

**These Articles incorporate amendments made by
resolution of general meetings on 19 July 1999, 27
December 2000, 19 December 2001, 30 October
2002, 27 October 2004 and 26 October 2005**

WESTERN AUSTRALIA

THE COMPANIES (CO-OPERATIVE) ACT 1943

ARTICLES OF ASSOCIATION

OF

WESTERN AUSTRALIAN MEAT MARKETING CO-OPERATIVE LIMITED

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1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires, the following terms shall have the following meanings:

"**Act**" means the Companies (Co-operative) Act 1943.

"**Active Member**" has the meaning given in Article 7.1.

"**Active Member Director**" means a Director eligible for election in accordance with Article 35.1 and appointed in accordance with Article 38 or 40.1.

"**Articles**" means these Articles of Association as altered or added to from time to time and a reference to an Article by number is a reference to the Article of that number in these Articles as added to from time to time.

"**Auditor**" means the auditor or auditors for the time being of the Company.

"**Board**" means the board of directors from time to time of the Company or such one or more of them as has or have authority to act for the Company.

"**body corporate**" has the meaning ascribed in that term by Section 9 of the Corporations Act.

"**business day**" shall refer to a day on which banks are open for ordinary business in the State of Western Australia but shall not include a Saturday, Sunday or public holiday.

"**call**" includes a call for payment of an instalment.

"**capital**" means share capital and a reference to shares includes all existing shares whether part of the original capital or not.

"**Company**" means Western Australian Meat Marketing Co-operative Limited whatever its name may be from time to time.

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

"**deal**" in relation to a share shall have the same meaning as ascribed by section 9 of the Corporations Act.

"**Directors**" means the members of the Board from time to time or such number of them as have authority to act for the Company.

"**Foundation Share**" means shares issued to the Minister and transferred to the Trustees and from the Trustees to Members for no consideration, which shares have the rights set out in Article 3.7 and these Articles generally.

"**general meeting**" means an annual general meeting or any other general meeting of the Company including a meeting of the holders of Foundation Shares, Subscription Shares or any other class of shares, held in accordance with the Act and these Articles and includes any adjournment of such a meeting.

"**Group Company**" means the Company or a subsidiary of the Company.

"Inactive Member" means a Member whom or which, according to the determination of the Board, at the relevant date is no longer an Active Member.

"Independent Director" means a Director appointed in accordance with Article 39.

"Member" means a person whose name is entered in the Register as the holder of a share and includes any person who is a member of the Company in accordance with or for the purpose of the Act.

"Memorandum" means the Company's Memorandum of Association as altered from time to time.

"Minister" means the Minister referred to in the Marketing of Meat Act 1971 as in force immediately before 31 December 1999.

"month" means calendar month.

"Officer" means-

- (a) a Director, secretary or executive officer of the Company;
- (b) a receiver or receiver and manager of property of the Company;
- (c) an administrator of the Company;
- (d) an administrator of a deed of company arrangement executed by the Company;
- (e) a liquidator of the Company; and
- (f) a trustee or other person administering a compromise or arrangement made between the Company and another person or other persons.

"ordinary resolution" means a resolution passed at a properly convened meeting by a bare majority of those present and entitled to vote who vote in person, by proxy, attorney or Representative.

"patronage requirements" means the patronage requirements to be met in order to be an Active Member as determined from time to time by the Board in accordance with Article 7.

"Penalty Unit" means \$100 or such other amount as determined by the Directors from time to time.

"person" includes any natural person, body corporate, company, body politic or any other legal entity in whatever capacity, whether in its own capacity, as trustee of any trust or partner of a partnership or otherwise.

"primary notice" in relation to shares or votes in the Company, means a written notice addressed to a Member or person requiring the Member or person to give to the Company a written statement within 5 business days setting out the information detailed in Article 3.5(a), (b) and (c).

"Proceedings" means, in relation to a person, any proceedings (whether civil or criminal) in which it is alleged that the person has done or omitted to do some act, matter or thing:

- (a) in his or her capacity as an Officer of a Group Company; or
- (b) in the course of acting in connection with the affairs of a Group Company; or

- (c) otherwise arising out of the person holding office as an Officer of a Group Company,

including proceedings alleging that he or she was guilty of negligence, default, breach of trust or breach of duty in relation to a Group Company.

"Register" means the register of Members of the Company to be kept pursuant to the Act.

"relative" in relation to a person means the spouse, parent or remoter lineal ancestor, son, daughter or remoter issue, brother or sister of the person.

"relevant interest" has the meaning ascribed to that term by the Act and if not defined in the Act, then the meaning ascribed to that term, as it applies to shares, by the Corporations Act and without limiting the foregoing, any two or more persons who own or operate the same farm shall be deemed to have a relevant interest in each others shares unless otherwise established to the satisfaction of the Board.

"Representative" means a representative appointed pursuant to Article 31.5.

"seal" means the common seal from time to time of the Company.

"secretary" means the Company's secretary and includes any person appointed to perform the duties of a secretary temporarily.

"share" means a share in the capital of the Company and includes a Foundation Share and Subscription Share.

"special resolution" has the meaning given in Article 26.

"State" means the State of Western Australia.

"Subscription Share" means shares that may from time to time be issued by the Directors on behalf of the Company, for such consideration as determined by the Directors, which shares have the rights set out in Article 3.8 and these Articles generally.

"Trust" means the WAMMCO Equitisation Trust established under the terms of the Trust Deed.

"Trust Deed" means the deed of trust entitled **"WAMMCO Equitisation Trust"** dated on or about the date of these Articles executed by each of the initial Directors of the Company as trustee and Peter Joseph Wilkes as settlor.

"Trustee" means the trustee under the Trust Deed and any replacement or additional trustee appointed from time to time.

1.2 Interpretation

In these Articles unless the contrary intention appears:

- (a) words denoting the singular shall include the plural and visa versa and words importing a gender include all other genders;
- (b) words referring to individuals or natural persons refer also to bodies corporate;
- (c) headings are inserted for ease of reference only and do not form part of these Articles and should not effect the construction of these Articles;

- (d) a reference to a statute or provision in a statute should be read as if the words "**or any modification, amendment or re-enactment thereof or any legislative provisions substituted therefore, and all regulations and statutory instruments issued thereunder or under any such provision**" were added.
- (e) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings; and
- (f) words which are given a special meaning under the Act shall have the same meaning in these Articles.

1.3 **Table A**

The regulations contained in Table A in the second schedule to the Act do not apply to the Company.

2. **BUSINESS**

2.1 **Objects**

The business of the Company shall include all the objects of business mentioned in the Memorandum or such of those objects as the Board from time to time thinks fit.

2.2 **Registered Office**

The registered office of the Company shall be at such place in Western Australia as the Board shall from time to time appoint.

3. **CAPITAL AND SHARES**

3.1 **Alteration of Capital**

Subject to complying with all applicable provisions of the Act, the Company in general meeting may by ordinary resolution at any time and from time to time alter the conditions of the Memorandum as follows:

- (a) increase its capital by the creation of new shares of such amount as it thinks expedient notwithstanding that all the shares in the capital of the Company for the time being have not been issued;
- (b) consolidate its shares into shares of a larger nominal amount or subdivide them into shares of a smaller nominal amount than is fixed by the Memorandum;
- (c) convert all or any of its paid-up shares into stock and reconvert that stock into paid-up shares of any denomination.

3.2 **Reductions of Capital**

The Company may from time to time by ordinary resolution reduce its capital subject to complying with all applicable provisions of the Act.

3.3 **Classes of Shares and Liability of Members**

A share may not be issued unless it is classified as a Foundation Share, a Subscription Share or a new class of shares is established by the Directors under this Article 3.3. All shares issued prior to 30 September 2002 are Foundation Shares. Subject to the provisions of the Act and of these Articles:

- (a) all shares are under the control of the Board who may issue, allot, place under option or otherwise dispose of, the shares in one or more classes, to such persons for such consideration and/or on such terms and conditions either at a premium or otherwise and at such time as determined by the Board and generally in such a manner that the Board thinks fit provided always that the power to issue shares at a discount shall be subject to the provisions of the Act;
- (b) where shares are issued at par or a premium to par, the par value, and where appropriate the premium, of each share shall be payable upon application;
- (c) any share may be issued with such preferred, deferred or other special rights or such restrictions whether in regard to dividends, voting, return on capital or otherwise as the Directors may from time to time determine and any preference share may be issued on the terms that it is or at the option of the Directors is liable to be redeemed, provided that no share shall be issued conferring preferential right as to dividend in excess of the maximum amount, if any, permitted from time to time under the Act or conferring preferential rights as to capital in excess of those, if any permitted from time to time under the Act;
- (d) no share shall be allotted unless at least one tenth of the nominal value thereof has been paid.

3.4 **Maximum and Minimum Shareholding**

- (a) Subject to these Articles, the Directors by a resolution passed by at least three quarters of the Directors present and entitled to vote at a duly convened meeting of Directors may from time to time make rules to limit the number of shares or shares of a particular class that may be held by or on behalf of any one Member or in relation to which any Member may have a relevant interest and may make rules to provide that a Member may not be registered as the owner of less than a minimum number of shares or shares of a particular class.
- (b) If the Directors have not made a ruling under Article 3.4(a):
 - (i) A person shall not at any time have a relevant interest in more than five per cent (5%) of the total number of issued shares of the Company without the approval of a resolution of the Directors passed by at least three quarters of the Directors present and entitled to vote at a duly convened meeting of Directors.
 - (ii) The minimum number of either Foundation Shares or Subscription Shares which must be held by a Member is 100 shares in the Company.
- (c) If a person holds a relevant interest in more than the maximum amount of shares permitted by Article 3.4(a) or (b) as appropriate without the written approval of the Board given in accordance with Article 3.4(b), then that person shall have no rights in respect of any shares held in excess of that amount or in excess of any number approved by the Board for the purposes of these Articles and may be required by the Board to sell and transfer the excess shares to the Company in accordance with Article 10. A ruling by the Board that a person does not have any rights in relation to shares including without limitation a right to vote or receive dividends shall be final and bind the person concerned.
- (d) A Member who is paid a distribution by the Company to which the person is not entitled by virtue of Article 3.4(c), unless otherwise determined by the Board, shall

refund that distribution to the Company promptly upon notice from the Company requiring that distribution to be refunded.

- (e) The Directors shall not allot any unissued shares if they are of the opinion that if those shares were allotted a person would contravene Article 3.4(a) or (b).

3.5 **Primary Notice**

The Company may, at any time, give a notice in writing to any Member requiring that person to furnish to the Company within fourteen days a statement in writing setting out:

- (a) full particulars of the number of shares in each class of share on issue in the Company (including Foundation Shares and Subscription Shares) in which that Member has a relevant interest and the circumstances because of which the Member has that interest; and
- (b) so far as is known to the Member—
 - (i) full particulars of the name and address of every person (if any) who has or is deemed to have a relevant interest in any of the shares or votes relating to shares;
 - (ii) full particulars of each such interest and of the circumstances because of which the other person has that interest; and
- (c) such other information as the Board may deem appropriate.

If a Member fails to comply with this Article within fourteen days after the day of the notice, the Member shall be deemed to have failed to discharge its obligations to the Company and shall be liable to expulsion under Article 9.

3.6 **Public Trading**

Shares of the Company shall not be quoted for sale or purchase on Australian Stock Exchange Limited or any similar stock exchange or in any other public manner. Nothing in this Article prohibits the Company from establishing and managing a matching or similar facility for its Members wishing to sell their shares.

3.7 **Rights attaching to Foundation Shares**

Subject to any suspension of rights as a consequence of becoming an Inactive Member in accordance with Articles 7.4 and 7.5 and to the other provisions of these Articles (and without limiting any other rights conferred by the other provisions of these Articles) each Foundation Share confers on the holder of the Foundation Share the following rights.

- (a) The right to vote on any resolution to be put to a meeting of either Members or holders of Foundation Shares, provided that at the time of the vote, the holder of the Foundation Share is an Active Member.
- (b) The right to receive dividends, that may be declared by the Directors from time to time, equally with the holders of Subscription Shares.
- (c) The right to receive rebates and to participate in any bonus, surplus or other issues of shares, debentures or other securities, that may be made by the Directors from time to time, equally with the holders of Subscription Shares.

- (d) The right to receive a return of capital and to share in any surpluses arising upon winding up of the Company equally with all other holders of Foundation Shares and Subscription Shares.
- (e) If the holder of the Foundation Shares ceases to be an Active Member and the Company purchases the holders Foundation Shares in accordance with Article 10, the holder will be entitled to receive, as a minimum purchase price for the Foundation Shares being purchased by the Company, 1 percent of the paid up nominal value of the Foundation Shares being purchased.
- (f) The right to receive notices of general meetings (including documents included with those notices) and to attend, speak and vote at a general meeting.
- (g) A meeting of holders of Foundation Shares must be convened by the Directors upon a requisition by Active Members holding not less than, in aggregate, 10 percent of the total issued Foundation Shares.
- (h) Articles 22 to 31 inclusive apply to a meeting of the holders of Foundation Shares to the extent consistent with this Article 3.7.

