

Credit Union Australia Ltd Constitution

ACN 087 650 959

Effective Date: TBC



Great Southern
Bank

Table of contents

1.	Introductory Matters	1
1.1	Principles of Mutuality and Objects	1
1.2	No requirement for Membership	1
1.3	Definitions	1
1.4	Interpretation	4
1.5	Time	5
1.6	Replaceable Rules do not Apply	5
1.7	Notices	5
2.	Membership	6
2.1	Admission to Membership	6
2.2	Minors	7
2.3	Repayment of subscription price	8
2.4	Third party rights	8
2.5	General	8
3.	Termination of Membership and Shares	9
3.1	Removal of a Member's Name or MCI holder's Name from the Register of Members	9
3.2	Termination of Membership	9
3.3	Termination by the Board	10
3.4	Termination Where Accounts Dormant	10
3.5	Termination of Member Share Issued as a Result of Fraud or Unlawful Activity	11
3.6	Redemption of Member Shares	11
4.	Issue of Shares	12
4.1	Power to Issue Shares	12
4.2	Restrictions on Issue of Member Shares	12
4.3	Issue of MCIs	13
5.	Dividends	13
5.1	Payment of Dividends	13
5.2	Equal Dividends	13



5.3	Interest on Dividends	13
5.4	Unclaimed Dividends	14
5.5	Prudential requirement for Dividends	14
6.	Transfer of MCIs	14
6.1	Form of Transfer	14
6.2	Ownership of Transfer	14
6.3	Registration of Transfer	14
6.4	Powers of Attorney	15
6.5	Suspension of Registration	15
7.	Transmission of Shares	15
7.1	Transmission of Shares on Death	15
7.2	Transmission of Shares on Bankruptcy	16
7.3	Transmission of Shares on Mental Incapacity	16
8.	Holding Members' Meetings	16
8.1	Calling Meetings of Members	16
8.2	Adjourning Meetings of Members	17
8.3	Proceedings at Members' Meetings	17
9.	Voting at General Meetings	18
9.1	Voting	18
9.2	Voting on a Poll	19
9.3	Voting on a Show of Hands	19
9.4	Direct Voting	19
9.5	Body Corporate Representatives	19
9.6	Proxies	20
9.7	Objections	20
10.	Directors — Appointment & Vacation of Office	21
10.1	Number of Directors	21
10.2	Eligibility to be a Director	21
10.3	Power to appoint directors	22
10.4	Retirement of directors	22
10.5	Appointment by members	22
10.6	Vacating office	23



10.7	Director nomination consideration	24
10.8	Board skills and experience criteria	24
11.	Directors' Powers	25
11.1	Powers and Duties of the Board	25
11.2	Negotiable Instruments	25
11.3	Delegation	25
11.4	Validity of acts	25
12.	Directors' Meetings	26
12.1	Calling and Conduct of Board Meetings	26
12.2	Quorum of Board	26
12.3	Chair of Board	26
12.4	Passing of Directors' Resolutions	26
12.5	Circulating Resolutions	26
12.6	Committees of Directors	27
13.	Conflicts of Interest	28
13.1	Directors not disqualified	28
13.2	Disclosure of Interests	28
13.3	Procedure of Meetings of Directors	28
13.4	Effect of Interest	29
14.	Remuneration, Indemnity and Insurance	29
14.1	Remuneration of Directors	29
14.2	Travelling Expenses and Insurance	29
14.3	Indemnities for Officers and Former Officers	30
15.	Executive officers	30
15.1	Managing directors and executive directors	30
15.2	Secretary	31
15.3	Executive officers	31
Schedule 1	Terms of Member Shares	32
Schedule 2	Terms of MCIs	34



Constitution

1. Introductory Matters

1.1 Principles of Mutuality and Objects

- (a) The **company** is a public company limited by shares organised as a mutual entity. Each **member** of the **company** has no more than one vote at a **general meeting** of the **company** (for each capacity in which they are a **member** of the **company**).
- (b) The **company** is intended to be an 'MCI mutual entity' for the purposes of the **Corporations Act**.
- (c) The **company** has the following objects:
 - (i) to raise funds by subscription, deposit or otherwise, as authorised by the **Corporations Act** and *Banking Act 1959* (Cth);
 - (ii) to apply the funds in providing a **loan** to members, subject to the *Corporations Act* and *Banking Act 1959* (Cth);
 - (iii) to facilitate and provide access to programmes and services for **members** to assist them to meet their financial, economic, and social needs; and
 - (iv) to apply its funds for any other purpose permitted by law and which the **board** determines is in the interest of **members**.

1.2 No requirement for Membership

The **company** may accept deposits from, or provide a **loan** to, its **members** and to persons who are not **members**.

1.3 Definitions

In this Constitution, unless the context requires otherwise:

ADI	means a body corporate that APRA has authorised to conduct banking business in Australia under the <i>Banking Act 1959</i> (Cth)
AGM	means an annual general meeting
APRA	means the Australian Prudential Regulation Authority
board	means the board of directors
candidate	has the meaning given in rule 10.5(f)



company	means the company with the Australian Company Number (A.C.N.) 087 650 959
Corporations Act	means the <i>Corporations Act 2001</i> (Cth)
deposit	means the deposited sum of money in an account that the company conducts in the ordinary course of its banking business
designated suspense account	means a deposit account that is nominated by the company and to which funds may be credited in the event that: <ul style="list-style-type: none"> (a) the company determines that a member deposit account is dormant under rule 3.2(b); or (b) the company redeems a member share in accordance with rule 3.6
direct vote	means a vote at a general meeting delivered to the company by such means as approved by the board
director	means a director for the time being of the company
general meeting	means a general meeting of the members and any voting MCI holders
loan	means any form of financial accommodation
material personal interest	has the same meaning as in Part 2D.1 of the Corporations Act
MCI	means a share as described in Schedule 2 and stands for 'mutual capital instrument' as that term is defined in the Corporations Act
MCI holder	means a person who is the holder of an MCI issued by the company
MCI issue price, in relation to an MCI,	means the amount payable by a person in issue of an MCI , in accordance with the MCI issue terms
MCI issue terms, in relation to an MCI,	means the terms on which an MCI are issued
member	means a person (other than an MCI holder) who is the holder of a member share and whose name the company has entered for the time being in the register of members it keeps under the Corporations Act
member share	means a share as described in Schedule 1



prudential standard	means: <ul style="list-style-type: none"> (a) any prudential standard that APRA determines under the <i>Banking Act 1959</i> (Cth); (b) any prudential regulation made under <i>Banking Act 1959</i> (Cth); and (c) any APRA transitional prudential standard applying to the company under the <i>Financial Sector Reform (Amendments and Transitional Provisions) Regulations 1999</i> (Cth)
register of members	means the register of members the company keeps under the Corporations Act
secretary	means a secretary for the time being of the company
subscription price	means: <ul style="list-style-type: none"> (a) in relation to a member share, the amount payable by a person on subscription for a member share; and (b) in relation to an MCI, the amount payable by a person on subscription for an MCI or, if the MCI was created on conversion of a capital instrument in accordance with prudential standards, the nominal dollar value of that capital instrument prior to conversion into the MCI
voting MCI holder	means an MCI holder who has one vote at a general meeting either because such MCI holder is also the holder of a member share or because the MCI holder has been granted one vote under the terms of issue of the MCIs held
voting qualification criteria	means, of a member at a relevant date: <ul style="list-style-type: none"> (a) the member holds a deposit account with the company which has a maturity term of not less than one month as at the relevant date, or has held such an account within the period of 90 days immediately preceding the relevant date; or (b) the member holds a deposit account with the company which is a transaction account (a classification determined by the company from time to time), which has been active within the preceding 12 months; or



- (c) the **member** has been provided a **loan** from the **company** which has not been repaid at the relevant date and the **board** has not made a resolution in relation to the **member** under rules 3.3 to 3.5; or
- (d) the **member** has any other interest in a **loan**, as determined by the **board** from time to time.

