeting held more than sixty (60) Business Days after receipt of the application. The Board may, but need not, consider the application at a meeting held before this.

2.9 Notification of Decision

The Board must as soon as practicable after making a decision under rule 2.8 give the applicant a notice which states whether the application was successful or not, and, if successful, specifies:

- (a) in the case of an application under rule 2.5(a) or rule 2.5(c), the class or sub-class of Membership;
- (b) the first Annual Subscription; and
- (c) a date by which and a place at which payment of the first Annual Subscription must occur.

The Board is not required to give the applicant reasons for its decision.

2.10 Code of Conduct

A Member must comply with any code of conduct laid down by the Board from time to time.

2.11 Affiliation

A Member is affiliated with each Division which it nominates in its application.

2.12 Admission to Membership

An applicant is admitted to Membership when an application by the applicant under rule 2.5(a) or rule 2.5(c) is accepted and the applicant pays the first Annual Subscription relating to that application. An application for membership lapses if the Annual Subscription specified in the notice given under rule 2.9 in respect of that application is not paid in full on or before the day specified for its payment.

2.13 Register of Members

The Company must keep a Register which complies with the provisions of the Act and which contains the following particulars.

- (a) the name and address of each Member;
- (b) the date on which each Member was admitted to Membership;
- (c) each Member's class or sub-class of Membership;
- (d) the Division or Divisions to which a Member is affiliated or, if the Member is a National Honorary Life Member an entry to this effect;
- (e) the name and details of each Member who stopped being a Member within the last 7 years;
- (f) the date on which each Member ceased to be a Member;
- (g) the name of any Nominee appointed under rule 2.15; and
- (h) an index of Member's names if the Company has more than 50 members and the Register itself is not kept in a form that operates effectively as an index.

2.14 Member to notify changes

A Member must promptly notify the Company of any change in the details with respect to that Member recorded in the Register.

2.15 Member Nominee

Each Member which is a body corporate must, and each other Member which is not an individual may, by written notice to the Company appoint a person, who must be an

employee, officer or partner of the Member, (and may from time to time replace such person) to be its nominee with respect to its membership of the Company and to exercise on its behalf its rights with respect to such membership.

2.16 Limited liability of Members

If the Company is wound up each Member undertakes to contribute to the assets of the Company up to an amount not exceeding \$20.00 for payment of the debts and liabilities of the Company including the costs of winding up. This undertaking continues for one (1) year after a person ceases to be a Member.

3. FIRST ANNUAL SUBSCRIPTION, ANNUAL SUBSCRIPTIONS AND LEVIES

3.1 Annual Subscriptions

The Board may from time to time fix the amount of an Annual Subscription or Annual Subscriptions for each Member other than an Honorary Life Member. An Annual Subscription may be payable in relation to Membership of the Company or in relation to affiliation with a Division.

3.2 First Annual Subscription

At the discretion of the Board, the first Annual Subscription or Annual Subscriptions of a person whose application for Membership is approved under rule 2.8 may be reduced in a manner determined by the Board.

3.3 Levies

In addition to the Annual Subscription or Annual Subscriptions, the Board may from time to time impose a levy on one (1) or more classes of Member or on Members of one (1) or more Divisions.

3.4 Payment of Annual Subscription and Levy

Subject to any contrary notice by the Board specifying a date and place of payment at least ten (10) Business Days after the notice is given, each Member must pay each Annual Subscription and any levy at the time and date specified in a notice given by the Board.

3.5 Remedies for unpaid Annual Subscription or Levy

In addition to all other remedies of the Company, for as long as an Annual Subscription or Levy is due and payable by a Member and not paid, that Member has no right to be present at, be counted among the quorum for, or vote, whether in person or by proxy, attorney or representative, at a general meeting of the Company, and the Membership of the Member may be cancelled by a resolution of the Board, in which case the person ceases to be a Member.

3.6 Waiver of Annual Subscription or Levy

The Board may waive the payment of all or any part of the Money Due by a Member for an Annual Subscription or Levy. A Division Management Committee may waive the payment of all or any part of the Money Due by a Member affiliated with that Division for an Annual Subscription related to that affiliation, and for these purposes the Division Management Committee will be acting under the Board's delegated authority.

3.7 Proof of Annual Subscription or Levy

If on the trial or hearing of an action for the recovery of the Money Due by a Member for an Annual Subscription or Levy it is proved that:

- (a) the books of the Company duly record the resolution of the Board fixing the Annual Subscription or Levy;
- (b) the Member sued appears in the Register as a Member in respect of whom the Annual Subscription or Levy was fixed; and
- (c) notice of the Annual Subscription or Levy was given to that Member in accordance with these rules,

proof of those matters is sufficient and conclusive proof of the debt without it being necessary to prove any other matter (including, without limitation, the appointment of the Directors).

3.8 Notice of cancellation of Membership

Where the Membership of a Member is cancelled under rule 3.5 the Company must promptly give notice of that fact to the person whose Membership was cancelled, and the Company must promptly enter the cancellation (together with its date) in the Register.

3.9 Restoration to Membership

On payment of the Money Due the Board may, but is not obliged to, restore, on any terms and conditions it determines, the Membership of a person whose Membership was cancelled under rule 3.5.

4. VARIATION AND TERMINATION OF MEMBERSHIP

4.1 Cessation of Membership of Division

A Member may cease to be a Member affiliated with a Division or Divisions by giving notice in writing to the Division Management Committee of that Division or those Divisions.

4.2 Cessation of Membership

A person who is a Member ceases to be a Member if that person:

- (a) gives notice of cessation of Membership to the Division Management Committee of each Division to which the Member is affiliated or to the Board;
- (b) gives notice in writing to the Board that the Member wishes to cease to be a Member;
- (c) dies;
- (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under a law relating to mental health;
- (e) is, in the opinion of the Board (excluding the vote of that Member or Member's representative, if any), incapable of managing the person's affairs;
- (f) becomes an insolvent under administration;
- (g) being a body corporate:
 - (i) a summons or other process seeking orders which, if granted, would render it an externally-administered body corporate or an insolvent under administration is filed and is not withdrawn within ten (10) Business Days; or
 - (ii) becomes an externally-administered body corporate; or
 - (iii) a controller or a managing controller of the whole or any part of its assets or undertaking is appointed; and
 - (iv) the Board determines that the Member should cease to be a Member;
- (h) not being a body corporate, is subject under the laws of any applicable jurisdiction to a judicial or administrative regime so that its position is analogous to that of a body corporate which is an externally-administered body corporate and the Board determines that the Member should cease to be a Member;
- (i) cannot be found by the Board upon reasonable enquiry; or
- (j) ceases to be eligible to hold Membership.

4.3 Termination of Membership and other sanctions

Subject to rule 4.4, where the Board determines that a Member has:

- (a) wilfully or recklessly breached a provision this document or any by-law, rules or regulations of the Company; or
- (b) engaged in conduct which, in the opinion of the Board, is prejudicial to the interests of the Company or of its Members,

in addition to all other remedies of the Company, the Board may, by resolution, censure, fine, or expel that Member (and remove that Member's name from the Register) or suspend that Member for a period not greater than twelve (12) months.

4.4 Notice to Member

The Board may pass a resolution under rule 4.3 only where it has given to the relevant Member a notice at least ten (10) Business Days prior to the Board meeting to consider the resolution which states the:

- (a) grounds on which, the Board is considering invoking rule 4.3;
- (b) nature of the resolution which the Board proposes to consider; and
- (c) date, time and place of the Board meeting at which the Board proposes to consider passing a resolution under rule 4.3 (which may not be less than ten (10) Business Days after the notice is given).

A Member to whom such a notice is given may make submissions to the Board (either orally or in writing, as the Board in its absolute discretion thinks fit) as to why the Board should not act under rule 4.3.