3.8 **Rights attaching to Subscription Shares**

Subject to any suspension of rights as a consequence of becoming an Inactive Member in accordance with Articles 7.4 and 7.5 and to the other provisions of these Articles (and without limiting any other rights conferred by the other provisions of these Articles) each Subscription Share confers on the holder of the Subscription Share such preferred, deferred or other special rights or restrictions as determined by the Directors prior to allotting and issuing such Subscription Shares. In the absence of any determination by the Directors to the contrary, the rights attaching to the Subscription Shares will include the following rights.

- (a) The right to vote on any resolution to be put to a meeting of either Members or holders of Subscription Shares, provided that at the time of the vote, the holder of the Subscription Share is an Active Member.
- (b) The right to receive dividends, that may be declared by the Directors from time to time, equally with the holders of Foundation Shares.
- (c) The right to receive rebates and to participate in any bonus, surplus or other issues of shares, debentures or other securities, that may be made by the Directors from time to time, equally with the holders of Foundation Shares.
- (d) The right to receive a return of capital and to share in any surpluses arising upon winding up of the Company equally with all other holders of Subscription Shares and Foundation Shares.
- (e) If the holder of the Subscription Shares ceases to be an Active Member and the Company purchases the holders Subscription Shares in accordance with Article 10, the holder will be entitled to receive, as a minimum purchase price for the Subscription Shares being purchased by the Company, 10 percent of the paid up nominal value of the Subscription Shares being purchased.
- (f) The right to receive notices of general meetings (including documents included with those notices) and to attend, speak and vote at a general meeting.

- (g) A meeting of holders of Subscription Shares must be convened by the Directors upon a requisition by Active Members holding not less than, in aggregate, 10 percent of the total issued Subscription Shares.
- (h) Articles 22 to 31 inclusive apply to a meeting of the holders of Subscription Shares to the extent consistent with this Article 3.8.

4. VOTING ENTITLEMENT

4.1 Active Members Only

The total voting power of the Company shall at all times be held by Members who are Active Members regardless of whether they hold Foundation Shares or Subscription Shares.

4.2 One Vote

An Active Member shall be entitled to one vote only on any business before a general meeting of the Company or at a poll or ballot being conducted by the Company.

4.3 Inactive Member - No Vote

A Member who is not an Active Member (that is, they are an Inactive Member) shall not be entitled to vote on any business before a general meeting of the Company or at a poll or ballot conducted by the Company.

4.4 Attendance of General Meeting

All Members are entitled to be present at a general meeting of the Company.

5. APPLICATION FOR MEMBERSHIP

5.1 Method of Application

A person or persons may apply for Membership of the Company by lodging with the Company at its registered office:

- (a) a completed copy of an application form prescribed by the Board indicating the number and class of shares the person or persons desire to take up which shall not be less than 100 such shares;
- (b) sufficient moneys to pay for those shares in full or, if the shares are to be issued partly paid, an amount equal to the part payment in respect of each share applied for;
- (c) if the application is made by a body corporate, details of the directors and beneficial shareholders of the body corporate and such other details as may be required by the Board; and
- (d) such information as required by the Board to demonstrate that the applicant will meet the patronage requirements of being an Active Member within the period prescribed by the Board from time to time.

5.2 Considered at next Board Meeting

Subject to compliance with the requirements of Article 5.1, every application for Membership will be considered by the Board at the first Board meeting for which a notice convening the meeting is despatched following lodgement of the application. If the application form

received from the applicant does not specify the class of share applied for it will be deemed that the applicant is applying for Subscription Shares.

5.3 **Refusal of Membership**

- (a) The Board shall refuse an application for Membership where the Board believes that there are insufficient grounds for believing that the applicant will be able to meet the requirements of being an Active Member within the period prescribed by the Board from time to time after the date on which the shares were to have been issued;
- (b) Notwithstanding Article 5.3(a) the Board may refuse any application for Membership where the Board in its absolute and unfettered discretion believes that the applicant may not be able to comply with these Articles or that it is not in the best interests of the Company or its Members or in the pursuit of the objects of the Company to admit such person to Membership;
- (c) The Board need not assign any reason for a refusal to accept an application for Membership. The Board shall advise an applicant of its refusal within 14 days and all application monies lodged by the applicant shall be refunded without interest.

5.4 **Entry in Register**

Where the Board has approved an application for Membership, the Secretary of the Company shall cause the following details to be entered in the Register:

- (a) the applicant's full name together with the number and class of shares allotted;
- (b) the applicant's address;
- (c) where the application is by a trustee acting for a trust, the name of the trust;
- (d) where the application is by a body corporate, details of its directors and shareholders and the persons beneficially entitled to the shares in the body corporate;
- (e) the date of allotment of shares; and
- (f) any other information required by the Board or under the Act.

5.5 **Allotment**

Where the Board has approved the application for Membership, the applicant will be issued with the appropriate number and class of shares and will be notified in writing within 30 days of the allotment of those shares and of the entry in the Register.

5.6 **Modification of Application Process**

Notwithstanding any other provision to the contrary in this Article 5, the Board may from time to time modify or vary the rules applying to applications for Membership.

6. **BINDING EFFECT OF ARTICLES**

No rights of Membership shall be exercisable unless or until the Member has made payment to the Company in respect of Membership or acquired shares as provided by these Articles. Subject to these Articles each person who is entered in the Register shall be entitled to the

privileges and subject to the obligations attaching to Membership of the Company and shall be bound by these Articles.

7. ACTIVE MEMBERSHIP

7.1 Active Member

For the purposes of these Articles and subject to Article 7.4 an "**Active Member**" is any person who at the relevant time:

- (a) holds at least the minimum number of shares in the Company as prescribed by the Board from time to time; and
- (b) satisfies the patronage requirements applying at that time as determined by the Board; and
- (c) complies with any other terms and conditions imposed by the Board.

7.2 Change to Patronage Requirements

The Board may from time to time determine and change the patronage requirements which must be met by Members in order to be an Active Member. Without limiting the preceding sentence any change to the patronage requirements may be to:

- (a) the volume of business required to be conducted by a Member with the Company; or
- (b) the period of time during which the Member may fail to meet the patronage requirements, in terms of volume of business, before becoming an Inactive Member.

7.3 Notice of Change

Any change to the patronage requirements will become effective at such time as notified by the Directors to Members provided that the Directors give not less than 30 days notice of the change.

7.4 Inactive Membership

If a Member fails, for the relevant period determined by the Board from time to time, to satisfy the patronage requirements applying during that period, then upon determination of the Board, the Member shall become an Inactive Member with effect from the end of the relevant period for satisfying the patronage requirements or such later date as determined by the Board.

7.5 Cessation of rights

Except as otherwise expressly provided in these Articles, all of the rights, powers and privileges available to Active Members under these Articles cease immediately upon a Member becoming an Inactive Member. Without limiting the preceding sentence an Inactive Member will not be entitled to –

- (a) vote on any resolution to be put to a general meeting;
- (b) receive any dividends, or rebates that may be declared by the Directors;

- (c) participate in any bonus or rights issue of the Company or share in any distribution or surpluses distributed by the Company (except for repayment of the nominal value of any shares held by the Inactive Member on winding up of the Company).

7.6 Determination of Inactive Membership

The Board shall at such times as it determines, and from time to time, review the business conducted by the Company with its Members and determine in accordance with these Articles who has become Inactive Members. Except in cases of hardship, such as due to drought, flood or other unseasonable weather conditions, as determined by the Board, the Board must determine that a Member is an Inactive Member if they do not satisfy the patronage requirements for the relevant period. Prior to making such a determination the Board may, but is not obliged to, give a Member, who the Board proposes to designate as an Inactive Member, an opportunity to demonstrate why they should not be determined to be an Inactive Member.

7.7 Purchase of Shares

Upon the determination by the Board that an Active Member has become an Inactive Member then, subject to complying with the Act, the Company may, as determined by the Directors, purchase out of its reserve funds all of the shares held by the Inactive Member in accordance with Article 10.

7.8 Determination Final

Any determinations of the Board in accordance with this Article 7 shall be final and binding on the Members.

8. CESSATION OF MEMBERSHIP

Subject to the Act a person shall cease to be a Member in any of the following circumstances:

- (a) where the person's total share holding is transferred in accordance with these Articles and the transferee is registered as the holder in his place;
- (b) where the person's total share holding is purchased by the Company, surrendered, cancelled or repaid in accordance with these Articles;
- (c) where the Member is a natural person, the person dies;
- (d) in the case of a body corporate, where the body is dissolved or wound-up;
- (e) where the contract of Membership is rescinded on the grounds of misrepresentation or mistake; or
- (f) where the person is expelled as a Member.

9. EXPULSION OF MEMBERS

9.1 Expulsion

A Member may be expelled from the Company by special resolution at a general meeting provided that such a resolution will only be put to shareholders where in the opinion of the Board (whose decision shall be final and binding on Members):

- (a) the Member has failed to discharge his obligations to the Company, whether prescribed by these Articles or arising out of any contract; or

(b) the Member has been guilty of conduct detrimental to the Company.

9.2 **Right to be heard**

At any general meeting at which a special resolution is proposed for the expulsion of a Member, that Member shall be given a reasonable opportunity of being heard.

9.3 **Readmission**

No expelled Member shall be re-admitted to the Company except by special resolution in general meeting. A Member so readmitted shall not have restored to him any shares which were forfeited on that Member's expulsion.

9.4 **Money due and payable**

Where a Member is expelled from the Company all moneys owing by that Member to the Company shall immediately become payable in full.

9.5 **Sale and transfer of Shares**

All of the shares held by a Member who is expelled in accordance with this Article 9 shall be sold and transferred to the Company in accordance with Article 10 immediately following the general meeting at which the resolution expelling the Member is passed and such shares may be dealt with by the Company in accordance with Article 10. The expelled member forfeits all rights in relation to the shares and is not entitled to receive any payment from the Company in relation to those shares except as provided for in Article 10.

10. **REPURCHASE OF SHARES**

10.1 **Mandatory**

Subject to the Act the shares of Members who have been expelled under Article 9 or 14 must be sold and transferred to the Company in accordance with that Article and this Article 10.

10.2 **Discretionary**

Subject to the Act the shares of Members who have:

- (a) contravened the restrictions in Article 3.4(a) or (b) to the extent of the contravention;
- (b) become an Inactive Member under Article 7.4;
- (c) ceased to be a Member under Article 8(c) or (d);
- (d) contravened Article 14; or
- (e) defaulted in making a payment of any call under Article 16 or of any other monies payable to the Company under these Articles,

may, at the discretion of the Board and subject to any terms or conditions imposed by the Board, be purchased by the Company in accordance with this Article 10 and the relevant Article referred to above.

10.3 **How effected**

A decision to purchase shares in accordance with this Article 10 shall be considered at the next meeting of the Board which is called after the occurrence of the relevant event referred to in Article 10.1 or 10.2 and shall be effected at a price to be determined by the Board in its absolute discretion provided that the price must not –

- (a) in the case of Foundation Shares be less than 1 percent and not more than 100 percent of the paid up nominal value of the shares being purchased; and
- (b) in the case of Subscription shares and any other class of shares except Foundation Shares, be less than 10 percent and not more than 100 percent of the paid up nominal value of the shares being purchased.

10.4 **Notice**

The Board may, by letter addressed to the address of the relevant Member shown in the Register or the last known address of the relevant Member, notify the Member of the Company's decision to purchase the Member's shares in accordance with this article and the purchase price to be paid by the Company.

10.5 **Transfer**

Upon receipt of a notice under Article 10.4 the relevant Member must forthwith surrender its share certificate in relation to all of the Member's shares in exchange for the payment of the purchase price notified by the Company. If the Member does not surrender its share certificate within 21 days of the date of the notice under Article 10.4, then the Board or secretary may despatch the cheque for the purchase price for the relevant shares to the Member at the address of the Member shown in the Register or the last known address of the Member in full payment for the shares being purchased and the secretary shall sign the necessary instrument of transfer and do all things necessary to complete the transfer of the relevant shares to the Company as attorney for and on behalf of the relevant Member.

10.6 **Payment**

Members whose shares are purchased in accordance with this Article 10 forfeit all of their rights in relation to those shares and are not entitled to receive any payment in relation to those shares except for the purchase price determined in accordance with Article 10.3.

10.7 **Manner of Payment**

The payment by the Company of any amount under this Article 10 may be made in cash or by the issue of securities in or debentures of the Company or any combination of them on such terms and conditions as determined by the Board but subject to any restrictions imposed by the Act.