1.4 Interpretation

In this Constitution, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) where an expression is defined in this Constitution, any other grammatical form of the expression has a corresponding meaning;
- (c) terms defined in the **Corporations Act** and not otherwise defined have the same meaning in this Constitution;
- (d) headings are for purposes of convenience only and do not affect the interpretation of this Constitution;
- (e) a reference to a statute or regulation includes all amendments, consolidations or replacements of the statute or regulation;
- (f) a reference to this Constitution or another instrument includes all amendments or replacements of the Constitution or the other instrument;
- (g) a reference to a statutory or other body that ceases to exist or the powers and functions of which are transferred to another body includes a reference to the body:
 - (i) that replaces it; or
 - (ii) to which substantially all the powers and functions relevant to this Constitution are transferred;
- (h) a reference to "in writing" is a reference to any mode of representing or reproducing words in the English language in tangible and permanently visible form, including email transmissions and other electronic means;
- (i) a reference to "this Constitution" in an annexure or schedule includes a reference to the annexures or schedules to this Constitution;
- (j) a reference to an "Annexure" or "Schedule" means an annexure or schedule to this Constitution and includes all amendments or replacements of the annexure or schedule; and
- (k) a reference to a "rule", "subrule", "clause", "subclause" or "paragraph" means a rule, subrule, clause, subclause or paragraph (as the case may be) of this Constitution.



1.5 Time

Unless expressly provided otherwise, when this Constitution, or any notice given under this Constitution, states a time or a period of time, the time stated is, or the period of time is calculated by reference to the time at the **company's** registered office.

1.6 Replaceable Rules do not Apply

The replaceable rules in the **Corporations Act** do not apply.

1.7 Notices

- (a) This Rule applies to all notices and documents that the **Corporations Act** or this Constitution requires a party to this Constitution to send to another party to this Constitution.
- (b) In this Rule, **business day** means a day that is not:
 - (i) a Saturday or Sunday; or
 - (ii) a public holiday or bank holiday in the place where the notice is received.
- (c) A person sending a notice must do so in writing and must address it to the recipient at the following respective addresses:
 - (i) if to the **company** — at its registered office or such other address as the **company** specifies to **members** from time-to-time;
 - (ii) if to a **member** — in any manner permitted by the **Corporations Act**, to the **member's** address appearing on the **register of members** from time-to-time, or in accordance with rule 1.7(d);
 - (iii) if to an **MCI holder** — in any manner permitted by the **Corporations Act** and any relevant terms of issue of the **MCIs**, to the **MCI holder's** address appearing on the **register of members** from time-to-time, or in accordance with rule 1.7(d); and
 - (iv) if to a **director** — at the **director's** address (including any electronic address) appearing in the records of the **secretary**.
- (d) Where a **member** or an **MCI holder** has provided an electronic address to the **company**, notices sent by the **company** under this Constitution may be sent by electronic means to the **member's** or the **MCI holder's** (as applicable) last known electronic address wherever the law permits this.



- (e) A person may send a notice or other document to another person in any of the ways, and the other person receives the note at the time, set out in the table below:

Delivery Method		Time Person Receives Notice
1.	Sending the notice by email transmission or other electronic means	<p>The other person receives the notice:</p> <p>(a) if sent before 5:00pm on a business day - on that business day</p> <p>(b) if sent after 5:00pm on a business day - on the next business day</p> <p>(c) if sent on a day other than a business day - on the next business day</p> <p>This Rule does not apply where the person sending the notice by electronic means has evidence that the notice did not reach the other person's electronic address</p>
2.	Sending the notice by pre-paid post	The other person receives the notice on the third business day after posting unless it is actually delivered earlier
3.	Hand delivering the notice personally	<p>The other person receives the notice:</p> <p>(a) if hand delivered before 5:00pm on a business day - on that business day</p> <p>(b) if hand delivered after 5:00pm on a business day - on the next business day</p> <p>(c) if hand delivered on a day other than a business day - on the next business day</p>

2. Membership

2.1 Admission to Membership

- (a) Subject to any other Rule allowing admission of **members**, the **company** may admit a person as a **member** if:
- (i) the **company** accepts a **deposit** from, or provides a **loan**, to that person; and
 - (ii) the person makes an application for membership and a **member share**, provided that the application conforms with the form and content



requirements of the **company** and the person agrees to pay or pays the **subscription price**, if any.

- (b) Subject to any other Rule allowing admission of **members**, a person becomes a **member** upon that person's name being entered in the **register of members**.
- (c) The **company** may admit a person as an **MCI holder** only if:
 - (i) the person makes a written application in a form the **company** requires;
 - (ii) the person applies for an **MCI**; and
 - (iii) the person pays in cleared funds the **MCI issue price**.
- (d) The **board** has an absolute discretion in exercising the **company's** power to admit **members** or **MCI holders** without any obligation to give a reason for not admitting a person as a **member** or **MCI holder**.
- (e) Where the **company** approves an application from 2 or more persons to become **members** on the basis that the persons will hold a **deposit** or receive the benefit of a **loan** jointly, each person will be admitted as an individual **member**. For the avoidance of doubt, no person will be admitted as a joint member of the **company**.
- (f) When the **company** admits a person as a **member** under rule 2.1(a), the **company** must:
 - (i) issue the **member share** to the person;
 - (ii) enter the person's particulars in the **register of members** as required by the **Corporations Act**; and
 - (iii) give the person notice that it has admitted the person as a **member**.
- (g) When the **company** admits a person as an **MCI holder**, the **company** must:
 - (i) issue the **MCI** to the person;
 - (ii) enter the person's particulars in the **register of members** as required by the **Corporations Act**; and
 - (iii) give the person notice that it has admitted the person as an **MCI holder**.

2.2 Minors

- (a) The **board** may approve an application for **membership** by a minor, being any person who is not yet eighteen years old.
- (b) A **member** who is a minor is not entitled to:
 - (i) hold office as an officer of the **company**; or



- (ii) vote on any matter at a **general meeting** unless determined otherwise by the **board**.

2.3 Repayment of subscription price

If an existing **member** holds a **member share** with a **subscription price** greater than nil, a request by the **member** to repay the **subscription price** of the **member share** without termination of membership is to be regarded by the **company** as a request by that **member** for the redemption of his/her **member share** and an application by the **member** for a new **member share** with a **subscription price** of nil consideration. Redemption by the **company** and approval of the application for the new **member share** may only be affected by the **company** simultaneously and as soon as practicable after receiving the request. However, the **company** may defer redeeming the **member share** until the **board** is satisfied that:

- (a) immediately after redeeming the **member share**, the **company** will not be in breach of any **prudential standard**;
- (b) the **company's** capital base is adequate for purposes of **APRA's** supervision of capital adequacy;
- (c) if **APRA** has restricted the **company** redeeming **member shares** (whether by direction or otherwise) – the restriction no longer applies; and
- (d) the **company** has sufficient profits to pay the amount payable on redemption of the **member share**.

The existing **member** is, notwithstanding redemption and issue of the **member shares**, to be regarded as having continuity of membership in the **register of members** from the date of original issue of the redeemed **member share**. Any monies payable by the **company** on the redemption of the **member share** may be paid to the **member** in any manner permitted by rule 3.3(d).