4.5 Effect of suspension of Membership

A person suspended from Membership under rule 4.3 remains liable to all the obligations of a Member (including, without limitation, those in respect of any Annual Subscription or Levy) but is entitled to none of the rights or privileges of a Member and (without limitation) has no right:

- (a) to be present at, be counted among the quorum for or to vote, whether in person or by proxy, attorney or representative, at a general meeting of a Division or of the Company;
- (b) to any information concerning the management or affairs of a Division or of the Company;
- (c) to participate in the business or the management of the Company; or
- (d) to any claim on the Company, its funds or property.

4.6 Money owing on cessation of Membership

Any money owed by a Member to the Company at the time the Member ceases to be a Member under rule 4.2 or under rule 3.5:

- (a) remains owing to the Company; and
- (b) becomes payable immediately upon the Member ceasing to be a Member.

All such amounts constitute a debt due to the Company and the Company may take whatever action it considers necessary to recover any amounts due.

5. DIVISION AND GENERAL MEETINGS

5.1 Annual general meeting of Company

The Company must, in addition to any other general meeting held by it, hold an annual general meeting as required by section 250N of the Act.

5.2 Convening of meeting

- (a) A general meeting of the Company:
 - (i) may be convened by the Board; and
 - (ii) must be convened by the Board when required by section 249D or 250N or by order made under section 249G.
- (b) A meeting of a Division may be convened by the relevant Division Management Committee or by the Board.

5.3 Requirement for meeting to be held

Not less than twenty (20) Voting Members of the Company may require that a general meeting of the Company be held, and not less than twenty (20) Voting Members of a Division may require that a meeting of the Division be held. The Members may also requisition the holding of a general meeting of the Company as provided by section 249D, and sub-section 249F(1) does not apply to the Company.

5.4 Period of notice

- (a) Subject to rule 5.5, persons entitled to receive notice of general meetings of the Company must receive at least twenty-one (21) days written notice of the meeting.
- (b) Persons entitled to receive notice of Division meetings must receive twenty-one (21) days notice, except for a Division meeting under rule 9.4, of which twenty-eight (28) days notice must be given.

The notice of meeting must comply with section 249L and may be given in any manner permitted by section 249J(3).

5.5 Short Notice

Subject to sections 249H(3) and (4):

- (a) if the Company has elected to convene a meeting of the Company as the annual general meeting, if all the Members entitled to attend and vote agree; or

- (b) otherwise, if Members who together have power to cast at least 95% of the votes that may be cast at the meeting agree,

a resolution may be proposed and passed at a meeting of which less than twenty-one (21) days notice has been given.

5.6 Omission to give notice

The accidental omission to give notice of a general meeting of the Company or of a Division meeting to, or the non-receipt of notice of the meeting by, a person entitled to receive notice does not invalidate any resolution passed at that general meeting.

5.7 Cancellation or postponement of meeting

Subject to sections 249D(5) and 250N, and rule 5.10, where notice of a general meeting of the Company has been given by the Board or notice of a Division meeting has been given by a Division Management Committee, that body may by notice given to all persons entitled to be given notice of the meeting, postpone or cancel the meeting.

5.8 Adjournment of meetings

Subject to rule 5.10, the Chairman of a general meeting of the Company or of a Division meeting at which a quorum is present:

- (a) may; and
- (b) must, if so directed by the meeting by Ordinary Resolution,

adjourn the meeting from time to time and from place to place.

5.9 Business at adjourned meeting

The only business which an adjourned general meeting of the Company or an adjourned Division meeting may deal with is business which was left unfinished from the meeting which was adjourned.

5.10 Notice of adjourned meeting

No notice need be given of an adjourned or postponed general meeting of the Company or an adjourned Division meeting (or of the business to be transacted at it) except if a meeting is adjourned or postponed for one month or more, in which case notice of the adjourned or postponed meeting must be given as if it were notice of the original meeting.

5.11 Technology

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

6. ENTITLEMENTS TO ATTEND AND VOTE AT DIVISION AND GENERAL MEETINGS

6.1 Entitlement to notice and to attend

- (a) Subject to this document (including, without limitation, rule 3.5) each Member of the Company is entitled to notice of each general meeting of the Company and is entitled to be present and to speak at that meeting and each Member of a Division is entitled to notice of each meeting of the Division and each such Member is entitled to be present and to speak at that Division meeting.
- (b) The Auditor has the right to attend any meeting of the Company and to speak on any part of the business of the meeting which concerns the Auditor in its capacity as Auditor.

6.2 Entitlement to vote at General Meeting of Company

Subject to this document (including, without limitation, rule 3.5) each natural person present at a general meeting of the Company who is a Voting Member or is validly appointed on behalf of a Voting Member has (whether on a show of hands, on a poll or on a ballot) one vote for every Division with which it is affiliated.

6.3 Entitlement to vote at Division Meeting

Subject to these rules (including, without limitation, rule 3.5) each natural person present at a Division meeting who is a Voting Member of that Division or is a Nominee of that Voting Member has (whether on a show of hands, on a poll or on a ballot) one vote.

6.4 Vote of Member of unsound mind

If a Member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under a law relating to mental health, that Member's committee or trustee or other person who properly has the management of the Member's estate may, if that person has at least forty-eight (48) hours before the time notified for a general meeting (or an adjourned meeting) of the Company satisfied the Board of his or her relationship to the Member or the Member's estate, exercise any rights of the Member in relation to a general meeting as if the committee, trustee or other person were the Member.

6.5 Appointment of proxy

Subject to section 250A(4), a Member may appoint a proxy, who need not be a Member, to attend, speak and vote at a general meeting of the Company in the Member's place. An appointment of proxy must be made by written notice to the Company:

- (a) that complies with section 250A(1); or
- (b) in any other form and mode that is, and is signed or acknowledged by the Member

in a manner, satisfactory to the Board.

6.6 Member's attorney

A Member may appoint an attorney to act, or appoint a proxy to act, at a meeting of the Company. If the appointer is an individual, the power of attorney must be signed in the presence of at least one (1) witness.

6.7 Deposit of proxy forms and powers of attorney

An appointment of a proxy or an attorney is not effective for a particular meeting of the Company unless:

- (a) in the case of a proxy, the proxy form and, if it is executed by an attorney, the relevant power of attorney or a certified copy of it; and
- (b) in the case of an attorney, the power of attorney or a certified copy of it,

is received by the Company at its registered office or a fax number at that office (or another address specified for the purpose in the relevant notice of meeting) at least forty-eight (48) hours before the time for which the meeting was called or, if the meeting has been adjourned, before the meeting is resumed.

6.8 Proxy must vote as directed

Where a Voting Member in a valid instrument of proxy directs the appointee to vote in a specified way in respect of a particular item of business (in respect of which that Member is not disqualified from voting) at the relevant general meeting the appointee must cast a vote on that item of business in accordance with that direction.

6.9 Corporate representatives

A Member that is a body corporate may appoint an individual to act as its representative at meetings of the Company as permitted by section 250D.

6.10 Presence of Member

If a Member is present at a general meeting of the Company in either of the ways specified in rules 7.1(a)(i) or 7.1(a)(iv), and a person appointed by the Member as a proxy or attorney is also present at that meeting, that person may not exercise the rights conferred by the instrument of proxy or power of attorney while the Member is present.

6.11 Standing appointments

A Member may appoint a proxy, attorney or representative to act at a particular meeting of the Company or make a standing appointment and may revoke any appointment. A proxy, attorney or representative may, but need not, be a Member.

6.12 Priority of conflicting appointments of attorney or representative

If more than one (1) attorney or representative appointed by a Member is present at a meeting of members and the Company has not received notice of revocation of any of the appointments:

- (a) an attorney or representative appointed to act at that particular meeting may act to the exclusion of an attorney or representative appointed under a standing appointment; and
- (b) subject to rule 6.13(a), an attorney or representative appointed under a more recent appointment may act to the exclusion of an attorney or representative appointed earlier in time.