10.8 **Dealing with purchased shares**

- (a) Shares purchased by the Company in accordance with these Articles shall not be deemed to be cancelled and may, subject to the provisions of these Articles and the Act, be sold or otherwise disposed of on such terms and conditions as the Board thinks fit.
- (b) At the determination of the Board (and without the need for any further approval of Members) any Foundation Shares purchased by the Company in accordance with these Articles may by a resolution of the Board be converted into Subscription Shares or shares in any other class of share on the basis of one Foundation Share converting to one Subscription Share or share in the other class.

- (c) Any Subscription Shares or shares of any other class to which Foundation Shares have been converted in accordance with Article 10.8(b) may be sold or otherwise disposed of, as Subscription Shares or shares of that other class, on such terms and conditions as the Board sees fit.

10.9 **Cancellation of purchased shares**

Subject to complying with all provisions of the Act in relation to the cancellation of shares, shares which have been purchased by the Company in accordance with these Articles may be cancelled by a resolution of the Board. The funds resulting from the cancellation shall be credited to the Company's reserves as nominated by the Board.

10.10 **Certificate**

A certificate signed by a Director or secretary of the Company stating that a share in the Company has been purchased by the Company on a date stated in the certificate shall be conclusive evidence of that fact as against all persons claiming to be entitled to the share.

10.11 **Amounts owing**

A Member whose shares have been purchased by the Company for any reason shall remain liable to pay the Company all moneys which, at the date of such purchase, were owing by the Member to the Company in respect of the shares and such amounts shall become immediately due and payable to the Company upon transfer of the Member's shares to the Company.

11. **CLAIM ON COMPANY'S RESERVES**

Subject to any entitlement at law, Members who have had shares purchased by the Company under Article 10 for any reason whatsoever shall have no claim whatsoever on the reserves or other property of the Company in respect of such shares.

12. **DEALINGS IN SHARES**

12.1 **Prohibition**

Except as provided by an ordinary resolution of Members (at which the Member seeking to acquire the Shares in accordance with this Article shall not vote) a person or Member shall not, either alone or together with another person or other persons, acquire shares in the Company if:

- (a) any person or Member who is not entitled to any shares in the Company or is entitled to less than the prescribed percentage of shares in the Company would, immediately after the acquisition, be entitled to more than the prescribed percentage of shares in the Company; or
- (b) any person or Member who is entitled to not less than the prescribed percentage of the shares in the Company would, immediately after the acquisition, be entitled to a greater percentage of the number of shares in the Company than the percentage to which that person was entitled immediately before the acquisition.

12.2 **Prescribed Percentage**

For the purposes of this Article 12.1 the "**prescribed percentage**" is such percentage as determined by the Company in general meeting from time to time, but until otherwise determined is 20%.

12.3 **Entitlements**

A persons entitlement to shares or votes in the Company shall be determined by applying the principles set out in the Act from time to time but if the Act contains no such provisions, then the principles set out in Chapter 6 of the Corporations Act or such other sections or provisions which are substituted for that section.

12.4 **Primary notice**

The secretary or Board may at any time serve a primary notice on a person or Member.

12.5 **Response to Primary Notice**

A person or Member who receives a primary notice shall respond to that notice by statutory declaration within 28 days of the date of the primary notice.

12.6 **Notice of contravention**

Where a Member becomes aware of a person or Member who deals in a share in the Company contrary to Article 12.1, that Member shall immediately notify the Company in writing of all particulars of which that Member is aware in relation to that dealing.

13. **SUBSTANTIAL SHAREHOLDING**

13.1 **Percentage interest**

For the purposes of these Articles, a person has a substantial shareholding in the Company and is a substantial shareholder if he or she is entitled to not less than four percent (4%) of shares in the Company.

13.2 **Corporations Act to apply**

The provisions of Sections 671B and 671C of the Corporations Act shall apply with such adaptations as are necessary under these Articles and with respect to those Sections and any regulations made, or any forms prescribed, in relation thereto as if:

- (a) any reference to shares and shareholding shall be construed to mean shares and shareholding in the Company respectively;
- (b) any reference to company shall be construed to mean the Company; and
- (c) the requirement to give the information to each relevant market operator does not apply.

13.3 **Act to prevail**

If at any time the Act contains provisions requiring substantial shareholders to notify the Company of their substantial shareholding, which provisions are inconsistent with Article 16.2, then Article 16.2 will automatically cease to apply and such provisions contained in the Act shall prevail for so long as they apply.

13.4 **Maintain register**

The Company shall keep a register in which it shall as soon as practicable enter:

- (a) the names of persons who the Company believes hold relevant interests in the shares in the Company following receipt of responses to notices under these Articles; and
- (b) the information given by persons in response to notices under these Articles.

13.5 **Register open for inspection**

The register shall be open for inspection:

- (a) by any Member or the Auditor of the Company - without charge;
- (b) by any other person - on payment for each inspection of such amount as the secretary or Board requires or, where the secretary or Board does not require the payment of an amount, without charge.

14. **CONTRAVENTION OF ARTICLES 12 OR 13**

14.1 **Refund to register**

Without limiting Article 5.3 the secretary or Board may, in its absolute discretion, decline to allot or to register any transfer or transmission of a share or make any person a Member if in the secretary's or Board's opinion, the allotment or registration of such share would or might result in or have the effect of causing an infringement or contravention of Article 12.1.

14.2 **Notice of Contravention**

If the secretary or Board is of the opinion that:

- (a) a person has acquired shares in the Company in circumstances which might or would infringe or contravene of Article 12.1, the secretary or Board may, send a notice in writing ("**Contravention Notice**") to such person:
 - (i) advising that person that in the secretary's or Board's opinion Article 12.1 has been infringed or contravened;
 - (ii) stating the reasons for holding that opinion; and
 - (iii) advising the person that they shall within 28 days from the date of the Contravention Notice remedy the infringement or contravention by disposing of the specified shares or make submissions to satisfy the Board that an infringement or contravention of Article 12.1 has not occurred; or
- (b) a substantial shareholder in the Company has failed to comply with the obligations imposed on that person by the Article 13.2, the secretary or Board may, by notice in writing to such substantial shareholder, require him to dispose of the specified shares within such time as is specified in the notice.

14.3 **Specified shares**

For the purposes of Articles 14.2 and 14.4, the term "**specified shares**" shall mean:

- (a) that number of shares in relation to which the person has a relevant interest or entitlement which constitutes an infringement or contravention of Article 12.1; or

- (b) that number of shares in relation to which the person has a relevant interest or entitlement over 4% of the shares in the Company and to the extent of which a contravention of Article 13.2 has occurred.

14.4 **Sanction on Member for contravention**

- (a) A Member who contravenes or infringes Articles 12.1 or 13.2 or fails to comply with Articles 12.5 or 12.6 may be fined up to 1 Penalty Unit per day by the Board while the breach continues.
- (b) If the Member does not satisfy the requirements of any notice under Article 14.2 within the time specified in the notice, the secretary or Board may impose a penalty of 10 Penalty Units on the Member, and may resolve to expel the Member and purchase the Member's shares in accordance with Article 10, or cause the specified shares to be sold in such manner as the secretary or Board may determine.

14.5 **Sanction on non-member for contravention**

- (a) In the case of a person (not being a Member) contravening or infringing Articles 12.1 or 13.2 or not satisfying the requirements of any notices under Articles 12.5 or 14.2 within the time specified in the notice, the secretary or Board may disallow that person from becoming a Member of the Company or, upon becoming a Member, may fine that person up to 1 Penalty Unit per day for the period that the breach continued.
- (b) Any shares in the Company to which that person may be entitled may be sold or purchased by the Company in such a manner as the Board may determine unless the Member or Members who are registered as the holder or holders of any or all of those shares satisfy the Board that the Member or Members were not aware of the infringement or contravention of these Articles 12.1, 12.5, 13.2 or 14.2 as the case may be.

14.6 **Power of Attorney**

Wherever within the provisions of these Articles, the Board or the Company or the secretary or any Director is empowered to purchase cancel sell transfer or otherwise dispose of any shares of any Member and/or deal with the proceeds of such purchase, sale or other disposal, such Member hereby appoints the Company, the Board and each Director from time to time severally and/or jointly and severally as its duly appointed attorney to enter into all transactions, execute all documents, collect and expend all monies and do all things for and on behalf of and in the name of the Member to properly and effectively forfeit, cancel, sell, transfer or otherwise dispose of or deal with the shares of the Member or any of them to any person whatsoever as authorised by these Articles and otherwise by law including without limitation to take all steps and execute all documents and do all things to vest proper and unencumbered title in the shares in any transferee including the execution of all transfer notices and application of all monies in accordance with the terms of these Articles and such Member hereby confirms and ratifies all acts performed pursuant to this power.

14.7 **Proceeds of sale**

The purchase money less the expenses of any sale made in accordance with the provisions of Articles 14.4 and 14.5 shall be paid to the Member whose shares were sold.

14.8 **No liability**

Nothing in Articles 14.5 shall render the secretary or Board liable or responsible by reason of any person acquiring shares in the Company in contravention of Article 12.1 or failing to comply with the obligations imposed by Articles 12 or 13.

14.9 Credit to reserves

Any funds resulting from the purchase of shares under Article 14.4 and 14.5 shall be credited to the Company's reserves.

15. TRANSMISSION OF A MEMBER'S RIGHTS

15.1 Death of Member leaving a will

An executor duly appointed under the will of a deceased Member, is entitled, as from the date of the Member's death, and on behalf of the deceased Member's estate, to the same dividends and other advantages and to the same rights whether in relation to meetings of the Company, or voting or otherwise, as the Member would have been entitled to if he or she had not died, whether or not probate of the will has been granted. Nevertheless, if probate of the will is granted to a person or persons other than the executor first referred to in this Rule, the executor's rights will cease, and such rights will only be exercisable by the person or persons to whom probate is granted as provided in Article 15.2.

15.2 Death or bankruptcy of Member

Subject to Article 15.1, where the registered holder of a share dies or becomes bankrupt, his or her personal representative or the trustee of his or her estate, as the case may be, is entitled, upon the production of such information as is properly required by the Directors, to the same dividends and other advantages, and to the same rights, whether in relation to meetings of the Company, or to voting or otherwise, as the registered holder would have been entitled to if he or she had not died or become bankrupt.

15.3 Registration by transmission or to beneficiary

A person becoming entitled to a share in consequence of the death or, subject to the Bankruptcy Act 1966, the bankruptcy of a Member may, upon such information being produced as is properly required by the Directors, elect by written notice to the Company either to be registered himself or herself as holder of the share or to have some other person nominated by him or her registered as the transferee of the share. If the person elects to have another person registered, he or she shall execute a transfer of the share to that other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer shares, and the registration of a transfer of shares, are applicable to any such notice or transfer as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

16. CALLS ON SHARES

16.1 Calls

The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares. A call is not valid unless the Board gives at least 14 days notice to the Members, specifying the time or times of and place for payment. No call shall be payable less than one month from the last call. Each Member shall pay to the Company at the time or times and place so specified the amount called on his shares. The Board may revoke or postpone a call.

16.2 Joint liability

The joint holders of a share shall be jointly liable to pay all calls in respect of that share.

16.3 **Interest**

If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest upon the sum at a rate determined by the Board but not exceeding 20 per cent per annum from the day appointed for the payment to the time of the actual payment, but the Board may waive payment of that interest wholly or in part.

16.4 **Payment in advance of calls**

The Board may, if it thinks fit, receive from any Member willing to advance it, all or any part of the money uncalled and unpaid upon any shares held by that Member and upon all or any of the money advanced the Board may pay interest on such advance during the period from the date of the advance until the due date for payment of any call on the shares calculated as follows:

- (a) if the Company has by ordinary resolution fixed a rate - the rate so fixed;
- (b) in any other case - a rate agreed to between the Member and Board but not exceeding 20 per cent per annum.

16.5 **Instalments**

If by the conditions of allotment, any amount is payable in respect of shares by instalments every such instalment shall be payable as if it were a call duly made by the Board of which due notice has been given and all provisions of these Articles with respect to the payment of calls and of interest on calls or to the forfeiture of shares for non-payment of calls shall apply to such instalment and to the shares in respect of which they are payable.

16.6 **Non-receipt of notice**

The non-receipt of the notice of any call by the accidental omission to give notice of a call to any of the Members shall not invalidate the call.

17. **DEFAULT IN PAYMENT OF CALLS**

17.1 **Failure to pay**

If any Member fails to pay any call or instalment of a call on any share on the day appointed for payment, the Board may while any part of the call or instalment remains unpaid, serve a notice on the Member requiring payment of the unpaid amount together with any interest which may have accrued and all expenses incurred by the Company by reason of such non-payment.