2.4 Third party rights

Whether or not it has notice of the rights or interests concerned, the **company** is not bound to recognise:

- (a) any equitable, contingent, future or partial claim to, or interest in, any **member share** or **MCI**, or purported unit of a **member share** or an **MCI**; or
- (b) any other right in respect of a **member share** or an **MCI**,

except an absolute right of ownership of the **member share** or **MCI holder**, or as otherwise provided by this Constitution or by law.

2.5 General

Notwithstanding any other Rule in this Constitution, the **board** may approve applications for a person to become a **member** or **MCI holder** in accordance with the procedures adopted by the **board** from time to time.



3. Termination of Membership and Shares

3.1 Removal of a Member's Name or MCI holder's Name from the register of members

The company can remove a **member's** name or **MCI holder's** name from the **register of members** if:

- (a) the **company** redeems the **member share** under rule 3.2, rule 3.3 or rule 3.4;
- (b) the **member share** is forfeited by the **member** in accordance with the **Corporations Act**;
- (c) if the **member** is an individual — the **member**:
 - (i) becomes a bankrupt and the **company** registers the member's trustee in bankruptcy as the holder of the **member share** under rule 7.2;
 - (ii) becomes mentally incapable and the **company** registers the member's trustee or guardian as the holder of the **member share** under rule 7.3;
- (d) the **member** is a trustee and holds a **member share** in that capacity — the **company** registers the transfer of the **member share** to another person who is to act as trustee for the relevant trust;
- (e) the **member's deposit** account becomes dormant under rule 3.4; or
- (f) if the **MCI** held by an **MCI holder** is redeemed, transferred or cancelled in accordance with the terms of that **MCI**, this Constitution and the **Corporations Act**.

3.2 Termination of Membership

- (a) Where a person is admitted as a **member** under rule 2.1 (a), the person's **membership** will be terminated upon:
 - (i) the person withdrawing all **deposits** and repaying all **loans** and discharging all other obligations to the **company**; or
 - (ii) the person's death (in the case of a **member** who is a natural person) or deregistration or dissolution (in the case of **member** that is a body corporate).
- (b) Where a person is admitted as a **member** under rule 2.1 (b), the person may request termination of membership but only upon withdrawing all **deposits** and repaying all **loans**.
- (c) If a **member** makes a request under rule 3.2(b), the **company** must redeem the **member share** for the **subscription price** as soon as practicable after receiving the request. However, the **company** may defer redeeming the **member share** until the **board** is satisfied that:



- (i) the **member** has withdrawn all **deposits** and repaid all **loans**;
- (ii) immediately after redeeming the **member share**, the **company** will not be in breach of any prudential standard;
- (iii) the **company's** capital base is adequate for purposes of **APRA's** supervision of capital adequacy;
- (iv) if **APRA** has restricted the company redeeming **member shares** (whether by direction or otherwise) – the restriction no longer applies; and
- (v) the **company** has sufficient profits to pay the amount payable on redemption of the **member share**.

3.3 Termination by the Board

The **company** may redeem a **member share** for the **subscription price** by **board** resolution if:

- (a) the **member** fails to discharge the **member's** obligations to the **company**;
- (b) the **member** is suspected of or has engaged in conduct that the **board** reasonably considers to be detrimental to the **company**, including conduct that is inconsistent with the **company's** stated values or that is reasonably likely to cause reputational damage to the **company**;
- (c) the **member** obtains membership by misrepresentation or mistake;
- (d) the **member**, in a single legal capacity, is the holder of more than one **member share** (and if so, the **board** may determine which additional **member share** or **member shares** to redeem in order to ensure that the **member** only has one **member share** in that legal capacity); or
- (e) the **member** closes their **deposit** account or other **loans** and does not renew or replace the **deposit** account or **loans**.

3.4 Termination Where Accounts Dormant

- (a) This rule does not apply to a retirement savings account to the extent that the *Retirement Savings Account Act 1997* (Cth) provides otherwise or the treatment of accounts as dormant would be inconsistent with any other legislation.
- (b) The **company** may:
 - (i) determine that the **member's deposit** accounts are dormant; and
 - (ii) redeem a **member's share**,

if the **member** has not initiated any transactions in relation to any **deposit** account in the 24 month period before the date of the resolution of the **board**, provided always that if the **member** is a minor the 24 month period may commence no earlier than the day after the **member's** eighteenth birthday.



3.5 Termination of Member Share Issued as a Result of Fraud or Unlawful Activity

Without limiting rule 3.3, the **company** may redeem a **member share** where there are reasonable grounds to believe that fraudulent or unlawful activity has caused the **member share** to be issued in the name of a person without the knowledge or consent of the person, or in the name of a deceased person or a fictitious person. The amount payable on redemption of the **member share** (if any) is to be held in a **designated suspense account** until such time as it is required under the *Banking Act 1959* to be dealt with as unclaimed moneys. The **member share** is to be redeemed promptly after:

- (a) the **board** resolves that it is satisfied that there are reasonable grounds to believe that the **member share** was issued in circumstances mentioned in this rule; or
- (b) a person delegated by a **board** resolution made for the purposes of this rule, determines in writing that the person is satisfied that there are reasonable grounds to believe that the **member share** was issued in circumstances mentioned in this rule.

3.6 Redemption of Member Shares

- (a) The **company** may redeem a **member share** only if the following conditions are satisfied:
 - (i) the **board** reasonably believes that, immediately after redeeming the **member share**, the **company** will not be in breach of any **prudential standards**; and
 - (ii) the **company** can redeem the **member share** out of the profits of the **company**.
- (b) A **member share** is redeemed under rules 3.3, 3.4 and 3.5 upon:
 - (i) the **board** resolving that the **member share** be redeemed; or
 - (ii) a person to whom the **board** has delegated its power under rule 11.3(a) directing that the **register of members** record that the **member share** has been redeemed.
- (c) Subject to the operation of rule 3.5, the **company** must give notice of a proposal to redeem a **member share** under rule 3.3(a) to the **member** at least 14 days before either the **board** considers the proposed resolution, or the **board's** delegate under rule 11.3(a) makes a decision to cause the **member share** to be redeemed. The notice must:
 - (i) inform the **member** whether the decision to redeem the **member share** will be by **board** resolution or by a delegate; and
 - (ii) inform the **member** that they have the right to be heard by the **board** or the **board's** delegate (as applicable) before the decision to redeem their **member share** is made.



- (d) On redeeming the **member share**, the **company** may pay the amount payable on redemption of the **member share** to the **member** by either:
- (i) paying the amount in reduction of any monies owing by the **member** to the **company**;
 - (ii) sending a cheque to the **member's** address as set out in the **register of members**;
 - (iii) making a payment of cleared funds by electronic means to an account nominated by the **member** to the **company**; or
 - (iv) crediting any of the **member's deposit** accounts with the **company**,
- at the time the **member share** is redeemed.
- (e) On redemption, the **member shares** are cancelled.
- (f) The **company** must send notice of the proposed redemption of a **member share** to the **member** at the **member's** last known address as shown on the **register of members** within 28 days of the determination. For the avoidance of doubt, the **company** is under no obligation to notify the person in whose name the **member share** has been issued of the grounds upon which the **company** has redeemed the **member share**.
- (g) This rule does not affect the terms on which **member shares** may be cancelled under a reduction of capital or a share buy-back under **Corporations Act** Part 2J.1.

4. Issue of Shares

4.1 Power to Issue Shares

Subject to this Constitution and the **Corporations Act**, the **company** may issue **member shares** and **MCI**s.