6.14 More than 1 current proxy appointments

An appointment of proxy by a Member is revoked (or, in the case of a standing appointment, suspended for that particular meeting) if the Company receives a further appointment of proxy from that Member which would result in there being more than one (1) proxy of that Member entitled to act at a meeting. The appointment of proxy made first in time is the first to be treated as revoked or suspended by this rule.

6.15 Continuing authority

An act done at a meeting of the Company by a proxy, attorney or representative is valid even if, before the act is done, the appointing Member:

- (a) dies or becomes mentally incapacitated;
- (b) becomes bankrupt or an insolvent under administration or is wound up; or
- (c) revokes the appointment or revokes the authority under which the appointment was made by a third party,

unless the Company has received written notice of the matter before the start or resumption of the meeting at which the vote is cast.

7. PROCEEDINGS AT DIVISION AND GENERAL MEETINGS

7.1 Representation of Members

- (a) A Member may attend a general meeting of the Company at which that Member is entitled to be present in any of the following ways (if applicable to the Member):
 - (i) in person;
 - (ii) by proxy;

- (iii) by attorney (under a power of attorney); or
 - (iv) in the case of a Member which is a body corporate, by a representative.
- (b) A Member of a Division may attend a Division meeting at which that Member is entitled to be present in any of the following ways (if applicable to the Member):
 - (i) in person; or
 - (ii) by its Nominee appointed under rule 2.15.

7.2 Quorum

A general meeting of the Company or a Division meeting may not deal with any business, subject to rule 7.3(b), unless a quorum of ten (10) Voting Members is present for the time the item of business is considered. An item of business at which a quorum is present is not invalid by reason of quorum not being present for an earlier item of business. If a Member has appointed more than one (1) proxy or representative, only one (1) of them may be counted towards a quorum.

7.3 Failure of quorum

If a quorum is not present within fifteen (15) minutes after the time appointed for a general meeting of the Company or a Division meeting:

- (a) where the meeting was convened upon the requisition of Members under rule 5.3 - the meeting is dissolved; or
- (b) in any other case:
 - (i) the meeting stands adjourned to the day, time and place, that the Board (in the case of a general meeting of the Company) or the Division Management Committee (in the case of a Division meeting) may determine and notify to the Members or, if no determination is made, the same day in the next week at the same time and place; and
 - (ii) at the adjourned meeting, if a quorum is not present within thirty (30) minutes from the time notified for the meeting, the size of the quorum is two Voting Members, and if that number is not present then the meeting is dissolved.

7.4 Chairman of Meetings

The following persons may chair any general meeting of the Company and any Division meeting:

- (a) the President of the Company or of the Division (as applicable);

- (b) in the President's absence a Vice-President of the Company or of the Division (as applicable) present, and, if there is more than one present the Vice-President chosen by the Members present; and
- (c) in the absence of a Vice-President, a Director present (in the case of a general meeting of the Company) or a member of the Division Management Committee present (in the case of a general meeting of the Division Council), and, if there is more than one present, the person chosen by the Members present.

7.5 Chairman where no eligible person present

Where a general meeting of the Company or a Division meeting is held and no person entitled to take the chair is present within fifteen (15) minutes after the time appointed for the holding of the meeting or being present, is unwilling or unable to act, the Voting Members present at the meeting must elect one (1) of their number to chair the meeting.

7.6 Method of voting

Every resolution put to a vote at a general meeting of the Company or a Division meeting (except where there is an election by ballot required by this document) must be determined by a show of hands of the proxies, attorneys or representatives unless a poll is properly demanded either before or on declaration of the result of the vote on a show of hands. Unless a poll is demanded, the Chairman's declaration of a decision on a show of hands is final.

7.7 Demand for poll

A demand for a poll under rule 7.6, may be made by:

- (a) the Chairman of the general meeting of the Company or of the Division meeting;
- (b) any three (3) or more natural persons present each of whom is or validly represents under this document a different Voting Member; or
- (c) any number of natural persons present each of whom is or validly represents under this document a different Voting Member where those Voting Members are together entitled to at least five per cent (5%) of the total voting rights of all Members having the right to vote at the meeting.

7.8 No poll on election of Chairman

A demand for a poll may not be made in respect of the election of the Chairman of the general meeting of the Company or of the Division meeting.

7.9 Votes on show of hands

Where a resolution is determined either by a show of hands or by a ballot:

- (a) a declaration by the Chairman of the general meeting of the Company or of the Division meeting that the resolution has been carried, carried unanimously, carried without dissent, carried by a particular majority or lost is conclusive evidence of the fact so declared without proof of the number or proportion of votes cast for or against that resolution; and
- (b) an entry in the book containing the minutes of that meeting recording that declaration is conclusive evidence of the fact that the declaration was made as so recorded.

7.10 Conduct of poll

If a poll is properly demanded for a resolution:

- (a) if the resolution is for the adjournment of the general meeting of the Company or Division meeting, the poll must be taken immediately at the place and, subject to rule 7.10(c), in the manner that the Chairman of the meeting determines and declares to the meeting;
- (b) in all other cases, the poll must be taken at the time and place and, subject to rule 7.10(c), in the manner that the Chairman of the meeting determines and declares to the meeting;
- (c) votes which section 250A(4) requires to be cast in a given way must be treated as cast in that way;
- (d) the result of the poll, as disclosed by the Chairman of the meeting at which the result is declared, is a resolution of the meeting at which the poll is demanded; and
- (e) an entry in the book containing the minutes of the meeting at which the result is declared recording that declaration is conclusive evidence of the fact that the declaration was made as so recorded.

7.11 Resolutions determined by majority

Subject to rule 7.12, whether on a show of hands, on a poll or on a ballot, an Ordinary Resolution is passed if the proportion that the number of votes cast in favour of that resolution bears to the total number of votes cast on the resolution is greater than one-half.

7.12 Casting vote of Chairman

If on a resolution proposed as an Ordinary Resolution at a general meeting of the Company or a Division meeting there is an equality of votes (whether on a show of hands or on a poll), the Chairman of the meeting may exercise a casting vote in addition to all other votes which the Chairman may have (unless the Chairman is not entitled for some

other reason to cast a vote, in which case the resolution is not passed).

7.13 Procedure on Ballot

The provisions of these rules relating to proceedings, and entitlement to attend and to vote, at general meetings of the Company and Division meetings apply to any ballot conducted under these rules, but no vote cast on such a ballot is valid unless:

- (a) the ballot paper bears the name of the person casting the vote; and
- (b) it is in accordance with any instructions contained on the ballot paper.

7.14 Voting restrictions

Where:

- (a) the Act requires that particular persons do not cast a vote on a resolution or that votes cast by some Members be disregarded, in order for the resolution to have an intended effect; and
- (b) the notice of the meeting at which the resolution is proposed states that fact;

then:

- (c) in determining the votes cast on a resolution relating to that business or for any other purpose, the Company must not take into account any vote cast or purported to be cast by or on behalf of any of those persons. If a proxy purports to vote in a way or in circumstances that contravene section 250A(4), on a show of hands the vote is invalid and the Company must not count it and on a poll rule 7.10(c) applies.

8. DIVISIONS

8.1 Establishment

- (a) The Board may establish one (1) or more Divisions, on the basis of geographical area, subject matter, or any other basis the Board determines.
- (b) The Board may, from time to time, determine:
 - (i) which of the rules in this document apply to such Division (in particular rules 5, 6, 7, 8.4, 9, 10, 11 and 15); and
 - (ii) arrangement for the conduct, operation and governance of such Divisions.

8.2 Membership

The Board may at the time of establishment of a Division designate a Member, with that Member's consent, as being affiliated with that Division.

8.3 Dissolving Divisions

The Board may, if it considers it to be in the best interests of the Company, dissolve a Division by giving at least one (1) month's notice to the Division Management Committee and to each Member affiliated with the Division. Upon dissolution of the Division, each Member affiliated with the Division ceases to be a Member affiliated with the Division. The accidental omission to give notice to, or the non-receipt of notice by, a person entitled to receive notice of the dissolution does not invalidate any resolution to dissolve the Division.