17.2 **Notice**

The notice shall name a further day (not earlier than 14 days from the date of the notice) by which payment required by the notice is to be made and the notice shall also state that if there is no payment by that time the shares for which the call was made may be forfeited.

17.3 **Forfeiture**

If the requirements of the notice referred to in Article 17.2 are not complied with by the Member, then any share for which the notice has been given may at any time after the expiration of the period of the notice (but before the payment required by the notice has been

made) be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends, interest and other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.

17.4 **Cessation of Membership**

A person whose shares are forfeited for a default in payment of calls shall cease to be a Member in respect of the forfeited shares but that person shall nevertheless remain liable to pay to the Company all moneys which (as at the date of forfeiture) were payable by that person to the Company in respect of the shares so forfeited. Nothing in this Article 17.4 shall cause a Member to cease to be a Member in relation to any shares other than the forfeited shares.

17.5 **Lien**

The Company shall have a first and paramount lien or charge upon all the shares registered in the name of any Member (whether solely or jointly with others) for the Members debts, liabilities and engagements solely or jointly with any other person to or with the Company whether the time for the payment, fulfilment or discharge shall have actually arrived or not. Such lien or charge shall extend to all dividends and bonuses from time to time declared in respect of such shares. If the Company registers any transfer of shares upon which it has a lien or charge as aforesaid, without giving to the transferee notice of its claim the said shares shall be freed and discharged from the lien of the Company.

17.6 **Notice of sale**

For the purposes of enforcing the lien or charge the Board may sell the shares subject to the lien or charge in such manner as the Board shall think fit but no sale shall be made until-

- (a) notice in writing of the intention to sell has been served on the Member holding the shares; and
- (b) such shares have been forfeited in accordance with these Articles.

17.7 **Proceeds of sale**

The net proceeds of any sale of shares under this Article, after payment of all costs shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) shall be paid to the Member who prior to forfeiture was the registered holder of those shares.

17.8 **Procedure and certificate**

In the case of a sale or re-allotment of the forfeited shares or a sale of shares to enforce a lien or charge an entry in to the minute book of the Company that the shares have been duly forfeited, re-allotted or sold in accordance with these Articles shall be sufficient evidence of that fact as against all persons entitled to such shares immediately before the forfeiture or sale therefore and a certificate to such effect and the receipt of the Company for the price of such shares shall constitute a good title to the shares. A certificate of proprietorship shall be delivered to the purchaser or allottee and thereupon they shall be deemed to be the holder of those shares and they shall not be bound to see to the regularity of the preceding or the applications of the purchase money or consideration nor shall their title to the shares be effected by any fact of omission or irregularity in the preceding in reference to the sale, forfeiture or re-allotment. The holder of the certificate of any shares so sold shall be bound to deliver the certificate to the Board. The net proceeds of any such sale shall be applied first in payment all costs of such sale, next in satisfaction of the monies due to the Company and the

residue (if any) paid to the Member registered as the holder of the shares prior to forfeiture or sale or as he shall direct.

18. TRANSFER OF SHARES

18.1 General

Subject to the Act and these Articles, a Member may transfer all or any of his shares only by using an instrument in writing in a form approved by the Board from time to time.

18.2 Instrument of transfer

The instrument of transfer of any share shall be executed by or on behalf of the transferor and the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register.

18.3 Board approval

Subject to the Act:

- (a) a share may only be sold or transferred with the consent of the Board and to a person or persons who would be able to meet the requirements of being an Active Member within the period after the date on which the shares are transferred which is from time to time determined by the Board;
- (b) the Board may in its absolute discretion refuse to register any transfer of shares, and shall not be required to assign any reason for that refusal;
- (c) if the Board refuses to register a transfer of shares it shall send notice of the refusal to the transferee within 28 days after the date of its determination.

18.4 Incapacity

No transfer shall be made to an infant or to a person of unsound mind but the Company shall not be bound to enquire as to the age or soundness of mind of any transferee.

18.5 Sale of beneficial interest

A Member who sells or transfers or disposes of the beneficial interest in any share held by the Member or enters into an agreement to do so, shall within 14 days of the sale, transfer, disposal or the agreement being entered into (as the case may be) notify the Board of that fact.

18.6 Procedure

The instrument of transfer must be left for registration at the registered office of the Company together with such other information as the Board may require to show the right of the transferor to make the transfer and the qualification of the transferee to accept the transfer.

18.7 Record of transfer

The Board shall cause a record of all transfers to be made in the books and registers of the Company.

18.8 Suspension of registration

The registration of transfers may, at the discretion of the Board, be suspended during the 21 days preceding any general meeting and in addition at such other times and for such periods not exceeding in aggregate 56 days in any year as the Board from time to time determine.

19. STATEMENT OF SHAREHOLDING

19.1 Certificate or statement

Every Member whose name is entered in the Register shall be entitled to receive a certificate or statement in accordance with the Act specifying the number of shares held by the Member and the amount paid up on those shares.

19.2 Joint holding

Where shares are held jointly by several persons the Company shall not be bound to issue more than one certificate or statement, and delivery to one of the joint holders shall be sufficient delivery to all.

19.3 Replacement certificate or statement

If a share is defaced, lost or destroyed a duplicate may be issued by the Company on payment of a fee as determined by the Board and on such terms as to evidence and indemnity as the Board thinks fit and otherwise in accordance with any requirements of the Act.

20. REGISTER

No Member shall be entitled to any of the rights attaching to Members under these Article unless and until his name is entered in the Register and such Member shall remain a Member until his name has been removed from the Register in accordance with these Article and until such removal, the Member shall be entitled to rights attaching to the shares owned by him only as recorded in the Register. For the purpose of determining whether a Member has met the patronage requirements for the period applying immediately following their registration as a Member, the relevant Member's patronage during the period from the date of their application for membership until the date on which their name was entered in the Register shall be taken into account.

21. JOINT HOLDERS

Where two or more persons are registered as the holder of any shares they shall be deemed to hold the same as joint tenants with the benefits of survivorship subject to the provisions following :

- (a) The Company shall not be bound to register more than three persons as the holders of any share but this shall not apply to the executors or trustees of the deceased holder.
- (b) The joint holders of any share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.
- (c) On the death of any one such joint holder the survivor or survivors shall be the only persons recognised by the Company as having title to such shares.
- (d) Any one of such joint holders may give effectual receipt for any dividend, bonus or return of capital payment to such joint owners.

- (e) Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to:
 - (i) delivery of the certificates relating to such share; or
 - (ii) to receive notices from the Company and any notice given to such person shall be deemed notice to all joint holders.
- (f) Only one joint holder of shares is entitled to vote at a general meeting or in relation to a postal ballot. If more than one joint holder purports to vote at a general meeting or on a postal ballot only the vote of the person whose name stands first in the register of Member as one of the joint holders of the relevant share will be counted.

22. GENERAL MEETINGS

22.1 Annual General Meetings

The first general meeting or statutory meeting shall be held at such time not being less than one month nor more than four months from the date of incorporation of the Company and at such place as the Board may determine. Subsequent annual general meetings shall be held at such times and at such places as may be prescribed by the Board provided that such subsequent annual general meetings shall be held at least as often as required by the Act.

22.2 Business of Annual General Meeting

Subject to the Act, the business of the annual general meeting shall be:

- (a) to approve and adopt the minutes of the last preceding annual general meeting and of any general meeting held since that meeting;
- (b) to receive from the Board, Auditors, or any officers of the Company reports upon the transactions of the Company during the financial year, including the balance sheet, profit and loss account, trading account, the statement of affairs at the end of the financial year, any group accounts, and any other financial statements or accounts required by the Act or Registrar;
- (c) to elect or re-elect Independent Directors;
- (d) to announce the results of the election of directors and determine the aggregate remuneration payable to the Directors;
- (e) to elect or re-elect an auditor or auditors and determine their remuneration; and
- (f) to consider any other resolutions or transact any other business which under these Articles ought to be considered or transacted at an annual general meeting.

All other business transacted at an annual general meeting and all business transacted at any other meeting shall be deemed special.

22.3 Board may convene

The Board may whenever it thinks fit, convene a general meeting.

22.4 General Meeting on requisition

The Board shall convene a general meeting, on requisition of not less than one-tenth of the Members of the Company being Members who held shares upon which calls or other sums then due have been paid.

22.5 Joint holders

For the purpose of Article 22.4 joint holders of shares shall be counted as one for the purpose of determining the required number referred to in Article 22.4, but all joint holders must sign the requisition when one of their number desires to requisition.

22.6 Statement of business

A requisition for a general meeting shall state the specific nature of the business of the meeting and must be signed by all requisitionists and deposited at the registered office of the Company and may consist of several documents in like form, each signed by one or more of the requisitionists.

22.7 Failure to convene

If the Board does not within 28 days from the date of deposit of the requisition give notice convening a general meeting then within three months of the date of deposit of the requisition, the requisitionists or any of them representing more than one half of the total voting rights of all of them may convene a general meeting to be held within three months from the date of deposit of the requisition.

22.8 Procedure for convening

A general meeting convened by a requisitionist pursuant to these Articles shall be convened as nearly as possible in the same way as that in which any other general meetings are convened by the Board.

22.9 Expenses

Any reasonable expenses incurred by the requisitioning Members because of the failure of the Board to convene a general meeting shall be repaid by the Company to the Members who incurred the expense upon production to the Board of reasonable evidence of the incurring of those expenses.

23. NOTICE OF MEETINGS

23.1 General

- (a) Subject to Article 23.1(b), notice of all general meetings shall be in writing, and be served on Members at the address appearing in the Register on the date of dispatch for service and such notice shall be despatched for service at least 14 days (or such longer period as required by the Act) before the date fixed for the meeting, and shall specify the date, place and hour of meeting, and the nature of the business to be transacted.
- (b) A notice of a general meeting at which it is proposed to put a special resolution to Members shall be despatched for service at least the minimum number of days before the date fixed for the meeting, as required by the Act but if no minimum period is so specified then at least 21 days before that date.

23.2 Non-receipt

Subject to the Board being satisfied that any notice referred to in this Article or Article 24 has been forwarded to Members the non-receipt of any such notice by any Member shall not invalidate the proceedings at or any resolution passed at general meeting.

23.3 Special resolution

A meeting at which a special resolution is to be proposed shall not be deemed by the Directors to be duly convened if notice of the meeting as is required by the Act in the case of special resolutions, has not been given.

23.4 Director right to attend

A Director is entitled to receive notice of and to attend all general meetings and is entitled to speak at those meetings.

23.5 Postal ballot

Subject to the terms of the Act, the Board may in its absolute discretion instead of convening a general meeting, put any resolution to Members by way of a postal ballot. A postal ballot under this Article shall be carried out in such manner provided for by the Act and failing any such provisions then in accordance with the procedure for holding a postal ballot as set out in Article 38.

24. CHAIRPERSON

24.1 Chairperson of Board

The Chairperson of the Board or if he or she is not present or is unwilling or unable to act, the Deputy Chairperson of the Board, shall be the chairperson of any general meeting unless the meeting otherwise determines by resolution.

24.2 Members appoint

If there is no such Chairperson or Deputy Chairperson, or if at any time the Chairperson and Deputy Chairman are either not present within fifteen (15) minutes after the time appointed for holding the meeting or are unwilling to act as Chairperson, then the Active Members present shall elect someone from their number to be Chairperson (until such time as the Chairperson or Deputy Chairperson attends and is willing to act).

24.3 Adjournment

The Chairperson may, with the consent of a simple majority at any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place. However the only business that may be transacted at an adjourned meeting shall be the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 21 days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Apart from this, it is not necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

25. PROCEDURE AT GENERAL MEETINGS

25.1 Attendance

The Chairperson of a general meeting may take any action he or she considers appropriate for the safety of persons attending the meeting and the orderly conduct of the meeting and may refuse admission to, or require to leave and remain out of, the meeting any person:

- (a) who is not a Member, Director or the Company Auditor;
- (b) in possession of a pictorial, recording or sound recording device;
- (c) in possession of a placard or banner;
- (d) in possession of an article considered by the Chairperson to be dangerous, offensive or liable to cause disruption; and
- (e) who behaves or threatens to behave in a dangerous, offensive or disruptive way.

25.2 **Delegation**

The Chairperson may delegate the powers conferred by Article 25.1 to any person he or she decides.

25.3 **Postponement**

In addition to any other power the Chairperson has, the Chairperson of a general meeting may, prior to or during the meeting, postpone the meeting to a time, date or place specified by the Chairperson whether or not a quorum is present, if, at the time and place appointed for the meeting, the Chairperson considers that there is not enough room for the number of persons who wish to attend the meeting or a postponement is necessary in light of the behaviour of persons present or for any other reasons so that the business of the meeting can properly be carried out.

25.4 **Time and Place**

The postponement under Article 25.3 may be to another time, which may be on the same day as the meeting, or may be to another place.