4.2 Restrictions on Issue of Member Shares

- (a) The **company** must not issue:
- (i) options to subscribe for **member shares**;
 - (ii) securities that may be converted to **member shares**; or
 - (iii) securities with pre-emptive rights to **member shares**.
- (b) The **company** may only issue one **member share** to any person. However, the **company** may issue to a trustee:
- (i) one **member share** to the trustee in the trustee's own right; and



- (ii) one **member share** to the trustee in its capacity as trustee for the relevant trust.

4.3 Issue of MCIs

MCIs may be issued and may be cancelled in accordance with the procedures set out in Schedule 2, and have the rights described in Schedule 2.

5. Dividends

5.1 Payment of Dividends

- (a) The **board** may determine that the **company** pay a dividend on **shares** to which a right to participate in dividends attaches. Subject to the terms of issue of the **shares**, the **board** may determine:
 - (i) the amount of the dividend;
 - (ii) the time for payment of the dividend; and
 - (iii) the method of payment of the dividend.

The method of payment may include the payment of cash, the issue of securities and the transfer of assets. Where the **company** pays the dividend other than in cash, the **board** may fix the value of any securities issued or assets transferred.

- (b) The **board** may fix a record date for a dividend and the dividend must be paid to the person who is registered in the **register of members** (or entitled to be registered under this Constitution) as the holder of a **share**:
 - (i) where the **board** has fixed a record date for the dividend, on that date; or
 - (ii) where the **board** has not fixed a record date for that dividend, on the date fixed for payment of the dividend.

A transfer of a **share** that is not registered, or left with the **company** for registration in accordance with rule 6, on or before the record date is not effective to transfer the rights to the dividend to another person.

5.2 Equal Dividends

Subject to this Constitution and the terms on which **shares** in a class are issued, all dividends are to be declared and paid equally in respect of a class of **shares**.

5.3 Interest on Dividends

Interest is not payable on a dividend.



5.4 Unclaimed Dividends

Unclaimed dividends may be invested by the **company** as the **board** determines fit for the benefit of the **company** until claimed or required to be dealt with under the law.

5.5 Prudential requirement for Dividends

A dividend must not, if declared and paid, place or potentially place the **company** in breach of an applicable **prudential standard**.

6. Transfer of MCIs

6.1 Form of Transfer

A **MCI holder** wishing to transfer the **MCIs** must use a transfer that complies with the following requirements:

- (a) the transfer relates to **MCIs** only;
- (b) the transfer is in writing; and
- (c) the transfer is in a form that the **board** approves or in any other usual or common form.

6.2 Ownership of Transfer

On receiving a **MCI** transfer (or a document that appears to be a **MCI** transfer), the **company** becomes the owner of the **MCI** transfer and has a right to exclusive possession of the **MCI** transfer.

6.3 Registration of Transfer

- (a) The **company** must not register an **MCI** transfer if:
 - (i) the **MCI issue terms** prohibit the transfer of the **MCIs** to the transferee;
 - (ii) the transfer is not in the form set out in rule 6.1; or
 - (iii) if the transfer is dutiable — the transfer is not duly stamped;
 - (iv) the **board** has approved the transfer of the **MCI** subject to conditions, and the **board** is not satisfied that the conditions have been complied with; or
 - (v) the **board** believes on reasonable grounds that registration of the transfer would cause or contribute to an unacceptable risk of the **company** failing to comply with Prudential Standards.
- (b) The **company** may refuse to register a transfer unless:



- (i) the transferor and transferee have executed the transfer;
 - (ii) any existing certificate for the **MCI**s accompanies the transfer;
 - (iii) the **board** has all information that it reasonably requires to establish the right of the transferor to transfer the **MCI**s; and
 - (iv) the **board** has all information that it reasonably requires to establish that the transferee agrees to be a **MCI holder** of the **company**.
- (c) The transferor of **MCI**s remains the holder of those **MCI**s or until the **company** enters the transferee's name as holder of those **MCI**s in the **register of members**.

6.4 Powers of Attorney

- (a) The **company** may assume that a power of attorney authorising the attorney to exercise the rights of the MCI holder, including in relation to the transfer of some or all of the **MCI holder's shares** that a **MCI holder** holds:
- (i) is a valid and effective grant of the power it appears to grant; and
 - (ii) continues in full force and effect.
- (b) The **company** may rely on the power of attorney until it receives a notice informing it that:
- (i) the power of attorney has been revoked; or
 - (ii) the **MCI holder** has died.

6.5 Suspension of Registration

The **board** may suspend the registration of share transfers at the times and for the periods it determines. The periods of suspension must not exceed 30 days in any one calendar year.

7. Transmission of Shares

7.1 Transmission of Shares on Death

- (a) On the death of a **member** or **MCI holder**, the **company** recognises only the personal representative of the deceased **member** or **MCI holder** as being entitled to the deceased **member's** or **MCI holder's** interest in the **shares**.
- (b) If the personal representative gives the **board** the information it reasonably requires to establish an entitlement to be registered as holder of the **member's** or **MCI holder's shares**, the personal representative may elect to:
- (i) be registered as the holder of the **shares**; or



- (ii) apply to terminate the membership.
- (c) The personal representative is entitled, whether or not registered as the holder of **shares**, to the same rights as the deceased **member** or **MCI holder**.

7.2 Transmission of Shares on Bankruptcy

If the trustee of a bankrupt **member's** or **MCI holder's** estate gives the **board** the information it reasonably requires to establish the trustee's entitlement to be registered as holder of the **member's** or **MCI holder's shares**, the trustee may require the **company** to register the trustee as holder of the **member's** or **MCI holder's shares**.

7.3 Transmission of Shares on Mental Incapacity

If a person entitled to **shares** because of a **member's** or **MCI holder's** mental incapacity gives the **board** the information it reasonably requires to establish the person's entitlement at law to be registered as a holder of the **member's** or **MCI holder's shares**:

- (a) the person may require the **company** to register the person as holder of the **member's** or **MCI holder's shares**; and
- (b) whether or not registered as the holder of the **shares**, the person has the same rights, obligations and restrictions as the **member** or **MCI holder**.

8. Holding Members' Meetings

8.1 Calling Meetings of Members

- (a) A **general meeting** may only be called by **board** resolution or as otherwise provided in the **Corporations Act**.
- (b) The **board** may decide the content of a notice of a **general meeting**, but they must state the general nature of the business to be transacted at the meeting and any other matters required by the **Corporations Act**.
- (c) Unless the **Corporations Act** provides otherwise:
 - (i) no business may be transacted at a **general meeting** unless the general nature of the business is stated in the notice calling the meeting; and
 - (ii) except with the approval of the **board** or the chair, no person may move any amendment to a proposed resolution, the terms of which are set out in the notice calling the meeting, or to a document which relates to that resolution and a copy of which has been made available to **members** to inspect or obtain.
- (d) Subject to the **Corporations Act** the:
 - (i) non-receipt of a notice of any **general meeting** by; or



- (ii) accidental omission to give notice to,

any person entitled to notice does not invalidate anything done (including the passing of a resolution) at that meeting.

8.2 Adjourning Meetings of Members

- (a) The chair of a **general meeting** at which a quorum is present:
 - (i) may adjourn the meeting with the consent of the meeting by ordinary resolution; and
 - (ii) must adjourn the meeting if directed by ordinary resolution.
- (b) The **company** must give notice of an adjourned **general meeting** if the adjournment is for one month or more.
- (c) The only business that an adjourned **general meeting** may deal with is business unfinished at the meeting that was adjourned.