8.4 Management of Divisions

Each Division must have:

- (a) a Division Council; and
- (b) a Division Management Committee.

9. DIVISION COUNCIL

9.1 Functions

Subject to these rules, the functions of the Division Council are:

- (a) to elect the Division Management Committee;
- (b) to determine overall policy of the Division, subject to any directions of the Board;
- (c) to direct, supervise and oversee the governance of the Division Management Committee in the application of this policy; and
- (d) to perform the specific functions conferred upon it by these rules.

9.2 Number of members

The number of members of a Division Council including the Immediate Past President, must be not less than three (3) nor more than fifteen (15) except where the number is increased pursuant to rule 9.10.

9.3 Continuing members

The members of a Divisional Executive of a Division as constituted under the previous rules of the Company holding office at the date of adoption of these rules hold office as members of the Division Council of that Division following that date, subject to these rules.

9.4 Appointment of Division Council

Each Division must hold a Division meeting at which the appointment of the Division Council by ballot will be announced:

- (a) as soon as practicable after adoption of these rules (which does not include an alteration to these rules); and
- (b) after that, during every second (2nd) Financial Year during the period February to April and as close as practicable to the first (1st) week of March.

9.5 Compulsory Retirement

At the conclusion of each meeting of a Division held under rule 9.4, each member of the Division Council automatically retires and is eligible for re-appointment (and if not re-appointed that retirement takes effect at the conclusion of the meeting).

9.6 Notice of Nomination

A person is only eligible to be appointed to a Division Council where:

- (a) the person is a Member of that Division; and
- (b) the Division receives a nomination of the person signed by at least two (2) Members of the Division who are not Associate Members at least fifteen (15) Business Days before the Division meeting.

9.7 Qualification

A member of a Division Council must be a Member of that Division.

9.8 Procedure for Election of members

- (a) At the expiration of the time for receiving nominations the Division Management Committee must prepare a list containing the names of all persons nominated together with the names of retiring members of the Division Council who being eligible wish to stand for re-election.
- (b) Where the number of candidates is less than or equal to the number of members who retire under rule 9.5, all the candidates are automatically appointed as members of the Division Council and no ballot is to be held, unless this would result in a contravention of rule 9.13, in which case:
 - (i) the Core Members and Corporate Leaders who are nominated are automatically appointed as members of the Division Council;
 - (ii) the newly appointed members must immediately hold a meeting of the

Division Council, at which they will constitute a quorum notwithstanding rule 15.3, and the members must elect a Division President under rule 10.6(a); and

- (iii) the newly appointed Division President must determine which of the other nominated members will be appointed in order to comply with rule 9.13.
- (c) Where the number of candidates is more than the number of members who retire under rule 9.5, an election must be held by ballot in accordance with rule 9.9, unless this would result in a contravention of rule 9.13, in which case:
- (i) those nominated persons who are Core Members or Corporate Leaders will be appointed in order of the number of votes received until one more than half of the number of positions is filled, unless the number of Core Members or Corporate Leaders nominated is not sufficient to fill this number of positions, in which case all of them will be appointed; and
 - (ii) those nominated persons who are Associate Members will be appointed in order of the number of votes received until all the positions are filled or the number of Associate Members elected equals one less than the number of Core Members or Corporate Leaders appointed under rule 9.8(c)(i), whichever occurs first.

9.9 Ballot

A ballot required under rule 9.8(c) will be held as follows:

- (a) The Division Management Committee will ten (10) Business Days prior to the Division meeting transmit to each member entitled to vote the following items:
 - (i) a voting paper containing a statement of the number of vacancies to be filled at the election and the names of all the candidates in random order determined by lot. The eligible retiring members must be identified on the voting paper; and
 - (ii) a form entitled "Membership Identification" which the Member or Nominee must complete by writing his or her name and address and signing it.

The non receipt by any Member of any of these items will not invalidate the ballot.

- (b) A Member will vote by marking the voting paper opposite each candidate's name placing a number in order of preference. The Member or Nominee must also complete the Membership Identification in the required manner and transmit the completed voting paper and Membership Identification to the Company.

- (c) Each person voting will vote for the full number of candidates required to be elected to fill the vacancies. Any voting paper upon which votes are recorded for more than the number of candidates to be elected or which is not completed in accordance with the provisions of rule 9.9(b) will be rejected as informal.
- (d) All formal voting papers received by the Division Management Committee before 5.00pm on the second (2nd) Business Day prior to the Division meeting will be counted in the ballot.
- (e) The result of the ballot will be determined by the Division President prior to or at the Division Meeting.
- (f) The number of candidates required to fill the vacancies will be elected either by a simple majority system or a preferential voting system, as determined by the Board from time to time.
- (g) A declaration as to the results of such election will be made at the Division meeting referred to in rule 9.4 and the members elected will take office at the end of the Division meeting.

9.10 Co-option of additional members

The Division Council may appoint an additional number of Members qualified under rule

- (a) 9.7 to the Division Council provided the composition of the Division Council does not contravene rule 9.13 by reason of that appointment.
- (b) not more than three (3) additional Members are appointed over the fifteen (15) member cap set out in rule 9.2; and
- (c) such increase in the number of Members of the Division Council above the cap set out in rule 9.2 to apply only for the period up to the next appointment pursuant to rule 9.4.

9.11 Vacation of Office

The office of a member of a Division Council automatically becomes vacant if the member:

- (a) becomes an insolvent under administration;
- (b) is not permitted by the Act (or an order made under the Act) to be a member;
- (c) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under a law relating to mental health;
- (d) is removed as a member under these rules;

- (e) resigns either by reason of these rules or by notice in writing to the Division Council or the Company; or
- (f) ceases to be qualified under rule 9.7, unless the Board determines otherwise.

9.12 Casual Vacancy

A Division Council may at any time appoint any person to fill a casual vacancy but so that:

- (a) the number of members does not at any time exceed fifteen (15); and
- (b) the composition of the Division Council does not contravene rule 9.13.

9.13 Composition

Subject to rule 9.14, at any time, more than one half of the members of a Division Council must be either Core Members or Corporate Leaders.

9.14 Incorrect Composition Acceptable

If a member of a Division Council resigns or is removed from office and as a result there is a contravention of rule 9.13, the Board may determine within forty (40) Business Days of the resignation or removal that the contravention of rule 9.13 is acceptable.

9.15 Incorrect Composition Not Acceptable

If at any time, by reason of the resignation or removal of a member of a Division Council or otherwise, there is a contravention of rule 9.13 and within forty (40) Business Days of the contravention the Board has not determined under rule 9.14 that the contravention is acceptable, and the Division President has not co-opted an additional member under rule 9, the Division President must as soon as practicable remove from the Division Council one (1) or more Associate Members in the following order until rule 9.13 is complied with:

- (a) Associate Members appointed under rule 9.12, with the most recently appointed being removed first;
- (b) if the remaining Associate Member or Members were appointed under rule 9.8(c), the Associate Member or Members who received the lowest number of votes; and
- (c) if the remaining Associate Members were automatically appointed under rule 9.8(b), the Associate Member or Members selected by the Division President in his or her absolute discretion.

9.16 Legal Proceedings

The Division Council must not, and must ensure Divisions do not, commence any legal proceedings without the prior written consent of the Board.

10. DIVISION MANAGEMENT COMMITTEE

10.1 Functions

The functions of the Division Management Committee of a Division are:

- (a) to govern the affairs of the Division in accordance with the directions of the Board and to an extent not inconsistent with the overall policy determined by the Division Council under rule 9.1, the Business Plan and any directions of the Board;
- (b) to represent the interests of the Members affiliated with the Division;
- (c) to liaise with the Board; and
- (d) to furnish a report to the Board within two (2) months following the end of each Financial Year with respect to the activities of the Division during that Financial Year and any other information which the Division Council or Board considers necessary.