25.5 **Procedures**

The Chairperson of a general meeting is responsible for the general conduct of the meeting and for the procedures to be adopted at the meeting. In addition to the Chairperson's other powers, the Chairperson may require any procedures to be adopted which are in the Chairperson's opinion necessary or desirable for proper and orderly debate or discussion, including imposing reasonable limits on the time that a person may speak at the general meeting.

25.6 **Other powers**

In addition to the Chairperson's other powers, the Chairperson may at any time he or she considers it necessary or desirable for the proper and orderly conduct of the meeting:

- (a) terminate, debate or discussions on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the Active Members present; and
- (b) allow, debate or discussion on any business, question, motion or resolution being considered by the meeting to continue.

25.7 **Decision final**

A decision of the Chairperson under this Article 25 is final and binding on Members.

26. SPECIAL RESOLUTION

A resolution is a special resolution of the Company if -

- (a) it is passed at a general meeting of the Company, being a meeting of which at least the minimum period of notice required by the Act for a special resolution has been duly given; and
- (b) the resolution has been passed at a meeting referred to in Article 26(a) by a majority of at least three-quarters of such Active Members as being entitled to do so, vote in person, by proxy, attorney or Representative; or
- (c) where the voting of the resolution is by poll, is passed by a majority of not less than three quarters of the number of votes cast by the Members who, being entitled to do so, cast votes in person, by proxy, attorney or Representative; or
- (d) where the voting of the resolution is by postal ballot, is passed by a majority of not less than three quarters of the number of votes cast by the Members who, being entitled to do so, cast votes by returning the duly completed ballot paper signed in person or by attorney or Representative.

27. QUORUM

27.1 No business unless quorum

No business shall be transacted at any general meeting unless a quorum of Active Members is present at the time when the meeting proceeds to business.

27.2 Quorum

- (a) Subject to Article 27.2(b) 20 Active Members present in person, by proxy, attorney or Representative shall form a quorum for the purpose of holding any general meeting of the Company.
- (b) For so long as the Trustee holds 80 percent or more of the issued shares of the Company a quorum for the purpose of holding any general meeting of the Company shall be 3 Members present in person, by proxy, attorney or Representative.

28. ADJOURNMENT

If within 15 minutes from the time appointed for a general meeting a quorum is not present the meeting, if convened upon the requisition of Active Members, shall be automatically dissolved. In any other case the meeting shall stand adjourned to the same day in the next week at the same time and at a place specified by the Chairperson, or if that day is not a business day, it shall stand adjourned to the next day which is a business day, and if at such adjourned meeting a quorum is not present within 15 minutes from such time appointed for the meeting, the members present shall constitute a quorum for the purpose of transacting only the business disclosed in the notice dispatched to Members to convene the original meeting, the meeting shall be dissolved.

29. VOTING OF ACTIVE MEMBERS

29.1 Voting

Save as is otherwise provided by the Act or in these Articles, every question for decision by a general meeting shall be determined by the majority of Active Members on a show of hands

unless (before a vote is taken or before or after the declaration of the result of the show of hands) a poll is demanded in accordance with Article 30. On a show of hands every person present who is an Active Member or a proxy, attorney or Representative of an Active Member has one vote. A declaration by the Chairperson that a resolution has been carried by a majority, or by a particular majority, or lost and an entry to that effect in the minutes of the meeting are conclusive evidence of the fact without proof of the number or proportion of the votes in favour of or against the resolution.

29.2 **Objection**

An objection to the qualification of a voter may only be raised at the meeting or adjourned meeting, at which the voter tendered his or her vote or at such other time as approved by the Board. An objection must be referred to the Chairperson of the meeting, whose decision is final. A vote which the Chairperson does not disallow pursuant to an objection is valid for all purposes.

30. **POLL**

30.1 **Demanding a Poll**

Subject to Article 29.2 a poll may be demanded by at least 5 Active Members present in person, by proxy, attorney or Representative. A poll duly demanded, shall be taken in such manner as the Chairperson of the meeting directs and the result of the poll will be the acceptance or rejection of the resolution or special resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

30.2 **Time**

A poll shall be taken at a time when the Chairperson of the meeting shall direct.

30.3 **Voting by ballot**

At a poll, the voting shall be by ballot and each Active Member present in person or by proxy, attorney or Representative shall have one vote.

30.4 **No casting or second vote**

In the case of an equality of votes, whether on a show of hands, or on a poll, the Chairperson of the meeting shall not be entitled to a second or casting vote.

30.5 **Deferral of Poll**

After a poll has been demanded at a meeting, the poll may be deferred until after the conclusion of business other than the question on which the poll was demanded.

31. **PROXIES**

31.1 **Right to appoint proxy/attorney**

- (a) An Active Member is entitled to appoint another person (as the Active Member's proxy or attorney (as the case may be) to attend and vote instead of the Active Member at any general meeting. The appointment in the case of a proxy must specify the manner in which the proxy is to vote in respect of each resolution and the proxy must not act as proxy for more than 10 Active Members. If a Person purports to act as proxy for more than 10 Active Members the appointment of the proxy for all of those Active Members will be invalid.

- (b) An attorney may be appointed for all meetings or for any number of meetings or for a particular purpose.

31.2 **Proxies**

An instrument appointing a proxy:

- (a) must be in writing under the hand of the appointor or of the attorney, or, if the appointor is a corporation, either under seal or under the hand of a duly authorised officer or attorney or executed in a manner permitted by the Act;
- (b) must direct the person appointing the proxy to specify the manner in which the proxy is to vote in respect of a particular resolution and, the proxy is not entitled to vote on the resolution except as specified in the instrument;
- (c) is deemed to confer authority to demand or join in demanding a poll;
- (d) must be in such form as the Directors determine but must also comply with any compulsory requirements in the Act; and
- (e) will not be valid unless:
 - (i) the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary); or
 - (ii) a copy or facsimile which appears on its face to be an authentic copy of that proxy, power or authority,is or are deposited at or sent by facsimile transmission or by electronic notification to:
 - (iii) the Registered Office; or
 - (iv) such other place as is specified for that purpose in the notice convening the meeting,no later than 48 hours before:
 - (v) the commencement of the general meeting in the place where the general meeting is being convened; or
 - (vi) the resumption of the meeting if the meeting is adjourned and notice is given in accordance with Article 28,as is specified in the notice convening the meeting (or the notice under Article 28, as the case may be).

31.3 **Authority conferred on proxy or attorney**

Unless otherwise provided in the instrument, an instrument appointing a proxy or attorney will be taken to confer authority:

- (a) to agree to a meeting being convened by shorter notice than is required by the Act or by these Articles;

- (b) to agree to a resolution being proposed and passed as a special resolution at a meeting of which less than 21 days' notice has been given;
- (c) even though the instrument may refer to specific resolutions and may direct the proxy or attorney how to vote on those resolutions:
 - (i) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion; and
 - (ii) to vote on any procedural motion, including any motion to elect the chairperson, to vacate the chair or to adjourn the meeting;
- (d) to vote on a show of hands;
- (e) to speak on any proposed resolution on which the proxy or attorney may vote; and
- (f) to demand or join in demanding a poll on any resolution on which the proxy or attorney may vote.

31.4 **Proxy votes valid in various circumstances**

Unless the Company has received notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by a proxy will (subject to these Articles) be valid even if, before the proxy votes, the appointing Active Member:

- (a) dies;
- (b) is mentally incapacitated;
- (c) revokes the proxy's appointment;
- (d) revokes the authority under which the proxy was appointed by a third party; or
- (e) transfers the share in respect of which the proxy was given.

31.5 **Representatives of corporate Members**

- (a) **(Appointment):** A body corporate ("**appointor**") that is an Active Member may authorise, in accordance with the Act or Corporations Act as appropriate, by resolution of its directors or other governing body such person or persons as it may determine to act as its Representative:

- (i) at meetings of the Company's Members or of any class of Members;
- (ii) at meetings of creditors or debenture holders; or
- (iii) relating to resolutions to be passed without meetings.

A person so authorised is entitled to exercise all the rights and privileges of the appointor as a Member.

- (b) **(Deemed presence of appointor):** When a Representative is present at a general meeting of the Company, the appointor is deemed to be personally present at the meeting unless the Representative is otherwise entitled to be present at the meeting.

31.6 **Priority of voting rights**

- (a) **(Between shareholder and appointees):** If an Active Member is present at any general meeting and a proxy or attorney of that Active Member is also present, the proxy or attorney cannot vote on a show of hands or on a poll in respect of the shares to which the proxy or attorney relates.
- (b) **(Between attorney and proxy):** If an attorney and a proxy of an Active Member are present at any general meeting and have authority to act for the Active Member in relation to the same shares held by the Active Member, only the attorney has the right to vote on behalf of the Active Member.
- (c) **(Between Representative and proxy):** If a Representative and a proxy of an Active Member are present at any general meeting, only the Representative has the right to vote on behalf of the Active Member.
- (d) **(Between Representative and attorney):** If a Representative and an attorney of an Active Member are present at any general meeting, the person who was most recently appointed by the Active Member has the right to vote on behalf of the Active Member.
- (e) **(Between two Representatives):** Where more than one Representative of an Active Member entitled to be present at a general meeting is so present, the Representative who was most recently appointed by the Active Member has the right to vote on behalf of the Active Member.

32. **SALE OR DISPOSAL OF THE MAIN UNDERTAKING OF THE COMPANY**

The main undertaking of the Company must not be sold or otherwise disposed of without the approval of the Active Members by an ordinary resolution or such other resolution as required by the Act from time to time.

33. **BOARD OF DIRECTORS**

33.1 **Number**

- (a) Subject to the Act, the Company shall be managed and controlled by a Board consisting of up to 9 Directors until 31 December 2001 and thereafter in all subsequent years of up to 7 Directors.
- (b) Subject to Article 33.2, the number of Independent Directors must not exceed the number of Active Member Directors appointed to the Board from time to time. If due to the resignation, removal or retirement of an Active Member Director the number of Independent Directors exceeds the number of Active Member Directors the Directors must exercise their rights under Article 40.1 and appoint an Active Member Director to fill the vacancy.

33.2 **Change the number**

The Company in general meeting may from time to time increase or reduce the number of Directors and or the proportion which must be Active Member Directors and Independent Directors.

34. CLASSIFICATION OF ELIGIBLE PERSONS

34.1 First Directors

The first Directors including the Independent Directors shall be:

Mark John Bahen

Dawson Stanley Bradford

Maxwell Allan James Cameron

Philip Maurice Drage

Graham Thomas Nixon

Mike Norman Norton

Leonard Michael Quinlivan

David Weightman Smith

Bradley Thomas Thomason

34.2 Positions in Industry

A Director must not at any time during his or her appointment as a Director hold:

- (a) the position of spokesperson, chairperson or president of any State based agri-political organisation; or
- (b) any other position or office with any State based agri-political organisation where the terms of that office or position oblige the person to abide by the policy of that State based organisation; or
- (c) any position in executive management as an employee of a State based agri-political organisation.

34.3 Questions decided by Board

If there is any doubt as to the eligibility of a person to be a Director under Article 34.2 that issue shall be determined by the Board whose decision will be final and binding.

35. ELIGIBILITY FOR ELECTION

35.1 Active Member Director

A person is not eligible to be elected as an Active Member Director unless:

- (a) that person is:
 - (i) an Active Member;
 - (ii) a director or shareholder of a company or corporation that is an Active Member; or
 - (iii) a partner of a partnership that is an Active Member; or

- (iv) a member or officer holder of an unincorporated or incorporated association that is an Active Member; or
- (v) a beneficiary of a trust of which the trustee is an Active Member; and
- (b) that person has been nominated as a candidate for election by at least five other Active Members.

35.2 **Vote for election**

Subject to these Articles, every Active Member shall be entitled to vote for the election of all Active Member Directors and Independent Directors.

35.3 **Retirement by rotation**

At every annual general meeting one third of the Directors or if their number is not a multiple of three, then the number nearest to one third, shall retire from office. A retiring Director shall retain office until the conclusion of the meeting at which his or her successor is nominated or elected.

35.4 **Who is to retire**

The Directors to retire in any year shall, subject to the provisions as to filling casual vacancies, be those who have been longest in office since their last election, but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot or in any other manner determined by the Board. The length of time a Director has been in office shall be computed from his last election where he had previously vacated office and been re-elected. The retiring Director shall be eligible for re-election.

36. **PERIOD OF OFFICE**

36.1 **Third annual general meeting**

Except as provided by these Articles or by the operation of any legislation all Directors shall be elected or appointed for a period ending at the end of the third annual general meeting after his or her election or appointment.