8.3 Proceedings at Members' Meetings

- (a) No business may be transacted at a **general meeting**, except the election of a chair and the adjournment of that meeting, unless a quorum of **members** is present when the meeting proceeds to business.
- (b) The quorum for a general meeting is 30 members present in person or via technology.
- (c) If a quorum is not present within 30 minutes after the time for the **general meeting** set out in the notice of meeting, the meeting is adjourned to the date, time and place the **board** specifies. If the **board** does not specify 1 or more of those things, the meeting is adjourned to:
 - (i) if the date is not specified — the same day in the next week;
 - (ii) if the time is not specified — the same time; and
 - (iii) if the place is not specified — the same place.

If no quorum is present at the resumed meeting within 30 minutes after the time for the meeting, the **general meeting** is dissolved.

- (d) The chair of a **general meeting** is:
 - (i) the chair of the board; or
 - (ii) if the chair of the **board** is not present or declines to act for the meeting (or part of it) — another **director** nominated by the **board**.

If neither the chair nor nominee of the **board** is available within 30 minutes after the appointed start of the **general meeting**, or if both decline to act, the meeting is adjourned as if the circumstances in clause 8.3(c) applied.



- (e) The chair of a **general meeting**:
 - (i) has charge of the general conduct of the meeting and the procedures to be adopted at the meeting;
 - (ii) may require the adoption of any procedure which is in the chair's opinion necessary or desirable for proper and orderly debate or discussion and the proper and orderly casting or recording of votes at the general meeting; and
 - (iii) may, having regard where necessary to the Corporations Act, terminate discussion or debate on any matter whenever the chair considers it necessary or desirable for the proper conduct of the meeting,

and a decision by the chair under this rule is final.

9. Voting at General Meetings

9.1 Voting

- (a) A resolution put to the vote at a **general meeting** must be decided in the first instance on a show of hands of the **members** or **voting MCI holders** present and entitled to vote, unless the matter is a resolution set out in a notice of meeting provided in accordance with rule 8.1(b) (in which case the matter will be decided on a poll without first being submitted to be decided on a show of hands).
- (b) Before a **general meeting** votes on a resolution, the chair must inform the meeting:
 - (i) how many proxy documents the **company** has received that validly appoint a person present at the meeting as proxy;
 - (ii) how many proxy documents the **company** has received that direct the proxies how to vote on the resolution; and
 - (iii) how the proxies are directed to vote on the resolution; and
 - (iv) if the **board** has determined that **members** and **voting MCI holders** can vote by **direct vote** on the resolution – the number of valid direct votes cast:
 - (A) on the resolution in total;
 - (B) in favour of the resolution; and
 - (C) against the resolution.
- (c) The **general meeting** passes an ordinary resolution only if more than half the total numbers of votes cast on the resolution are in favour of it.



- (d) In the event of an equality of votes, the chair has a casting vote in addition to the chair's deliberative vote.

9.2 Voting on a Poll

- (a) A poll cannot be demanded on any resolution concerning the election of a person to chair the **general meeting** or the adjournment of the **general meeting**. Otherwise, a poll may be demanded in accordance with the **Corporations Act**.
- (b) The **general meeting** may conduct other business even though a poll is demanded on a resolution.
- (c) A poll at a **general meeting** must be taken in the way and at the time the chair directs. The results of the poll as declared by the chair is the resolution of the meeting at which the poll was demanded.
- (d) The demand for a poll may be withdrawn with the chair's consent.

9.3 Voting on a Show of Hands

Unless a poll is duly demanded, on a show of hands, the chair's declaration is conclusive evidence of the result, so long as the declaration reflects the show of hands. Neither the chair nor the minutes need to state the number or proportion of the votes recorded in favour or against the resolution. The minutes only need to record that the resolution was passed or not passed.

9.4 Direct Voting

- (a) Despite anything to the contrary in this Constitution, the **board** may determine that, at any **general meeting**, a **member** or **voting MCI holder** who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution (which may include a vote delivered to the **company** by post or electronic means approved by the **board**).
- (b) The **board** may prescribe regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a meeting in order for the direct vote to be valid.

9.5 Body Corporate Representatives

A **member** or **voting MCI holder** that appoints a body corporate representative must give the **company**:

- (a) if the **member** or **voting MCI holder** appointed the representative by board resolution — a certified copy of the **board** resolution appointing the representative; and
- (b) otherwise — a copy of the instrument appointing the representative,

as soon as practicable after appointing the representative, and in any event before any meeting at which the representative may exercise the **member's** or **voting MCI holder's** rights.



9.6 Proxies

- (a) A **member** or **voting MCI holder** who is entitled to attend and cast a vote at a meeting of the Company may appoint a person as that **member's** or **voting MCI holder's** (as applicable) proxy to attend and vote for the **member** or **voting MCI holder** (as applicable), subject to any rights or restrictions for the time being attached to any class of **shares** or **MCIs**.
- (b) The appointment of a proxy is revoked by the appointor attending and taking part in the meeting.
- (c) An instrument appointing a proxy is valid if it is in the form described under the **Corporations Act** or any other form approved by the **board** from time-to-time.
- (d) The **company** is entitled to clarify with a **member** or **voting MCI holder** any instruction on an appointment of a proxy received by the **company** by written or verbal communication (including electronic communication permitted by this Constitution). The **company**, in its discretion, is entitled to amend the contents of any appointment of proxy to reflect any clarification in instruction at that time and the **member** or **voting MCI holder** is taken to have appointed the **company** as its attorney for that purpose.
- (e) Where an instrument appointing a proxy has been received by the **company** within the period specified in the **Corporations Act** and the **company** considers that the instrument has not been duly signed, the **company** may, in its discretion:
 - (i) return the instrument appointing the proxy to the appointing **member** or **voting MCI holder**; and
 - (ii) request that the **member** or **voting MCI holder** duly sign the appointment and return it to the **company** within the period determined by the **company**.
- (f) A proxy appointment received at an electronic address specified in a notice of **general meeting** for the receipt of the proxy appointment or otherwise received by the **company** is taken to have been signed if the appointment:
 - (i) includes or is accompanied by a personal identification code allocated by the **company** to the **member** or **voting MCI holder** making the appointment;
 - (ii) has been authorised by the **member** or **voting MCI holder** in another manner approved by the **board** and specified in or with the notice of meeting; or
 - (iii) is otherwise authenticated under the **Corporations Act**.

9.7 Objections

An objection to the qualification of a voter:



- (a) may only be made at the **general meeting** or adjourned **general meeting** at which the vote objected to is cast; and
- (b) must be ruled upon by the chair whose decision is final.

10. Directors — Appointment & Vacation of Office

10.1 Number of Directors

The **company** must have a minimum of six **directors**, or such greater number as the **board** may determine from time to time.

10.2 Eligibility to be a Director

- (a) An individual is eligible to be a **director** if the person:
 - (i) is a **member**;
 - (ii) is not an employee of the **company**, unless they hold the position of CEO of the **company**;
 - (iii) is not a partner, employer or employee of an auditor of the **company**;
 - (iv) has not had a personal representative or trustee appointed to administer the person's estate or property because of their mental incapacity; and
 - (v) has not been disqualified by law from being or acting as a **director**.
- (b) Unless the **board** otherwise resolves, the majority of the **board** is to comprise of independent **directors**.
- (c) A person is only eligible to be appointed as a **director** under rules 10.3 or 10.5 if, in addition to satisfying rule 10.2(a):
 - (i) the person:
 - (A) has been nominated by the **directors** for election; or
 - (B) has been nominated by at least 5 **members** in written notice provided to the **company**, and consents to act as a **director**; or
 - (C) was in office as a **director** immediately before the meeting and is a **director** seeking re-appointment; and
 - (ii) the **board** has determined that the person is of appropriate fitness and propriety to be and act as a **director**, by reference to the relevant **board** Policy.