10.2 Powers

Without limiting the scope of rule 10.1, the Division Management Committee of a Division has the power, subject to the Company's Business Plan and any directions, guidelines or policies of the Board:

- (a) to administer the affairs and the policy of the Division in accordance with the Company's Business Plan and any directions, guidelines or policies of the Board;
- (b) with the prior approval of the Board or in accordance with any directions, guidelines or policies issued by the Board, to lease, acquire and dispose of real and personal property for or on behalf of the Company;
- (c) to expend such moneys as may be required for the conduct of the activities and operations of the Division;
- (d) to collect and receive money and property; and
- (e) to invest and deal with money of the Division.

10.3 Number of members

The number of members of a Division Management Committee must be not less than three (3) nor more than seven (7), or such other number as determined by the Board on application by the Division Council or otherwise.

10.4 Continuing members

The office-bearers of the Divisional Management Committee of a Division as constituted under the previous rules who hold office at the date of adoption of these rules continue to hold office as members of Division Management Committee of that Division following that date, subject to these rules.

10.5 Composition

The Division Management Committee consists of the office-holders appointed under rule 10.6 and the additional members appointed under rule 10.9.

10.6 Election of Office-Holders

Each Division Council must, immediately after the Division holds a meeting under rule 9.4, hold a meeting to elect the following office-holding positions on the Division Management Committee:

- (a) Division President who must be a Corporate Leader or Core Member; and
- (b) two (2) Division Vice-Presidents who must be a Corporate Leader or Core Member.

The same person may not hold the position of Division President and Division Vice-President. The Division Council may resolve to elect only one (1) Division Vice-President at the meeting referred to in paragraph (b) above, in which case the other Division Vice-President position will be held open for a period up to six (6) months.

10.7 Compulsory Retirement

At the conclusion of each meeting of a Division Council held under rule 10.6 each member of the Division Management Committee automatically retires and is eligible for re-appointment (and if not re-appointed that retirement takes effect at the conclusion of the meeting).

10.8 Immediate Past President

The Division President who retires under rule 10.7 is automatically re-appointed a member of the Division Council and the Division Management Committee and is appointed as the Immediate Past President at the meeting referred to in rule 10.6.

10.9 Election of Additional Members

The office-holders elected under rule 10.6 must immediately hold a meeting to elect an additional number of Division Council members as additional members of the Division Management Committee so that the total number of members is seven (7), or such other number as determined in accordance with rule 10.3. The additional members may be Associate Members, provided that less than one half of the total number of Members of

the Division Management Committee are Associate Members.

10.10 Co-option of additional members

Where there are fewer than seven (7) members, or such other number as determined in accordance with rule 10.3, of the Division Management Committee following the appointment and election procedure set out in rules 10.6 or rule 10.9, the Division President may appoint to the Division Management Committee an additional member or members drawn from the Division Council, if that Member consents.

10.11 Ceasing to be Qualified

If the Division President ceases to be qualified to be a member of the Division Council under rule 9.7, the Division Management Committee may at its absolute discretion allow him or her to retain his or her position as Division President for a period of up to twenty (20) Business Days after the day he or she ceases to be qualified. If the Division President regains his or her qualifications during this period, he or she will continue as Division President after the period expires.

10.12 Removal of member

The Division Council may remove any member of the Division Management Committee before the expiration of the member's period of office.

10.13 Casual Vacancy

A Division Management Committee may at any time appoint any person to fill a casual vacancy but so that:

- (a) the number of members does not at any time exceed seven (7) or such other number as determined in accordance with rule 10.3; and
- (b) the composition of the Division Management Committee does not contravene rule 10.5.

10.14 Legal Proceedings

The Division Management Committee must not, and must ensure Divisions do not, commence any legal proceedings without the prior written consent of the Board.

11. INTENTIONALLY DELETED

12. BOARD OF DIRECTORS

12.1 Powers

Except as otherwise required by the Act, any applicable law or this document, the Board:

- (a) has the power to govern and manage the business of the Company; and
- (b) may execute every right, power or capacity of the Company to the exclusion of the Company in general meetings and the Members.

12.2 Membership Qualification

A Director must be:

- (a) a Core Member;
- (b) a Corporate Leader; or
- (c) an Associate Member, but only in the case of a Director appointed pursuant to rule 12.7.

12.3 Number of members

The number of Directors of the Company must be not less than three (3) and not more than nineteen (19), unless the Board resolves to alter the maximum number of Directors.

12.4 Continuing Directors

The Directors holding office at the date of adoption of these rules continue to hold office subject to these rules.

12.5 Appointment of Directors

Subject to this document, section 201E and to the number of Directors being fixed under rule 12.3 not being exceeded, the Directors of the Board are to be appointed or elected as follows:

- (a) following the election of the Division Presidents under rule 10.6, the Division Presidents of those Divisions established on a geographical basis must elect from their ranks six (6) Directors. The election will take place by ballot conducted by the Chief Executive Officer; and
- (b) at the same time or as soon as practicable following the election referred to in rule 12.5(a), the Corporate Leaders must, in consultation with the Chief Executive Officer, appoint from their ranks four (4) Directors. In the absence of agreement amongst the Corporate Leaders as to such appointment within such period as the Chief Executive Officer considers appropriate, the Chief Executive Officer must hold an election by Corporate Leaders to fill those positions. The election will take place by ballot conducted by the Chief Executive Officer.

12.6 Compulsory Retirement

Upon the appointment of Directors under rule 12.5(a), each Director, other than those

Directors appointed under rule 12.5, the officer-bearers and the Immediate Past President, automatically retires and is eligible for re-appointment (and if not re-appointed that retirement takes effect at the declaration of the appointment or election referred to in rule 12.5).

12.7 Appointment of Further Directors

Subject to this document, section 201E and to the number of Directors for the time being fixed under rule 12.3 not being exceeded, the Board must, immediately after the declaration of the appointment or election referred to in rule 12.5, hold a meeting and appoint one (1) Associate Member and one (1) Core Member to be Directors and may appoint one (1) or more of the Division Presidents of those Divisions established on a basis other than geographical area to be Directors. At the same time the Board must appoint the chair of the Shopping Centre Council of Australia as a Director (subject to that person's consent).

12.8 Election and Appointment of Office-Bearers

Subject to this document, section 201E and to the number of Directors for the time being fixed under rule 12.3 not being exceeded, the Board must, immediately after the appointments referred to under rule 12.7, hold a meeting at which:

- (a) a member of the Board may nominate a Core Member or Corporate Leader to be considered for election as an office-bearer under rule 12.8(b);
- (b) the Board must elect from among the persons nominated under rule 12.8(a) three (3) persons as Directors (and as members of the Board, if they are not already members) and designate each of them as holding one of the following offices:
 - (i) National President; and
 - (ii) two (2) National Vice-Presidents.

The Board may resolve to elect only one (1) National Vice-President at the meeting referred to in paragraph (b) above, in which case the other National Vice-President position will be held open for a period up to six (6) months.

12.9 Compulsory Retirement

- (a) At the conclusion of the meetings held under rule 12.8 each of the office-bearers and the Immediate Past President referred to in rule 12.6, automatically retires and is eligible for re-appointment (and if not re-appointed that retirement takes effect at the conclusion of the meetings referred to in rule 12.8).
- (b) the National President who retired under rule 12.9(a) is automatically re-appointed as a Director and is appointed to the position of Immediate Past President, unless that person has been elected as an office-bearer under rule

12.8(b) or does not wish to hold the position, in which case the Immediate Past President who retires under rule 12.9 is re-appointed, unless that person does not wish to hold that position, in which case the position will not be filled.

12.10 Business Plan

The Board will at least one (1) month prior to the commencement of a Financial Year draw up a Business Plan and budget for that Financial Year.