36.2 **Deemed re-appointment**

If the vacated office of a retiring Director is not filled by election or appointment and the retiring Director has offered himself for re-election or re-appointment or is deemed to have been duly nominated under Article 38.4, the retiring Director will be deemed to have been re-elected or re-appointed unless when he or she retires:

- (a) it is resolved by the Active Members, not to fill the vacated office; or
- (b) the resolution for the re-election or re-appointment of the Director is put and lost.

37. **REMOVAL OF DIRECTORS**

37.1 **By Members**

Subject to any legislation, the Company may by an ordinary resolution of the Active Members, remove a Director before the end of that Director's period of office.

37.2 **Period of Notice**

Notwithstanding anything contained in these Articles, twenty-eight days notice to Members and Directors is required of a resolution to remove a Director under this Article 37.

37.3 **Notice to Director**

As soon as practicable after receiving a notice of an intended resolution to remove a Director under this Article 37, the Company shall send a copy of the notice to the Director concerned, and the Director (whether or not a Member of the Company) is entitled to be heard on the resolution at the general meeting where the resolution proposing his or her removal is considered.

37.4 **Director Representations**

Where notice is given in accordance with Article 37.2 and the Director concerned makes with respect to the notice written representations to the Company (not exceeding a reasonable length) and requests that the representations be notified to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so, send a copy of the representations to every Member of the Company to whom notice of the general meeting has been sent.

37.5 **Representations Read Out**

If a copy of the representations is not so sent because they were received too late or because of the Company's default, the Director may, without prejudice to any right to be heard orally, require that the representations be read out at the meeting.

37.6 **Casual vacancies**

Vacancies created by the removal at any one time of 2 or less Active Member Directors under this Article 37 may be filled as casual vacancies.

37.7 **Postal Ballot**

In the event that 3 or more Active Member Directors are removed pursuant to this Article 37, the remaining Directors, or in the case where all Directors are removed, the Chairperson, shall remain in office and can only act to conduct a postal ballot for the election of Active Member Directors to replace those removed or convene a general meeting.

38. CONDUCT OF ELECTIONS FOR ACTIVE MEMBER DIRECTORS

38.1 **General**

The election of Active Member Directors shall be conducted as nearly as practicable in the manner provided by this Article 38.

38.2 **Notice seeking nominations**

Not less than 66 days before an annual general meeting, a notice shall be forwarded to all Members specifying the election or elections to be held and inviting nominations of Active Members as candidates for election as Active Member Directors.

38.3 **Nominations**

Nominations for Active Member Directors shall be:

- (a) in a form approved by the Board;
- (b) signed by not less than five Active Members (other than the candidate);
- (c) accompanied by a notice in writing under the candidate's hand signifying his candidature for office; and
- (d) lodged at the registered office of the Company (by delivery, post or facsimile transmission) at least 45 days before the date of the annual general meeting.

38.4 Deemed nomination

Retiring Active Member Directors shall be deemed to have been duly nominated as candidates for re-election provided they are eligible for re-election and have not notified the Company to the contrary.

38.5 Nominations less than positions

If the number of candidates nominated is equal to or less than the number of vacancies occurring in the Board then, and in each case, such persons shall be deemed to have been duly elected as Active Member Directors.

38.6 Postal Ballot of nominations exceed positions

In respect of every election where the number of candidates exceeds the number of vacancies, a postal ballot shall be taken in the following manner and in relation to each vacancy the candidate with the largest number of votes will be elected to fill that vacancy:

- (a) a printed ballot paper containing the names of all candidates in respect of the election for each separate vacancy shall be posted to every Active Member entitled to vote at the election;
- (b) each ballot paper shall have the initials of the returning officer;
- (c) each ballot paper shall be sent at least 24 days before the annual general meeting at which the results of the election will be announced; and
- (d) the order in which such names appear in the ballot paper shall be determined by lot.

38.7 Ballot Paper checked

Each ballot paper returned to the registered office (by delivery, post or facsimile transmission) before the time stated on such ballot paper (not being less than 72 hours before the time fixed for commencement of the annual general meeting) shall be checked by the returning officer.

38.8 Returning officer

The returning officer shall be appointed by the Board and, in default of such appointment, shall be the secretary.

38.9 Candidate scrutineers

Each candidate may appoint a scrutineer provided a request is made at least seven days before the close of the ballot. The scrutineers so appointed shall attend the checking of envelopes (or facsimile transmission of the ballot papers) and the counting of votes.

38.10 Form of ballot papers

The Board may cause to be issued ballot papers in such manner and form as they determine including in a form so that they may be returned to the registered office of the Company by facsimile transmission.

38.11 Announcement of results

The returning officer shall count the votes and notify the result of each separate election to the Chairperson of the annual general meeting and that Chairperson shall announce that result or results to the annual general meeting and upon the entry thereof in the minutes of the meeting, the result or results shall thereupon be deemed to have the purpose and effect of a resolution duly passed at that meeting.

38.12 Returning officer's decision final

The decision of the returning officer as to the formality or informality of any ballot paper or ballot papers shall be final.

38.13 Removed under Article 37

In the case where a postal ballot for the election of Active Member Directors takes place after the removal of directors under Article 37, the procedure for conducting a postal ballot outlined in this Article 38 shall be followed.

39. APPOINTMENT OF OTHER DIRECTORS

39.1 Independent Directors

- (a) To be eligible for election as an Independent Director a candidate must be a natural person and have the qualifications and experience, whether in the fields of general commercial expertise, banking, finance, marketing, law, accounting or other fields, suitable for the position as an Independent Director, as determined by the remaining Directors.
- (b) The Directors shall appoint each Independent Director but each Independent Director so appointed will hold office only until the end of the next general meeting (or annual general meeting whichever occurs first) following his or her appointment unless either at that general meeting or a general meeting immediately preceding their appointment, their appointment is ratified or approved by an ordinary resolution of Active Members, in which case the term of their appointment continues for the period prescribed by Article 36.1 (subject to earlier termination in accordance with these Articles).
- (c) An Independent Director appointed in accordance with this Article 39 whose period of appointment is to end at the next annual general meeting in accordance with Article 36.1 and who has offered himself for re-appointment may be nominated by the remaining Directors for re-appointment in which case Article 36.2 will apply to the retiring Director's re-appointment.

40. CASUAL VACANCIES

40.1 Active Member

Subject to Articles 37.7 and 40.3, where a casual vacancy of Active Member Directors occurs on the Board, the remaining Directors shall appoint a person who is eligible under Article 35 to fill the vacancy within 3 months.

40.2 Independent Director

Subject to Article 40.3, a casual vacancy of an Independent Director shall be filled within 3 months by resolution of the Directors.

40.3 Short Term Appointment

A casual vacancy referred to in this Article may be filled by the remaining Directors where the remaining term of the vacated office is less than three months.

40.4 Retirement at next general meeting

A person appointed to fill a casual vacancy is subject to retirement at the end of the next general meeting (or annual general meeting whichever first occurs) following his or her appointment but may submit himself or herself for and will be eligible for re-election at that meeting.

41. LODGEMENT OF NOTICE OF MATERIAL ASSOCIATION

41.1 Disclosure of Interest

Any candidate for election to the Board as a Director, shall lodge with the Company before the time fixed for the purpose in the notice of election, a notice setting out information regarding any material association he or she has or which he or she may acquire with any person in direct competition with any business or activity of the Company. The Board shall cause such information to be distributed with the ballot paper sent to Active Members.

41.2 Material Association

Without limiting the generality of Article 41.1, a person has a material association with another person:

- (a) if the first mentioned person is a director, partner or employee of that other person;
- (b) where the other person is a body corporate:
 - (i) if the first mentioned person has a relevant interest in greater than 5 per cent of the nominal issued capital of that other person or has a relevant interest in greater than 5 per cent of the nominal issued capital of a body corporate that has a relevant interest in greater than 5 per cent of the nominal issued capital of that other person; or
 - (ii) if the first mentioned person has the right to appoint a director to the board of that other person.

42. DECLARATION OF INTEREST OF ALL DIRECTORS

42.1 Contracts

Without limiting the generality of Article 41 and subject to this Article 42, a Director of the Company who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall, as soon as practicable after the relevant facts have come to the Director's attention, declare the nature of the interest at a meeting of the Board.

42.2 Excluded Interests

A Director of the Company shall not be taken to be, or to have been at any time, interested in a contract or proposed contract:

- (a) where the contract or proposed contract relates to a loan to the Director made by the Company in accordance with the Act; or
- (b) relates to any purchase by the Director from the Company in accordance with a special resolution, or to any of the following dealings, if made in good faith in the ordinary course of the Company's business and on such terms that are usual and proper in similar dealings between the Company and its Members, that is:
 - (i) a purchase of any goods by the Director from the Company;
 - (ii) a sale of agricultural products or livestock by the Director to the Company;
 - (iii) a loan, whether by deposit or otherwise, by the Director to the Company;
 - (iv) a loan made to a society and in which a Director's pecuniary interest consists of his or her having guaranteed or joined in guaranteeing the repayment of the loan or any part thereof;
 - (v) any other dealings between the Company and a Director which under its objects the Company may have with its Members; and
 - (vi) such other dealings as may be prescribed by the Act.

42.3 General Notice

For the purposes of Article 42.1, a general notice given to the Directors of the Company by a Director to the effect that the Director is an officer or Member of a specified entity and is to be regarded as interested in any contracts that may, after the date of the notice, be made with the entity shall be deemed to be sufficient declaration of interest in relation to any contract so made or proposed to be made if:

- (a) the notice states the nature and extent of the Director's interest in the entity;
- (b) when the question of confirming or entering into a contract is first taken into consideration, the extent of the Director's interest in the entity is not greater than is stated in the notice; and
- (c) the notice is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.

42.4 **Holding Office or Possession of Property**

A Director of the Company who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as a Director, shall, in accordance with Article 42.5, declare at a meeting of the Board the fact and the nature, character and extent of the potential or actual conflict.

42.5 **Declaration**

A declaration required by Article 42.4 in relation to the holding of an office or the possession of any property shall be made by a person:

- (a) where the person holds the office or possesses the property as mentioned in Article 42.4 when the person becomes a Director - at the first meeting of the Board held after:
 - (i) the person becomes a Director; or
 - (ii) the relevant facts as to the holding of the office or the possession of the property comes to the person's knowledge,whichever is later; or
- (b) where the person begins to hold the office or comes into possession of the property as mentioned in Article 42 after the person becomes a Director - at the first meeting of the Board held after the relevant facts as to the holding of the office or the possession of the property comes to the person's knowledge.

42.6 **Record of Declarations**

The secretary of the Company shall record every, declaration under this Article 43 in the minutes of meeting at which it was made and shall be reported by the Directors to Members at the annual general meeting. The secretary shall also maintain a register which notes all the matters which are disclosed by the Directors pursuant to this Article 42.

42.7 **Inspection of Register**

The register referred to in Article 42.6 shall be available for inspection by any Member without charge.

43. DIRECTOR WITH CONFLICT OF INTEREST TO BE ABSENT FROM MEETING

43.1 **Not Vote without Approval**

Subject to the Act, at a meeting of the Board where a Director has a conflict of interest under Article 42, other than a conflict which may arise when the Company deals with that Director in a similar manner to which the Company deals with all its Members, that Director shall absent himself from the meeting unless the other Directors resolved by simple majority that he may participate in the meeting and vote. If the Director does purport to vote without approval of the other Directors by simple majority, the Director's vote will not be counted.

43.2 **No Invalidity**

A Director's failure to make disclosure under Article 42 does not render void or voidable any contract or arrangement in which the Director has any direct or indirect interest.

43.3 **No Conflict**

Notwithstanding Articles 42 and 43.1, a Director shall not be regarded as having a conflict of interest by virtue only of that Director being a director or a shareholder of a corporate Member or having a beneficial or other interest in shares in the Company or conducting business with the Company in a similar manner to which it conducts business with all Members. In addition, a Directors interest in a contract or proposed contract does not include:

- (a) any contract or arrangement for giving a Director any security or indemnity in respect of money lent by the Director to the Company or obligations undertaken by the Director for the benefit of the Company;
- (b) any contract or arrangement with another corporation in which the Director's only interest is as an officer or director,
- (c) any contract or arrangement which is subject to the approval of a resolution of the Company in general meeting;
- (d) any contract or arrangement with a company with shares listed by a public stock exchange where the Director's only material interest is as a shareholder in the listed company; or
- (e) any transfer of shares in the Company.