- (d) The **board** must keep confidential the details of any determination made under rule 10.2(c), except to the extent where disclosure is required by law, for example, to **APRA**.

10.3 Power to appoint directors

- (a) The **board** may resolve to appoint any individual to be a **director**, either as an addition to the existing **directors** or to fill a casual vacancy, but so that the total number of **directors** does not exceed the maximum number fixed by a **board** resolution.
- (b) A **director** appointed under rule 10.3, who is not a managing **director**, holds office until no later than the conclusion of the next AGM following the **director's** appointment.

10.4 Retirement of directors

- (a) No **director** who is not a managing **director** may hold office without re-election beyond the third **AGM** following the meeting at which the director was last elected or re-elected.
- (b) If there is more than one managing **director**, only one of them, nominated by the **directors**, is entitled not to be subject to vacation of office under rule 10.2(c) or retirement under rule 10.4.
- (c) The **company** may by resolution at an **AGM** fill an office vacated by a **director** under rules 10.3(a) or 10.4 by electing or re-electing an eligible person to that office.
- (d) The retirement of a **director** from office under this constitution and the re-election of a **director** or the election of another person to that office (as the case may be) takes effect at the conclusion of the meeting at which the retirement and re-election or election occurs.

10.5 Appointment and removal by members

- (a) Subject to the **Corporations Act** and rules 10.1 and 10.2, the **company** may, by resolution passed at an **AGM**, appoint any person to be a **director**.
- (b) Subject to the **Corporations Act** and rule 10.1, the **company** may, by resolution passed at a **general meeting**, remove any **director** from office.
- (c) No later than two months after the end of the **company's** financial year:
 - (i) **members** intending to nominate a person for election as a **director**; and
 - (ii) a director intending to stand for re-election as a **director**,

must give the **board** a notice signed by the person declaring that the person is eligible to act as a **director** under rule 10.2 and consents to act as a **director**.



- (d) The **board** must assess the nominations received under rule 10.5(c) in accordance with rule 10.7 and, no later than three months after the end of the **company's** financial year, by resolution determine the number of positions to be filled and the **candidates** to stand for election at the **company's** next **AGM**.
- (e) To be a valid notice under rule 10.5(c), the notice is required to be left at the **company's** registered office or otherwise delivered to the **company** (in a form and manner approved by the **board** from time to time).
- (f) If and when the **board** determines that the person nominated is of appropriate fitness and propriety to be and act as a **director** under rule 10.7, the person becomes a **candidate**.
- (g) If the number of **candidates** is equal to or less than the number of positions to be filled at the **AGM**:
 - (i) the chair may declare that each **candidate** is elected as a **director** during the **AGM**; and
 - (ii) the election process will be discontinued.
- (h) If the chair does not make a declaration under rule 10.5(g), or the number of **candidates** is greater than the number of positions to be filled at the **AGM**, the **candidates** must be elected under rule 10.5(a).

10.6 Vacating office

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

- (a) dies;
- (b) ceases to be eligible to be a **director** under rule 10.2;
- (c) was the CEO at the time of appointment as a **director** and then ceases to be the CEO of the **company**;
- (d) is three months in arrears in relation to money due to the **company** and has failed to make arrangements for payment satisfactory to the **company**;
- (e) becomes an insolvent under administration, suspends payment generally to creditors or compounds with or assigns the **director's** estate for the benefit of creditors;
- (f) becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
- (g) is absent from three consecutive meetings of the **board** without leave of absence from the **directors** where the **directors** have not, within 14 days of having been served by the **secretary** with a notice giving particulars of the absence, resolved that leave of absence be granted;



- (h) resigns office by written notice to the **company**;
- (i) is removed from office under the **Corporations Act**;
- (j) is prohibited from being a director by reason of the operation of the **Corporations Act**; or
- (k) is convicted on indictment of an offence and the **directors** do not within one month after that conviction resolve to confirm the **director's** appointment or election (as the case may be) to the office of **director**.

10.7 Director nomination consideration

- (a) The **board** must assess all persons, including existing **directors** and any nomination of a proposed **director** by the **members**, prior to appointment, election or re-election as a **director** as to their fitness and propriety to be and act as a **director**, by reference to:
 - (i) *the board's* Fit and Proper Policy or any policy replacing the Fit and Proper Policy from time to time; and
 - (ii) any criteria adopted by the **board** (including under rule 10.8) in the context of the **board's** existing composition and structure in light of the desired mix of skills, experience and diversity.
- (b) The **board** must make its assessment on the appointment and removal of **directors** in light of the **board's** current skills, experience and diversity. Any determination to be made regarding the proposed appointment or re-election of a **director** at an AGM must be resolved by the **board** no later than three months after the end of the **company's** financial year.

10.8 Board skills and experience criteria

- (a) Having regard to the **company's** policies in respect of governance and **board** operations, the **board** may from time to time determine any skills, experience, commercial experience or competency that the **board** considers would be beneficial for **directors** to have, in order to maintain or enhance the ability of the **board** to provide appropriate management of and guidance for the **company**.
- (b) The **board** must assess all persons seeking nomination as a **director** as to whether they would maintain or enhance any desired skills, experience, commercial experience or competency of the **board**.



11. Directors' Powers

11.1 Powers and Duties of the Board

The **board**:

- (a) manages the **company's** business; and
- (b) may exercise all the powers of the **company** except any powers that the **Corporations Act** or this Constitution expressly allocates to the **general meeting**.

11.2 Negotiable Instruments

The **board** may authorise a person or persons to sign, draw, accept, endorse or otherwise execute negotiable instruments for the **company**. The **board** may authorise the application of signatures to negotiable instruments by machine or other method using electronic means.

11.3 Delegation

- (a) The **board** may delegate any of its powers to any committee or any other person or persons. This right of delegation extends to any power exercisable by **board** resolution. The **board** may permit the delegate to sub-delegate any powers delegated to them on terms determined by the **board**.
- (b) The **board** must establish policies for the guidance of delegates in the exercise of any powers so delegated.
- (c) Without limiting its powers, the **board** may appoint a person to be the **company's** attorney for purposes, with powers (being the **board's** powers), for the period and on terms the **board** determines. In particular, the power of attorney may:
 - (i) include terms protecting persons dealing with the attorney, as the **board** determines; and
 - (ii) authorise the attorney to delegate any or all of the attorney's powers.

11.4 Validity of acts

All acts done at any meeting of the **directors** or by a committee or by any person acting as a **director** are, notwithstanding that it is afterwards discovered:

- (a) that there was some defect in the appointment of any of the **directors**; or
- (b) the committee or the person acting as a **director** or that any of them were disqualified,

valid as if every person had been duly appointed and was attained and continued to be a **director** or a member of the committee (as the case may be).



12. Directors' Meetings

12.1 Calling and Conduct of Board Meetings

- (a) A **director** or the secretary (upon the authority of a **director**) may call a **board** meeting by giving reasonable notice to every other **director**.
- (b) The **board** may meet, adjourn and otherwise regulate its meetings as it thinks fit.

12.2 Quorum of Board

The quorum for a **board** meeting is one half the number of **directors** or such other number as the **board** determines.