12.11 Vacation of Office

The office of a Director automatically becomes vacant where the Director:

- (a) becomes an insolvent under administration;
- (b) is not permitted by the Act (or an order made under the Act) to be a director;
- (c) becomes of unsound mind or physically or mentally incapable of performing the function of that office;
- (d) is removed as a Director under the Act or this document;
- (e) fails to attend three (3) consecutive Board meetings without leave of absence from the Board;
- (f) resigns either by reason of this document or by notice in writing to the Company;
- (g) ceases to be qualified to be a Director under rule 12.2; or
- (h) becomes disqualified from managing corporations under Part 2D.6 and is not given permission or leave to manage the Company under section 206F or 206G.

12.12 Casual Vacancy

The Board may at any time appoint any person who is qualified to be a Director under rule 12.2 to fill a casual vacancy but so that:

- (a) the number of Directors does not at any time exceed the number determined under rule 12.3; and
- (b) any Director so appointed automatically retires when Directors are next elected under rule 12.7/8.

12.13 Ceasing to be Qualified

If the National President ceases to be qualified under rule 12.2, the Board may at its absolute discretion allow him or her to retain his or her position as National President for a period of up to twenty (20) Business Days after the day he or she ceases to be qualified. If the National President regains his or her qualifications during this period, he or she will

continue as National President after the period expires.

12.14 Removal of Director

Whether or not a Director's appointment was expressed to be for a specified period, the Voting Members may by ordinary resolution remove any Director from office. The power to remove a director under this rule is in addition to section 203D.

12.15 Appointment of Attorney

The Board may by power of attorney appoint any person to be an attorney of the Company for the purposes, with the powers (being powers of the Board), for the period and subject to the conditions determined by it.

12.16 Contents of Power of Attorney

A power of attorney under rule 12.15 may, without limitation:

- (a) contain any provisions for the protection and convenience of persons dealing with the attorney as the Board determines; and
- (b) authorise the attorney to delegate any or all of the powers vested in the attorney.

12.17 Too few Directors

If the number of Directors is reduced below the minimum required by rule 12.3, the continuing Directors may act as the Board only:

- (a) to appoint Directors up to that minimum number;
- (b) to convene a meeting of the Company; and
- (c) in emergencies.

13. DIRECTORS' REMUNERATION

13.1 No Remuneration

Subject to rule 13.2 and rule 21, a Director is not entitled to any fees or other remuneration merely for acting as a Director.

13.2 Payments to Directors with Board approval

With the approval of the Board, the Company may pay to a Director:

- (a) reasonable expenses (including travelling and accommodation) incurred in carrying out duties as a director;
- (b) reasonable remuneration for any extra services rendered, or special exertions

made, by the Director to the Company;

- (c) reasonable remuneration where the Director is an employee of the Company and the terms of employment have been approved by the Board;
- (d) interest on money lent by the Director to the Company at a rate not exceeding the rate charged by Australian banks for overdrawn accounts;
- (e) reasonable remuneration for goods and services supplied by the Directors to the Company in the ordinary course of business; and
- (f) reasonable rent for premises leased by the Director to the Company,

where the amount payable does not exceed an amount determined by the Board.

14. DIRECTORS' DUTIES AND INTERESTS

14.1 Compliance with duties under the Act

Each Director must comply with sections 180 to 183.

14.2 Director not disqualified from holding other offices etc

A Director is not disqualified by reason only of being a Director from:

- (a) holding any office or place of profit or employment other than that of the Company's Auditor;
- (b) being a member or creditor of any corporation (including the Company) or partnership other than the Auditor; or
- (c) entering into any agreement with the Company.

14.3 Disclosure of interests

Each Director must comply with section 191.

14.4 Director interested in a matter

Each Director must comply with section 195 in relation to being present, and voting, at a Board meeting that considers a matter in which the Director has a material personal interest. Subject to section 195:

- (a) a Director may be counted in a quorum at a Board meeting that considers, and may vote on, any matter in which that Director has an interest;
- (b) the Company may proceed with any Transaction that relates to the interest and the Director may participate in the execution of any relevant document by or on behalf of the Company;

- (c) the Director may retain benefits under the Transaction even though the Director has the interest; and
- (d) the Company cannot avoid the Transaction merely because of the existence of the interest.

If the interest is required to be disclosed under section 191, paragraph (c) applies only if it is disclosed before the Transaction is entered into.

14.5 Agreements with third parties

The Company cannot avoid an agreement with a third party merely because a Director:

- (a) fails to make a disclosure of an interest; or
- (b) is present at, or counted in the quorum for, a Board meeting that considers or votes on that agreement.

14.6 Obligation of secrecy

Every Director, Secretary, member of a Division Council and Division Management Committee must keep the Transactions and affairs of the Company and the state of its financial reports confidential unless required to disclose them:

- (a) in the course of duties as an officer of the Company;
- (b) by the Board or the Company in general meeting; or
- (c) by law.

The Company may require a Director, Secretary, member of a Division Council and Division Management Committee Auditor, trustee, committee member or other person engaged by it to sign a confidentiality undertaking consistent with this rule. A Director, Secretary or members of a Division Council and Division Management Committee must do so if required by the Company.

15. MANAGEMENT PROCEEDINGS

15.1 Number of Meetings

In each Financial Year:

- (a) the Board must meet at least four (4) times; and
- (b) each Division Management Committee and each Division Council must meet at least three (3) times.

15.2 Mode of Meeting

The Board, each Division Management Committee and each Division Council may meet in person or by telephone, by means of audio or audio-visual communication, or other instantaneous means of conferring for the dispatch of business (or by any combination of those means) which allows each person present to hear and be heard by each other person present, and adjourn and otherwise regulate its meetings as it determines or in any other way permitted by section 248D.

15.3 Quorum

The Board, each Division Management Committee and each Division Council may determine the quorum of members present at a meeting necessary for the transaction of business at the meeting which, until otherwise determined, is the lowest number which constitutes more than one half of the members of such body and for the purposes of this rule and rules 15.5 and 15.9, a Member is treated as present at the meeting by telephone, by means of audio or audio-visual communication, or other instantaneous means of conferring if the member is able to hear the entire meeting and be heard by all others attending the meeting. If a meeting is held in another way permitted by section 248D, the Board, each Division Management Committee and each Division Council must resolve the basis on which a participant is present.

15.4 Notice of Meeting

Notice of each meeting of the Board, each Division Management Committee and each Division Council:

- (a) must be given to each member; and
- (b) may be given by telephone or facsimile message or electronically,

but the non-receipt of any notice of the meeting by a member does not affect the validity of the convening of the meeting.

15.5 Place of Meeting

The Board, each Division Management Committee and each Division Council will determine the place of meeting. Where the Board, a Division Council or a Division Management Committee holds a meeting solely or partly by telephone, by means of audio or audio-visual communication, or other instantaneous means of conferring the meeting is to be treated as held at the place at which at least one of the members present at the meeting is physically located as is agreed by those members present at the meeting.

15.6 Period of Notice

The Board, each Division Management Committee and each Division Council may determine the period of notice (unless waived by a majority of the members to whom

notice of a particular meeting is sent) for each meeting of a Division Management Committee and a Division Council which, until otherwise determined, is twenty four (24) hours.

15.7 Convening of Meeting

Any member of the Board, a Division Management Committee or a Division Council may at any time, convene a meeting of the Board, the Division Management Committee or the Division Council.

15.8 Appointment of Chairman

The following persons may chair any meeting of the Board, a Division Management Committee or a Division Council:

- (a) the President; and
- (b) in the President's absence, any Vice-President present, and, if there is more than one (1) present, the Vice-President chosen by the members present.

15.9 Chairman of Meetings

Where the Board, a Division Management Committee or a Division Council holds a meeting and no person entitled to take the Chairman is present within fifteen (15) minutes of the time appointed for the holding of the meeting or, being present, is unwilling or unable to act, the members present at the meeting may choose one of their number to Chairman of that meeting.

15.10 Majority Decisions

Every question arising and resolution dealt with at a meeting of the Board, a Division Management Committee or a Division Council is to be decided by a majority of votes of the members present and voting on the question or resolution, except for Division Council elections, which will be decided in accordance with rule 9.9.