44. **VACATION OF OFFICE**

44.1 **When Vacated**

Subject to the Act, a Director shall vacate his office:

- (a) if the Director becomes bankrupt or insolvent or assigns his estate for the benefit of or compounds with his creditors;
- (b) if the Director becomes of unsound mind or a person whose estate is liable to be dealt with in any way under the law relating to mental health, or is convicted of an offence (other than a traffic offence) and sentenced to any period of imprisonment without the option of a fine;
- (c) if the Director is absent from three consecutive meetings of the Board without its leave (and such leave shall not be granted for a period covering more than six consecutive meetings, unless the absence be on the business of the Company);
- (d) in the case of the Active Member Directors, if the Director ceases to be an Active Member;
- (e) if the Director gives one month's notice in writing to the Board of his or her intention to resign his office and the Director's resignation is accepted by the Board;
- (f) unless the Board determines otherwise, if an Active Member Director is materially associated with another association or person within the meaning of Article 41 and that material association had not been disclosed before his or her election in accordance with that Article;
- (g) if he or she accepts any position or office contrary to Article 34.3; or
- (h) if he or she is removed by a special resolution of the Active Members.

44.2 **Directors Continue to Act**

Subject to Article 40.8, the Directors may act even if there are vacancies on the Board.

44.3 **No quorum**

If the number of Directors is not sufficient to constitute a quorum at a Directors' meeting, the Directors can only act to convene a general meeting or conduct a postal ballot to fill the vacancies on the Board.

45. **POWERS OF DIRECTORS**

45.1 **Business of Company**

Subject to the Act and to any other provision of these Articles, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and forming the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting.

45.2 **Powers**

Without limiting the generality of Article 45.1, the Directors may exercise all the powers of the Company to –

- (a) borrow money, to enter into any other type of financial transactions whatsoever, to charge any property or business of the Company or all or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person;
- (b) enter into foreign exchange or currency contracts, interest rate and or currency swaps, or any other types of derivative, capital markets, commodity or hedging transactions.

45.3 **Attorneys**

The Directors may by resolution or power of attorney under the seal of the Company appoint any person or persons to be the attorney or attorneys of the Company for such purposes, with such powers, authorities and discretion's (being powers, authorities and discretion's vested in or exercisable by the Directors) for such period and subject to such conditions as they think fit. The Directors may appoint attorneys or agents by telex or facsimile in cases of urgency to act for and on behalf of the Company.

45.4 **Delegation by attorney**

Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretion's vested in him.

45.5 **Execution of notes, etc**

All cheques, promissory notes, bankers drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by any two Directors or in such other manner as the Board determines.

45.6 **Confidentiality**

Every Director and other agent or officer of the Company must:

- (a) keep secret all aspects of all transactions of the Company, except:
 - (i) to the extent necessary to enable the person to perform his or her duties to the Company;
 - (ii) as required by law; or
 - (iii) when requested to disclose information by the Directors, the auditors or a general meeting of the Company which the Board does not deem confidential; and
- (b) if requested by the Directors, sign and make a declaration that he or she will not disclose or publish any aspect of any transaction of the Company.

46. ADVANCES AND LOANS

46.1 Advances to Members

The Company or a subsidiary of the Company may make advances to its Members or other persons against products delivered or to be delivered to the Company. The terms and conditions of the advance shall be determined by the Board in its absolute discretion.

46.2 Contravention and repayment

Where an advance is made in contravention of the Act or of these Articles, the contravention shall be considered a breach of the conditions of the advance and the advance must be returned immediately to the Company unless otherwise determined by the Board.

46.3 Disclosure

An advance made pursuant to the Act or of this Article must unless otherwise required by the Board be disclosed to Members in the annual report to Members.

46.4 Borrowing and accepting payment

A Director or other officer whether on his own account or in partnership with any other person or body of persons, incorporated or unincorporated, shall not, without the approval of not less than three quarters of the Directors present and voting at a meeting of Directors at which a quorum is present:

- (a) accept as payment in whole or in part of any moneys due to him by a Member of the Company the whole or any part of a loan made by the Company to that Member; or
- (b) borrow from the Company.

47. REMUNERATION OF DIRECTORS

47.1 Expenses

Subject to the Act all the necessary and actual out-of-pocket expenses incurred by the Directors by reason of their being engaged upon the business of the Company shall be refunded to them.

47.2 **Fees**

- (a) The Board may, subject to ratification by resolution of Active Members in general meeting, set the sum to be paid to the Board for each financial year.
- (b) The Board shall determine the individual remuneration of each Director provided that the aggregate sum to be paid to all Directors does not exceed the limit set pursuant to Article 47.2(a). If the Board is unable to determine the individual remuneration of each Director, the sum referred to in Article 47.2(a) shall, so far as possible, be divided equally amongst the Directors.

48. **GENERAL PROCEEDINGS OF THE BOARD**

48.1 **General**

The Board may meet together either in person or by communicating with each other by any technological means by which they are able simultaneously to hear each other and participate in discussion for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Subject to these Articles, a Director who participates in a meeting held in accordance with this Article 48.1 is deemed to be present and entitled to vote at the meeting.

48.2 **Number of Meetings**

The Board shall meet at least ten (10) times in any given financial year provided that a meeting is held at least once every 2 months.

48.3 **Decisions of Board**

Unless otherwise expressly provided by these Articles decisions of the Board and questions arising at meetings of Directors are to be decided by a majority of votes and in the case of an equality of votes the Chairperson shall not have a second or casting vote.

48.4 **Summon Meeting**

Any Director may summon a meeting of the Board.

48.5 **Notice of Meeting**

Except in special circumstances determined by the Chairperson or in an emergency, notice (which may be verbal or in writing) of a meeting of the Directors must be given to all Directors personally or by telephone, telex, facsimile or by delivering it to the Director at a reasonable time before the meeting or by sending it by pre-paid post addressed to him or her at his or her usual or last known place of abode at least 48 hours before the meeting.

48.6 **Waiver**

Subject to Article 49, notwithstanding that the requisite notice of a meeting of the Board has not been given to all Directors such meeting shall be deemed to be validly constituted if every Director not present at the meeting subsequently receives a notice of the meeting and consents in writing to waive such notice.

48.7 **Written Resolution**

If all the Directors who are eligible to vote on a resolution have signed a document containing a statement that they are in favour of a resolution in terms set out in the document, a resolution in those terms is deemed to have been passed at a Directors' meeting held on the day on which the document was last signed by a Director. For the purposes of this Article, two or more

identical documents, each of which is signed by one or more Directors, together constitute one document signed by those Directors on the days on which they signed separate documents. Any document referred to in this Article may be in the form of a facsimile transmission. This Article applies to meetings of Directors' committees as if all members of the committee were Directors.

48.8 Defect in appointment

If it is discovered that:

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

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

49. QUORUM FOR BOARD MEETINGS

49.1 Quorum

Subject to Article 49.2, the quorum for any meeting of the Board shall be 50 per cent of the Directors holding office immediately after the preceding annual general meeting plus one but where the number of Directors holding office immediately after the preceding annual general meeting is not an even number, then the quorum shall be a simple majority of the Directors.

49.2 Communication device

A Director who is not physically present at a meeting but is participating in a meeting as described in Article 48.1 shall be counted in a quorum.

50. ELECTION OF CHAIRPERSON AND DEPUTY CHAIRPERSON

The Directors may elect:

- (a) a Chairperson from amongst themselves; and
- (b) a Deputy Chairperson from amongst themselves,

and determine a period not being greater than 3 years for which they hold office.

51. ACTIVITIES OF CHAIRPERSON

At Board meetings, the Chairperson shall chair the meetings or, in the Chairperson's absence, the Deputy Chairperson shall preside. If:

- (a) a Chairperson has not been elected as provided in Article 50; or
- (b) the Chairperson and Deputy Chairperson, are not present within 15 minutes after the time appointed for holding of the meeting or are unable or unwilling to act,

the Directors present shall elect one of their number to be Chairperson of the meeting until such time as the Chairperson or Deputy Chairperson attends and is able and willing to act in that capacity.

52. DELEGATION, COMMITTEES AND EMPLOYEES

52.1 Delegation

The Board may by resolution delegate to a committee or committees that include at least 2 Directors the exercise of such of the Board's powers (other than those powers which by law must be dealt with by the Board) as are specified in the resolution and the Company or the Board may by resolution revoke wholly or in part any such delegation.

52.2 Exercise of Power

A power, the exercise of which has been delegated under this Article may, while the delegation remains unrevoked, be exercised from time to time in accordance with the terms of the delegation.

52.3 Conditions

A delegation under this Article may be made subject to conditions or limitations as to the exercise of any of the powers delegated, or as to scope, time or circumstances.

52.4 Board Continue to Exercise Powers

Notwithstanding any delegation under this Article, the Board may continue to exercise all or any of the powers delegated.

52.5 Chairperson of Committee

A committee may elect a Chairperson of their meetings. If no such Chairperson is elected or, if at any Committee meeting the Chairperson is not present within 15 minutes after the time appointed for holding the meeting, then the Directors present may choose one of their number to be Chairperson of the meeting.

52.6 Committee Procedures

A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the committee present and voting and in case of an equality of votes the Chairperson shall have a second or casting vote. In all other respects meetings of any committee will be governed by the provisions of these Articles which deal with Board meetings so far as they are applicable and are not inconsistent with any directions of the Board.

52.7 Delegation

A committee may be authorised to sub-delegate all or any of the powers for the time being vested in it.

52.8 Decisions Minuted

Every decision of a committee shall be minuted and tabled at the next Board meeting.

52.9 Employees

Without prejudice to the general powers conferred on the Board by the Act or these Articles, the Board shall have the power to appoint and, at its discretion, to remove or suspend officers, clerks, agents and servants and to determine their powers, duties and remuneration or, when so deemed necessary, to delegate all or any of such powers of appointment.

53. SECRETARY

53.1 General

The Company shall have at least 1 secretary.

53.2 Appointment

A secretary shall be appointed by the Board.

53.3 Terms of Appointment

A secretary of the Company holds office on such terms and conditions as to remuneration and otherwise as the Board determines.

53.4 Removal

The Board may, subject to the terms of the secretary's employment contract, suspend, remove or dismiss the secretary.

53.5 Attendance at Board Meetings

The secretary is entitled to attend and be heard on any matter at all Board and general meetings unless otherwise determined by the Board.

54. FINANCIAL YEAR

Unless otherwise determined by the Board, each financial year of the Company shall commence on the first day of July of a given year and shall end on the thirtieth day of June in the subsequent year.

55. ACCOUNTS AND AUDIT

The Company and the Directors shall at all times comply with the provisions of the Act for the time being in force in relation to the preparation and maintenance of books and accounts of the Company and any of its subsidiaries and the auditing of those books and accounts and the qualification, nomination, appointment, removal and resignation of an auditor or auditors of the Company.

56. ANNUAL REPORT AND REGISTERS

56.1 Reporting

The provisions of the Act dealing with the preparation and reporting of financial statements, accounts, and group accounts directors reports and any other related information shall apply to the Company and any of its subsidiaries.

56.2 Lodging Returns

The Board shall, in accordance with the Act, cause to be prepared and lodged with the Registrar within the periods prescribed by the Act after the close of the Company's financial year all returns required by the Act or the Regulations.

56.3 Copies to Members

Subject to Article 22.2, the Board shall, not less than 14 days before each annual general meeting, send a copy of all accounts which are to be laid before the Company at the meeting,

accompanied by a copy of the statements, Directors' report, auditor's report or other reports required by the Act, to each Member with the notice of annual general meeting.

56.4 Maintain Registry and Accounts

The Board shall also cause to be kept such registers and accounts as prescribed by the Act.

57. DELEGATION

The Directors may delegate to a share registrar or other manager (whether or not an employee of the Company) a responsibility for maintaining the Register and any of the Directors powers to make determinations in respect of the voting entitlements of a Member. A determination by any such share registrar or other manager is to be treated as a determination by the Directors unless the Directors make their own determination on the same matter.

58. DECLARATION OF FINAL DIVIDEND, BONUS AND REBATES

58.1 Declaration of Dividend

The Directors may declare a dividend in respect of all shares or the shares of any one or more classes of shares, and may authorise the payment or crediting by the Company to Members of such a dividend. The rate of dividend on the shares in respect to any year may be nil but for so long as a maximum amount is stipulated by the Act shall not exceed an amount which is five dollars percent per annum in excess of the Commonwealth Bank of Australia rate of interest for the time being on fixed deposits for 2 years or such higher rate or amount as so stipulated by the Act from time to time.

58.2 Appointment

No dividend shall be payable except out of the profits of the Company. The dividend so declared shall (subject to the rights of the holders of any shares created or raised under special arrangement as the dividend) be payable on all shares or all shares in the class of share in relation to which the dividend is declared in proportion to the amount of capital for the time being paid up or credited as paid up in respect of such shares.

58.3 Payment

A dividend is payable on the date fixed by the Directors' resolution declaring it. If the resolution did not fix a date, the dividend is payable on the date from time to time fixed by the Directors.

58.4 Allocation to Reserves

Before recommending or declaring any dividend, the Directors may set aside out of the profits or reserves any amount which they think appropriate and/or is required by the Act. The Directors may apply the reserves for any purpose for which capital may be properly applied. Pending any such application, the Directors may invest or use the reserves in the business of the Company.