12.3 Chair of Board

- (a) The **board** may appoint a **director** to chair its meetings. The **board** may determine the period for which the **director** is to be the chair. The **board** may remove the chair from the position of chair at any time.
- (b) The **board** must elect a **director** present to chair a meeting (or part of it) if:
 - (i) a **director** has not already been appointed to chair the meeting; or
 - (ii) a previously appointed chair is not available, or declines to act, for the meeting (or part of it).

12.4 Passing of Directors' Resolutions

- (a) A resolution of the **board** must be passed by a majority of the votes cast by **directors** entitled to vote on the resolution.
- (b) In the event of an equality of votes, the chair has a casting vote in addition to the chair's deliberative vote.

12.5 Circulating Resolutions

- (a) The **board** may pass a resolution without a **board** meeting if a majority of the **directors** entitled to vote on the resolution, sign a document that:
 - (i) may be in purely electronic form (such as an email) or is accessible using an electronic system maintained by the **company**;
 - (ii) states **that** it is a proposed circulating resolution of the **company**;
 - (iii) sets out the proposed resolution; and
 - (iv) includes a statement that any **director** opposed to the passing of the proposed resolution may contact the person responsible for circulating



the document to express an objection, provided this is done before the relevant threshold required to pass the resolution is achieved.

- (b) The person responsible for circulating the document must:
 - (i) **provide** a copy of the document to each **director** using a method for contact nominated by each **director**; and
 - (ii) **request** that the **directors** who are entitled to vote on the resolution signs the document.
- (c) The directors who are in favour must:
 - (i) **return** a copy of the signed document or otherwise authenticate their approval of the resolution using electronic means; or
 - (ii) **confirm** in writing that they are in favour of the resolution.
- (d) Separate copies of a document may be used for signing by different **directors** if the wording of the resolution and statement is identical in each copy.
- (e) The resolution is passed when the last **director** required to constitute a majority signs. If the requisite majority of **directors** do not sign the proposed resolution or otherwise confirm their consent to the proposed resolution within ten days after the proposed resolution is circulated (or such other earlier date as may be specified by the person circulating the proposed resolution), the proposed resolution is deemed not to have been passed.

12.6 Committees of Directors

- (a) The **board** may establish one or more committees consisting of such number of **directors** as the **board** thinks fit.
- (b) The members of a committee or the **board** may appoint one of the members of the committee as chair of their meetings.
- (c) Subject to any restrictions that the **board** imposes, a committee may meet, adjourn and otherwise regulate its meetings as it thinks fit.
- (d) Questions arising at a meeting of a committee are to be determined by a majority of votes of those present and voting.
- (e) In the event of an equality of votes, the chair has a casting vote in addition to the chair's deliberative vote.



13. Conflicts of Interest

13.1 Directors not disqualified

A **director** is not disqualified by reason only of being a **director** (or the fiduciary obligations arising from that office) from:

- (a) holding an office (except auditor) or place of profit or employment in the **company** or a related body corporate of the **company**;
- (b) holding an office or place of profit or employment in any other company, body corporate, trust or entity promoted by the **company** or in which it has interest;
- (c) being a member, creditor or otherwise being interested in any body corporate (including the **company**), partnership or entity, except as auditor of the **company**;
- (d) entering into any agreement or arrangement with the **company**; or
- (e) acting in a professional capacity (or being a member of a firm which acts in a professional capacity) for the **company**, except as auditor of the **company**.

13.2 Disclosure of Interests

- (a) Each **director** must comply with the **Corporations Act** in relation to the disclosure of the **director's** interests.
- (b) The **directors** may make regulations requiring the disclosure of interests that a **director**, and any person taken by the **directors** to be related to or associated with the director, may have in any matter concerning the **company** or a related body corporate. Any regulations made under this Constitution bind all **directors**.
- (c) No act, transaction, agreement, instrument, resolution or other thing is invalid or voidable only because a person fails to comply with any regulation made under rule 13.2(b).

13.3 Procedure of Meetings of Directors

- (a) A **director** who has a material personal interest in a matter that is being considered by the **directors** must not be present at a meeting while the matter is being considered nor vote on the matter, except where permitted by the **Corporations Act**.
- (b) If a **director** has an interest in a matter, then subject to rules 13.2(b), 13.3(c) and the Constitution:
 - (i) that **director** may be counted in a quorum at the **board** meeting that considers the matter that relates to the interest provided that **director** is entitled to vote on at least one of the resolutions to be proposed at the meeting;



- (ii) that **director** may participate in and vote on matters that relate to the interest;
 - (iii) the **company** can 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**;
 - (iv) the **director** may retain the benefits under the transaction that relates to the interest even though the director has the interest; and
 - (v) the **company** cannot avoid any transaction that relates to the interest merely because of the existence of the interest.
- (c) If an interest of a **director** is required to be disclosed under rule 13.3(a), rule 13.3(b)(iv) applies only if the interest is disclosed before the transaction is entered into.

13.4 Effect of Interest

- (a) A contract or arrangement entered into by or on behalf of the **company** in which a **director** is in any way interested is not invalid or voidable merely because the **director** holds office as a **director** or because of the fiduciary obligations arising from that office.
- (b) A **director** who is interested in any arrangement involving the **company** is not liable to account to the **company** for any profit realised under the arrangement merely because the **director** holds office as a **director** or because of the fiduciary obligations arising from that office, if the **director** complies with the disclosure requirements applicable to the **director** under rule 13.2 and under the Corporations Act about that interest.
- (c) A **director** who is interested in any contract or arrangement may, despite that interest, participate in the execution of any document by or on behalf of the **company** evidencing or otherwise connected with that contract or arrangement.

14. Remuneration, Indemnity and Insurance

14.1 Remuneration of Directors

The **board** may determine **directors'** remuneration in accordance with the **Corporations Act**.

14.2 Travelling Expenses and Insurance

In addition to any remuneration to which a **director** may be entitled, the **company** may also pay:

- (a) the **director's** travelling and other expenses that they properly incur:



- (i) in attending **board** meetings or any meetings of committees of **directors**; and
 - (ii) in attending any **general meeting**; and
 - (iii) otherwise in connection with the **company's** business; and
- (b) subject to the **Corporations Act**, insurance premiums for a contract that insures the **director** against liabilities that the **director** incurs as an officer of the **company** or a related body corporate of the **company**.

14.3 Indemnities for Officers and Former Officers

- (a) In this Rule **indemnified person** means an officer or former officer, of the **company**.
- (b) To the extent that the **Corporations Act** permits:
- (i) the **company** must indemnify an **indemnified person** on a full indemnity basis and to the full extent permitted by the law against any losses, liabilities, costs, charges and expenses that the **indemnified person** incurs in conducting the **company's** business or exercising the **company's** powers as an officer or agent of the **company**; and
 - (ii) the **company** may indemnify, agree to indemnify or enter into (and pay premiums on) a contract of insurance in relation to an **indemnified person** or any other person.
- (c) The indemnity in rule 14.3(b)(i) applies in relation to an **indemnified person** for all incidents occurring during the period that person is an officer or agent of the **company**, even though a claim is made against the **indemnified person** after they have ceased to be an officer or agent of the **company**.