15.11 Casting Vote of Chairman

If there is an equality of votes at a meeting of the Board, a Division Management Committee or a Division Council, the Chairman of the meeting may exercise a casting vote in addition to all other votes which the Chairman may have (unless the Chairman is not entitled for some other reason to cast a vote, in which case the resolution is not passed).

15.12 Procedure on Ballot

The provisions of these rules relating to proceedings, and entitlement to attend meetings of the Board, a Division Management Committee or a Division Council apply to any ballot conducted under these rules, but a vote cast on a ballot which relates to the election of

members of the Division Council will be determined by a simple majority or the preferential voting system, as determined by the Board from time to time.

15.13 Votes of members

Subject to these rules each member of the Board, a Division Management Committee and each member of a Division Council has one (1) vote on every question or resolution at a meeting of the Board, the Division Management Committee or the Division Council (as applicable).

15.14 Exercise of Powers

A power of the Board, a Division Management Committee or a Division Council, unless it has been delegated exclusively to a committee under rule 15.15, is exercisable only:

- (a) by resolution passed at a meeting of the Board, the Division Management Committee or the Division Council (as applicable) at which a quorum is present;
or
- (b) by a resolution of the members of the Board, the Division Management Committee or the Division Council (as applicable) under rule 15.17.

15.15 Delegation to Committee

- (a) The Board, a Division Management Committee or a Division Council may delegate any of its powers (which powers may be delegated so as to be concurrent with, or to the exclusion of, the powers of the Board, the Division Management Committee or the Division Council) to one (1) or more than one (1) Committee consisting of those persons determined by the Board, the Division Management Committee or the Division Council.
- (b) The Board, a Division Management Committee or a Division Council, may revoke a delegation previously made whether or not the delegation is expressed to be for a specific period.

15.16 Committee Powers and Meetings

Where the Board, a Division Management Committee or a Division Council has appointed a committee under rule 15.15:

- (a) that committee must exercise the powers delegated to it under rule 15.15 in accordance with any directions of the Board, the Division Management Committee or of the Division Council (as applicable);
- (b) each decision of a committee must be ratified by the Board, the Division Management Committee or the Division Council which appointed it, unless the appointing body expressly provided otherwise at the time of appointment;

- (c) a power so delegated when exercised by the committee in accordance with rule 15.16(a) is treated as exercised by the Board, the Division Management Committee or the Division Council (as applicable);
- (d) the members of the committee may elect a Chairman from among the members with the approval of the Board, the Division Management Committee or the Division Council (as applicable);
- (e) where a committee holds a meeting and:
 - (i) has not elected a Chairman under rule 15.16(d); or
 - (ii) the Chairman so elected is not present at the meeting within 15 minutes of the time appointed for the holding of the meeting or is unwilling or unable to act,

the members of the committee present at the meeting may choose one of their number to be Chairman of the meeting;
- (f) the committee may meet in person or by telephone or other instantaneous means of conferring for the dispatch of business (or by any combination of those means) and adjourn and otherwise regulate its meetings as it may determine; and
- (g) the committee meetings are otherwise governed by the provisions of this document which regulate the meetings and procedures of the body which appointed it to the greatest extent practicable.

15.17 Written Resolution of members

If all the members entitled to receive notice of a meeting of the Board, the Division Management Committee or the Division Council and to vote on a resolution sign a document to the effect that they support the resolution (the terms of which are set out in the document), a resolution in those terms is for all purposes to be treated as having been passed at a duly convened meeting of the Board, the Division Management Committee or the Division Council (as applicable) held on the date and at the time when the last member signed the document.

15.18 Several Documents Suffice

For the purpose of rule 15.17:

- (a) two or more separate documents in identical terms, each of which is signed by one or more members of the Board, a Division Management Committee or a Division Council, are treated as one document; and
- (b) a telex, telegram, facsimile or electronic message containing the text of the document expressed to have been signed by a member of the Board, a Division Management Committee or a Division Council and sent to the Company is a

document signed by that member at the time of its receipt by the Company.

15.19 Validity of Acts of members

Each resolution passed or act or thing performed or done by, or with the participation of, a person acting as a member of the Board, a Division Management Committee or a Division Council or member of a committee in respect of whom it is later discovered there was some defect in appointment to, or continuation in, office of that person or that the person so appointed was disqualified or not entitled to perform, vote on or do, the resolution, act or thing, is as valid and effective as if that member had been validly appointed, had validly continued in office, or had not been disqualified and was entitled so to perform, vote or do.

15.20 Less than minimum number of members

Where the office of a member of the Board, the Division Management Committee or the Division Council becomes vacant, the continuing members may continue to act except where the number of members falls below the minimum number set by these rules, in which case the continuing members may act only:

- (a) to appoint members up to that minimum number; or
- (b) to convene a general meeting; or
- (c) in emergencies.

15.21 Invitees

At any meeting of the Board, Division Council or Division Management Committee, the President may invite any person to attend the meeting provided that such person will not be entitled to vote at such meeting and undertakes to comply with the requirements set out in rule 14.6 as if that person were a Director.

16. SECRETARY

16.1 Secretary

The Board:

- (a) must appoint at least one (1) individual to be the Secretary of the Company;
- (b) may determine the term of appointment, powers, duties and remuneration of that person as a Secretary;
- (c) may vary any determination so made; and
- (d) may terminate or suspend any appointment of a person as Secretary whether or not the appointment was expressed to be for a specified term.

16.2 Cessation of Secretary's Appointment

The person automatically ceases to be a Secretary if the person:

- (a) is not permitted by Act (or an order made under the Act) to be a secretary of a company;
- (b) becomes disqualified from managing corporations under Part 2D.6 and is not given permission or leave to manage the Company under section 206F or 206G;
- (c) becomes of unsound mind or physically or mentally incapable of performing the functions of that office;
- (d) resigns by notice in writing to the Company; or
- (e) is removed from office under rule 16.1.

17. CHIEF EXECUTIVE OFFICER AND SENIOR STAFF

17.1 Appointment of Chief Executive Officer

The Board may from time to time appoint a person to be the Chief Executive Officer either for a fixed term (but not for life) or without fixing a term and on any terms and conditions that it determines.

17.2 Termination of appointment of Chief Executive Officer

The appointment of the Chief Executive Officer terminates if the Board revokes the appointment (which it is hereby empowered to do).

17.3 Remuneration of Senior Staff

The Board will fix the Remuneration of the Senior Staff.

18. COMPANY ADMINISTRATION

18.1 Minutes to be made

The Board must cause minutes to be made of:

- (a) the names of the Directors present at each Board meeting;
- (b) the names of the committee members present at each meeting of a committee;
- (c) the proceedings and resolutions of each general meeting;
- (d) the proceedings and resolutions of each Board meeting;

- (e) the proceedings and resolutions of each meeting of a committee;
- (f) resolutions passed by Directors and Members without a meeting; and
- (g) disclosures and notices of Directors' interests, to be kept in accordance with sections 191, 192 and 251A.

18.2 Minutes to be entered and inspection

- (a) The Board must cause all minutes made under rule 18.1 to be entered in the relevant minute book of the Company in accordance with section 251A.
- (b) The Company must allow Members to inspect, and provide copies of, the minute books for the meeting of members in accordance with section 251B.

18.3 Signature of minutes

The minutes of a meeting made under rule 18.1, if appearing on their face to be signed by the Chairman of the meeting or the Chairman of the next succeeding meeting of the relevant body, are sufficient but (except where these rules otherwise provide) not conclusive evidence without proof of any further facts of the matters stated in them.

18.4 Custody of Common Seal

The Board:

- (a) may decide whether or not the Company has a common seal; and
- (b) must provide for the safe custody of the Common Seal and any duplicate seal it decides to adopt under section 123(2).

18.5 Use of Common Seal

The Common Seal and duplicate seal (if any) may only be used with the authority of either:

- (a) the Board; or
- (b) a committee appointed under this rule 18.5 to authorise the use of the Common Seal. The Board must not authorise the use of a seal that does not comply with section 123.