15. Executive officers

15.1 Managing directors and executive directors

- (a) The **board** may appoint one or more of the **directors** to the office of managing **director** or other executive as a **director** for the period and remuneration, and on the conditions, that the **board** determines.
- (b) Unless the **board** otherwise decides, a managing **director's** or other executive **director's** employment terminates if the managing **director** or other executive **director** ceases to be a **director and the** managing **director's** or other executive **director** *must resign as a director if they cease to be employed by the company.*



15.2 Secretary

- (a) The **company** must have at least one **secretary** appointed by the **board**. The **board** may suspend or remove a **secretary** from office.
- (b) A **secretary** may resign by giving the **company** notice of the **secretary's** resignation.
- (c) The **secretary's** office becomes vacant:
 - (i) if the notice of resignation specifies a date of resignation — on the date of resignation; or
 - (ii) otherwise — on the date the **company** receives the notice of resignation.

15.3 Executive officers

- (a) A reference in this rule 15.3 to an executive officer is a reference to a managing **director**, deputy managing **director**, executive **director**, **secretary**, assistant **secretary** or other executive officer of the **company** appointed under this rule.
- (b) The appointment of an executive officer may be for a period, at the remuneration and on the conditions that the **board** decides.
- (c) The **board** may:
 - (i) delegate to an executive officer any powers, discretions and duties the **board** decides;
 - (ii) withdraw, suspend or vary any of the powers, discretions and duties given to an executive officer; and
 - (iii) authorise the executive officer to delegate any of the powers, discretions and duties given to the executive officer.



Schedule 1 Terms of Member Shares

1. Class of Shares

Each **member share** is a redeemable preference share for the purposes of clause 15(2), Schedule 4 of the **Corporations Act**.

2. Rights, Obligations and Restrictions Attaching to Member Shares

- (a) The following rights attach to each **member share**:
 - (i) the right to vote on the terms set out in rule 3 of Schedule 1;
 - (ii) the right to participate in dividends on the terms set out in rule 4 of Schedule 1;
 - (iii) the right to participate in the distribution of profits or assets on a winding-up on the terms set out in rule 5 of Schedule 1; and
 - (iv) the right to redeem the **member share** on the terms set out in rule 3.6 of Schedule 1.
- (b) The subscription price for a **member share** is \$nil.
- (c) The restriction on transfer of member shares in rule 6 of Schedule 1 attaches to each **member share**.
- (d) The **company** may issue more **member shares** at any time. The issue of more **member shares** does not vary the rights attached to **member shares** that the company has already issued.

3. Voting Rights

- (a) Holders of **member shares** may participate and vote:
 - (i) at a general meeting;
 - (ii) at a meeting of the class of holders of **member shares**; and
 - (iii) on an election of **directors**.
- (b) At a **general meeting** or a meeting of the class of holders of **member shares**, whether on a show of hands or on a poll:
 - (i) each holder of **member shares** has 1 vote; and
 - (ii) a body corporate representative who is also a **member** has:
 - (A) 1 vote on behalf of each body corporate **member** whom he or she represents; and



- (B) 1 on his or her own behalf.
- (iii) a proxy who is also a **member** has:
 - (A) 1 vote as proxy for each **member** represented; and
 - (B) 1 on his or her own behalf.
- (c) Voting rights and entitlement to receive notices of meeting are suspended if the **member** did not hold a **member share** under rule 2.1 at 5.00pm on the day before the notice of meeting is given.
- (d) Voting rights are suspended if the **member** did hold a **member share** but did not meet the **voting qualification criteria** at 5.00pm the day before the **general meeting**.

4. Dividend Entitlements

No dividend is payable in respect of any **member share**.

5. Distribution on Winding-Up

- (a) On a winding-up of the **company** the holder of a **member share** is entitled to participate in any surplus assets of the **company**.
- (b) Subject to rule 3(b) of Schedule 2, each **member share** carries a right to participate in surplus assets equally with every other **member share**.
- (c) The **company** may offset any other amount payable by the **member** to the **company** against the amount payable under this clause.
- (d) The entitlements of holders of **member shares** to payment on winding-up are subject to any preferred entitlements to payment on winding-up that holders of any other class of shares may have.

6. Transfer of Member Shares

- (a) Subject to rule 6(b) to 6(d) of Schedule 1, a **member** may not transfer their **member share**.
- (b) A trustee may transfer the **member share** that they hold as trustee to another person who is to act as trustee for the relevant trust.
- (c) A **member** who becomes a bankrupt may transfer the **member share** that they hold to the **member's** trustee in bankruptcy.
- (d) A **member** who becomes mentally incapable may transfer the **member share** that they hold to the **member's** trustee or guardian.



Schedule 2 Terms of MCIs

1. Share capital from MCIs

- (a) Subject to compliance with the **Corporations Act** and satisfying the requirements of **APRA** in **prudential standards** where applicable, the **company** may raise capital by issuing **MCIs** or capital instruments convertible into **MCIs**.
- (b) The **company** may create or issue more **MCIs** at any time. The creation or issue of more **MCIs** does not vary the rights attached to **MCIs** or any other **shares** that the **company** has already issued.

2. Issue

- (a) The **subscription price** for an **MCI**, or a capital instrument convertible to an **MCI**, will be determined by the **board** and will be set out in the **MCI issue terms**. There is no requirement that each **MCI** must be issued at a common price.
- (b) Each **MCI** must be issued as a fully paid up **share** in the capital of the **company**, but does not prevent the **MCI** being stapled with a partly paid security.
- (c) Any dividends in respect of an **MCI** are non-cumulative.

3. Rights of MCI holders

- (a) The terms of issue of an **MCI** (including any terms, conditions or rights attaching to the **MCI**) will be determined by the **board** in its sole discretion, subject to the requirements of this Constitution, the requirements for **MCIs** in the **Corporations Act** and any applicable **prudential standards**.
- (b) Subject to the terms of issue of an **MCI**, an **MCI holder** is entitled to a claim on the surplus assets and profits of the **company** in a winding-up of the **company** after all senior claims have been satisfied and:
 - (i) the **MCI holder's** claim ranks equally and proportionately with the claims of all other **MCI holders** and **members**; and
 - (ii) the amount of the **MCI holder's** claim cannot exceed the **MCI issue price**.
- (c) Notwithstanding anything to the contrary in this Constitution, but subject to the requirements for **MCIs** in the **Corporations Act**, the **board** may determine that the terms of issue of any **MCIs** contain such terms and conditions or attach such rights as the **board** considers necessary or desirable for those **MCIs** to be eligible for inclusion as regulatory capital under any applicable **prudential standards**.
- (d) The rights attached to **MCIs** (or a class of **MCIs**) may only be varied or cancelled by special resolution of the **company** and:



- (i) by a special resolution passed at a meeting of **MCI holders** holding **MCIs** in the relevant class; or
 - (ii) with the written consent of **MCI holders** of at least 75% of the issued **MCIs** of that class.
- (e) The provisions of this Constitution relating to **general meetings** will apply to every such separate meeting of voting MCI holders under rule 3(d) of Schedule 2 with such changes as are necessary to a meeting of **voting MCI holders**.

4. **MCIs to be cancelled in certain circumstances**

It is a condition of issue of each **MCI** that the MCI must be cancelled before anything occurs which would disentitle the **company** from being an 'MCI mutual entity' as described in the **Corporations Act**.

Any variation of the rights attached to **MCIs** which constitute Common Equity Tier 1 Capital (as defined by **APRA** from time to time) of the **company** is subject to the prior written approval of **APRA**, if the variation may affect the eligibility of such **MCIs** for inclusion as Common Equity Tier 1 Capital of the **company**.

5. **Registration as holder of MCIs**

Except as provided by the rules of a licensed CS facility (as defined in the **Corporations Act**) which apply in relation to an **MCI**, a person becomes registered as the **MCI holder** of that **MCI** upon entry by the **company** in its **register of members** of the person's particulars in relation to the **MCI** as required by the **Corporations Act**.