18.6 Mode of execution by Common Seal

An instrument is validly executed under the Common Seal where the Common Seal, or any duplicate seal, is affixed to it in the presence of:

- (a) a Director; and

- (b) another person who is either a Director, the Secretary, the Chief Executive Officer or a person appointed by the Board for the purpose,

and each of those persons signs the instrument to attest the affixing of the Common Seal, or any duplicate seal.

18.7 Official Seal

The Company may have, for use in any place out of the State or Territory where the Common Seal is kept, a duplicate common seal known as the Official Seal for that place whose impression must be identical to that of the Common Seal but with the name of the place where it is to be used added.

18.8 Authority to affix Official Seal

The Company may by instrument under the Common Seal authorise any person either generally or in specified circumstances to affix the Official Seal for a particular place in that place to any instrument to which the Company is a party and determine any manner required for the affixing by that person of that Official Seal in that place. The Company must not authorise the use of the Official Seal that does not comply with section 123.

18.9 Effect of Official Seal

Where an Official Seal is affixed to an instrument in the place to which it relates by a person authorised and in the circumstances authorised for that person under rule 18.8 in the manner described in rule 18.8 (if any), that instrument is to be treated for all purposes as having been validly executed under the Common Seal.

18.10 Inspection of records

Subject to rule 18.2(b) and section 247A, the Board may determine whether and to what extent, at what times and places and under what conditions, the accounting records and other documents of the Company or any of them will be open to the inspection of Members other than Directors, and a Member other than a Director does not have the right to inspect any document of the Company except as provided by law or authorised by the Board.

18.11 Executing Negotiable Instruments

The Board must decide the manner (including the use of facsimile signatures if thought appropriate) in which negotiable instruments can be executed, accepted or endorsed for and on behalf of the Company. The Company may execute, accept, or endorse negotiable instruments only in the manner decided by the Board.

19. BUDGET, ACCOUNTS AND AUDIT

19.1 Financial Year

The financial year of the Company is each period commencing on 1 July and expiring on 30 June of the following year.

19.2 Company to keep accounts

The Board must:

- (a) cause the Company to prepare a financial report and directors' report that comply with Part 2M.3 ;
- (b) cause the accounts and any other documents required by the Act to be sent to Members and laid before general meetings as required by the Act; and
- (c) allow a Director and the Auditor to inspect the records referred to in rule 19.2(a) and (b) at all reasonable times.

19.3 Audit

The Board must cause:

- (a) the Company's financial report for each financial year to be audited as required by the Act and obtain an auditor's report; and
- (b) the auditor's report to be sent to Members and laid before general meetings of the Company as required by the Act.

The eligibility, appointment, removal, remuneration, rights and duties of the Auditor are regulated by section 324 to 331 and 1280 and 1289 of the Act.

19.4 Executive Accounts

Each Division Management Committee must comply with any directions from the Board with respect to accounting practices and procedures to be adopted by it.

19.5 Distribution to Members

The Board must distribute to Members copies of the financial report and directors' report of the Company for that Financial Year, together with the auditor's report in accordance with section 314 and no later than the deadline set by section 315. If a Division Management Committee has prepared accounts in accordance with rule 19.4, it must distribute those accounts to Members affiliated with that Division prior to the Division's annual general meeting.

19.6 Conclusive Reports

Audited financial reports laid before the Company in general meetings are conclusive except as regards errors notified to the Company within 3 months after the relevant

general meeting. If the Company receives notice of an error within that period, it must immediately correct the report and the report as corrected is then conclusive.

20. NOTICES

20.1 Service of notices by Company

A notice is properly given by the Company to a person if it is:

- (a) in writing signed on behalf of the Company (by original or printed signature)
- (b) addressed to the person to whom it is given; and
- (c) either:
 - (i) delivered personally;
 - (ii) sent by prepaid mail (by airmail, if the address is overseas) to the person at an address (if any) supplied by the person to the Company for service of notices or (where the person is a Member) shown in the Register;
 - (iii) sent by facsimile to a number which corresponds with the address referred to in rule 20.1(c)(ii) or which is supplied by the person to the Company for service of notices; or
 - (iv) sent to the person in electronic form to an address supplied to the Company by the person (if any).

20.2 Time of service

A notice to a person by the Company is regarded as given and received:

- (a) where sent by post:
 - (i) within Australia - on the Business Day after the day on which it is posted; or
 - (ii) to a place outside Australia – three (3) Business Days after the day on which it is posted;
- (b) where delivered personally or sent by facsimile or in electronic and a complete and correct transmission report is obtained (when by facsimile):
 - (i) by 5.00pm (local time in the place of receipt) on a Business Day – on that day; or
 - (ii) after 5.00pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day – on the next Business Day; or

(c) in any other case, when the person actually receives the notice.

20.3 Notice of general meetings

The Company must give notice of every general meeting to:

- (a) every Member;
- (b) every Director; and
- (c) the Auditor,

but no other person is entitled to receive notices of general meetings.

20.4 Counting of days

Where a specified period (including, without limitation, a particular number of days) must elapse or expire from or after the giving of a notice before an action may be taken neither the day on which the notice is given nor the day on which the action is to be taken may be counted in reckoning the period.

20.5 Certificate of Director or Secretary

If a Director or the Secretary signs a certificate that a notice was given in the manner set out in the certificate, that certificate is conclusive evidence of the accuracy of the matters set out in it.

21. OFFICERS' INDEMNITY AND INSURANCE

21.1 Indemnity of officers

To the extent that it is permitted to do so by the Act, the Company must indemnify each and every person who is or has been an officer of the Company, and may indemnify its Auditor, against any Liability (other than a Liability which arises out of conduct including a lack of good faith) which that person may incur (other than to the Company or a related body corporate) by reason of being or having been an officer or Auditor or in carrying out the business or exercising the powers of the Company.

21.2 Specific Indemnities

Without limitation to rule 21.1, to the extent that it is permitted to do so by the Act, the Company must indemnify each person who is or has been an officer against:

- (a) any Liability (other than a Liability which arises out of conduct involving a lack of good faith) to another person (other than the Company or a related body corporate) incurred by reason of the first-mentioned person being or having been an officer or in carrying out the business or exercising the powers of the Company; and

- (b) any Liability incurred by the first-mentioned person in defending any proceedings, whether civil or criminal, brought against that person in relation to the Company in which judgment is given in favour of that person or in which the person is acquitted, or in connection with an application in relation to such proceedings, in which the Court grants relief to that person under the Act.

In this rule 21, Liability means a liability of any kind (whether actual or contingent and whether fixed or unascertained) and includes costs, damages and expenses, including costs and expenses incurred in connection with any investigation or inquiry by a government agency or a liquidator.

21.3 Further power to indemnify

The Company may indemnify or agree to indemnify any person (whether or not that person is or has been an officer) to the extent permitted by the Act, and this power is not restricted by the provisions of rules 21.1 and 21.2.

21.4 Insurance

Subject to the Act, the Company may enter into, and pay premiums on, a contract of insurance in respect of any person.

21.5 Former Officers

For the avoidance of doubt, the indemnity in favour of officers under rule 21.1 and 21.2 is a continuing indemnity. It applies in respect of all acts done by a persons while an officer of the Company or its wholly owned subsidiaries even though the person is not an officer at the time the claim is made.

21.6 Deeds

Subject to the Act, without limiting a person's right under this rule 21, the Company may enter into an agreement with a person who is or has been an officer of the Company or any of the Company's subsidiaries, to give effect to the rights of the person under this rule 21 on any terms and conditions that the Board thinks fit.

22. MISCELLANEOUS

22.1 General authorisation

Where the law authorises or permits a company to do any thing if so authorised by this document, the Company is authorised by this rule to do that thing.

22.2 Winding Up

If the Company is wound up, any surplus property must not be paid to members but must be paid or transferred to another corporation which complies with section 150(1).