58.5 Transfer to Reserves

The Directors may carry forward any undistributed profits by transferring them to a reserve.

58.6 Calculation

Subject to the Act, all dividends shall be declared and paid on a basis determined by the Board and all bonuses and rebates shall be paid on the basis of patronage as determined by the Board in accordance with these Articles.

58.7 Deduction of Amounts Owing

- (a) The Directors may deduct from any dividend payable to a Member all sums presently payable by the Member to the Company.
- (b) Notwithstanding anything contained within these Articles, any dividend, bonus or rebate payable to a Member shall be applied to paying off any subscriptions or calls on shares which may at any time when the dividend or bonus becomes payable be due and unpaid.

59. INTERIM DIVIDEND

The Directors may authorise the Company to pay an interim dividend which is payable on the date fixed by the Directors.

60. INTEREST

Subject to the Act, and as specifically provided for in these Articles, the Company shall not, unless otherwise determined by the Board, pay interest in respect of any dividend or interim dividend or on account of any monies otherwise payable to any Member.

61. DISTRIBUTION OF ASSETS

61.1 General

Subject to the Act, when declaring a dividend or paying an interim dividend, the Directors may resolve that the dividend will be paid wholly or partly by the distribution of specific assets including but not limited to cash or securities of the Company or any other body corporate.

61.2 Directors Discretion

If a difficulty arises in making a distribution of specific assets, the Directors may deal with the difficulty as they think appropriate; for example, by fixing the value of all or any part of the specific assets for the purposes of the distribution and determining that cash will be paid to any Members on the basis of the fixed value in order to adjust the rights of all the Members.

62. PAYMENT

62.1 Manner of Payment

Any dividend or other money payable in respect of shares may be paid by cheque or in any other manner determined by the Board and may be sent through the mail directed to:

- (a) the address of the Member shown in the Register; or
- (b) an address which the Member has in writing notified the Company as the address to which dividends should be sent.

62.2 Rights only on Registration

A transfer of a share does not pass the right to a dividend or other distribution declared or made on the share after the transfer and before registration.

63. ELECTION TO REINVEST DIVIDEND

Subject to these Articles, the Directors may from time to time grant to Active Members the right to elect to reinvest cash dividends paid by the Company by subscribing for shares in the Company on such terms and conditions as the Directors think fit.

64. UNCLAIMED DIVIDENDS

Subject to the Act, and any other legislation, all dividends declared but unclaimed may be invested by the Directors as they think fit for the benefit of the Company until claimed or until required to be dealt with in accordance with any law relating to unclaimed moneys.

65. DISTRIBUTIONS FROM RESERVES OTHER THAN GENERAL RESERVE

65.1 Capitalisation

Subject to Article 65.2 and the Act, the Directors may resolve to capitalise any sum, being the whole or part of the amount for the time being standing to the credit of any reserve account other than general reserve or the profit or loss account or otherwise available for distribution to Members, and that the sum be applied, in any of the ways mentioned in Article 65.2, for the benefit of Members in a manner determined by the Board.

65.2 Manner of Application

The ways in which a sum may be applied for the benefit of Members under Article 65.1 is in paying up in full unissued shares, debentures or securities to be issued to Members as fully paid.

65.3 Adjustments

The Directors, to the extent necessary to adjust the rights of the Members among themselves, may:

- (a) make cash payments in cases where shares or debentures become issuable in fractions; and
- (b) authorise any person to make, on behalf of all the Members entitled to any further shares or debentures upon the capitalisation, an agreement with the Company providing for the issue to them, credited as fully paid up, of any such further shares or debentures or for the payment by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised,

and any agreement made under the authority of paragraph (b) is effective and binding on all the Members concerned.

66. DISTRIBUTIONS FROM GENERAL RESERVE

Bonus shares may be allocated by the Board to Members. However, bonus shares shall not be issued to a Member where the issue of the bonus shares would cause the Member to be in breach of Article 3.4 or the provisions of the Act and any such Member shall be paid the cash equivalent to such bonus shares as would otherwise have been issued to that Member.

67. SURPLUS AND DEFICIT

67.1 Surplus

Subject to the Act, at the end of the financial year, any part of the surplus arising from the operation of the Company shall be applied as follows:

- (a) in carrying to general reserve or any other reserve such amount as the Board may determine;
- (b) in payment of a dividend to Active Members' in accordance with Article 58;
- (c) by paying Active Members a bonus either in cash, bonus shares or debentures in proportion to the business done by each Active Member with the Company or to profits earned by the Company on such Active Members business in that financial year.

67.2 Deficits

Subject to the Act, at the end of the financial year, any part of the deficit arising from the operation of the Company may be applied by the Board as follows:

- (a) in carrying to general reserve or any other reserve such amount as the Board may determine; and
- (b) to compulsory forfeit shares without liability for repayment, in proportion to the Member's shareholding or any other basis determined by the Board provided that the same basis is applied to all members.

68. REVALUATION RESERVE

68.1 Revaluation

Subject to any legislation, the Company shall periodically revalue its property, plant and equipment at times determined by the Board.

68.2 Unrealised Surplus

Subject to the Act, at the end of the financial year, any unrealised surplus arising by reason of a revaluation of the whole or any part of the assets or liabilities of the Company may be applied by the Board as follows:

- (a) in carrying to the revaluation reserve or profit and loss account such amounts as the Board may determine;
- (b) in payment of a dividend in the form of bonus shares to Active Members; and
- (c) by paying Active Members a rebate either in cash, bonus shares or debentures on such basis as determined by the Board provided that the same basis is applied to all Active Members.

69. SEAL

69.1 Form of Seal

The Company shall have inscribed in legible characters upon a seal its name as required by the Act. The seal shall be kept at the registered office of the Company.

69.2 Affixing Seal

The seal of the Company shall be affixed to any instrument (with the approval or subsequent approval by resolution of the Board) and in the presence of any two Directors, one Director and the secretary or in the presence of two such other persons as the Board may appoint for the purpose who shall sign every instrument to which the seal of the Company is so affixed in their presence.

69.3 Signature without Seal

The Board may appoint in writing persons who may sign with the authority of the seal providing that each instrument executed pursuant to this power shall be signed by two duly appointed persons.

69.4 Directors Interest

A Director may attest the affixing of the seal to any document relating to any contract or arrangement or proposed contract or arrangement in which the Director has any interest.

70. CUSTODY OF BOOKS AND DOCUMENTS

All books of account, securities, mortgages, documents and papers of the Company (other than those which the Board directs to be kept elsewhere) shall be kept at the registered office of the Company in such manner and with such provision for their security as the Board shall direct and as required by or under law.

71. MINUTES OF MEETINGS

The Directors shall cause minutes of the proceedings of all general meetings and of every meeting of the Board and any committee or delegate appointed pursuant to these Articles to be entered in separate books kept for the purpose and containing proper tabulated details of the business conducted at those meetings and in particular:

- (a) of all appointments of officers and employees made by the Directors; and
- (b) of the names of the Directors present at each meeting of the Board and of any committee.

The minutes of the proceedings of each meeting shall be submitted at the next ensuing meeting, and, if passed at that meeting as correct, shall be confirmed by the signature of the Chairperson thereof.

72. DEADLOCKS AT MEETINGS

In any meeting where there is a deadlock on any resolution, that resolution shall be deemed not to have been passed.

73. IMPOSITION OF FINES

73.1 Added to General Reserve

Any fine prescribed by these Articles and imposed by the Company shall be added to general reserve.

73.2 Set Off

Subject to the Act, the Company may set off the whole or any part of the fine against any moneys due to the Member in respect of any dealings had by the Member with the Company.

73.3 Notice of Fine

Subject to the Act, whenever the Directors have decided to impose a fine on a Member they shall cause to be transmitted to him or her written notice of their intention to impose a fine and their reasons therefore and state in the notice that within a period to be specified therein he may appear before them in person with or without witnesses or may send to them a written statement signed by himself and by others for the purpose of showing cause against the imposition of the fine.

73.4 Time for Imposing Fine

The imposition of the fine shall be deferred until the expiry of the period specified in the notice referred to in Article 73.3.

74. DISPUTES

A dispute between a Member and the Company shall be settled in accordance with the Act if such Act provides procedures for settling such disputes.

75. INSPECTION BY MEMBER

Subject to the Act, a Member may inspect the following documents at the registered office of the Company without fee:

- (a) a copy of the Act and Regulations;
- (b) a copy of the Articles;
- (c) a copy of the last balance sheet, profit and loss statement for the time being, together with the report to the auditor;
- (d) the prescribed register of Directors;
- (e) the prescribed register of secretaries;
- (f) the prescribed Register and shares;
- (g) the prescribed register of loans raised and securities given; and
- (h) their own account in the books of the Company.

76. FEES AND CHARGES

76.1 General

The Board shall determine from time to time fees and charges payable by Members or Active Members.

76.2 List

A list of fees and charges and other amounts payable to the Company for which an Active Member may be liable shall be furnished on request to any Member or Active Members or any person intending to become an Active Member.

77. DISSOLUTION

77.1 General

The Company may be dissolved in accordance with the provisions of the Act and any other applicable legislation.

77.2 Distribution

Subject to the Act, when the Company is dissolved, the debts of the Company shall be paid and other engagements fulfilled. The surplus, including any funds in general reserve, shall then be applied to repaying share capital and the balance shall be distributed in a manner determined by the Board and which complies with the Act and any other applicable legislation.

78. SERVICE OF NOTICES

78.1 Service

Notice may be given by the Company to any person who is entitled to notice under these Articles:

- (a) by serving it on the person; or
- (b) by sending it by post or facsimile transmission or any other method approved by the Board to the person at the person's address shown in the Register or the address supplied by the person to the Company for sending notice to the person.

78.2 Post

A notice sent by post is deemed to be served by properly addressing, pre-paying and posting a letter containing the notice. The notice is deemed to be served 4 business days after it was posted.

78.3 Facsimile

A notice sent by facsimile transmission is deemed to be served by properly addressing the telex or facsimile transmission and transmitting it. A notice sent by facsimile is deemed to have been served on the business day immediately following the day of its dispatch.

78.4 Deemed Service

Every person who is entitled to a share by operation of law and who is not registered as the holder of the share is deemed to receive any notice served in accordance with this Article on the person from whom he derives his title.

78.5 Delivery of Certificates etc.

A share certificate, cheque, warrant, statement or other document may be delivered by the Company either personally or by sending it:

- (a) in the case of a Member who does not have a registered office in Australia by airmail post;
- (b) in any other case by ordinary post;

and is at the risk of the addressee as soon as it is given or posted.

78.6 Foreign Address

A Member whose address in the register of Member is not in Australia may specify in writing an address in Australia to be deemed to be his or her registered address within the meaning of this Article.

78.7 Certificate Conclusive Evidence

A certificate in writing signed by a Director, secretary or other officer of the Company that a document or its envelope or wrapper was addressed and stamped and was posted is conclusive evidence of posting.

78.8 Signature

The signature to a written notice given by the Company may be written or printed.

79. PERSONS ENTITLED TO NOTICE

79.1 Persons Entitled

Notice of every general meeting must be given to:

- (a) every Member;
- (b) every Director; and
- (c) the auditor.

79.2 Not Entitled

Subject to any legislation, no other person is entitled to receive notice of a general meeting.

80. COPY OF ARTICLES

The Board shall cause to be supplied to every person on demand a copy of these Articles on payment of an amount fixed by the Directors from time to time.

81. INDEMNITY

81.1 Indemnity against liabilities

To the extent permitted by law, the Company:

- (a) indemnifies every person who is, or has been, a Director or secretary; and
- (b) may, by deed, indemnify or agree to indemnify a person who is, or has been, an Officer of a Group Company,

against a liability incurred by that person, in his or her capacity as such a Director, secretary or Officer, to another person (other than the Company or a related body corporate of the Company) provided that the liability does not arise out of conduct involving a lack of good faith.

81.2 Indemnity for costs and expenses

To the extent permitted by law, the Company:

- (a) indemnifies every person who is, or has been, a Director or secretary; and
- (b) may, by deed, indemnify or agree to indemnify a person who is, or has been, an Officer of a Group Company,

against a liability for costs and expenses incurred by that person:

- (c) in defending any Proceedings in which judgement is given in that person's favour, or in which that person is acquitted; or
- (d) in connection with an application in relation to any Proceedings in which the Court grants relief to that person under the Act.

81.3 Insurance

To the extent permitted by law, the Company may pay, or agree to pay, a premium in respect of a contract insuring a person who is, or has been, an Officer of a Group Company against a liability:

- (a) incurred by that person:
 - (i) in his or her capacity as such an Officer;
 - (ii) in the course of acting in connection with the affairs of a Group Company; or
 - (iii) otherwise arising out of the person holding office as such an Officer,provided that the liability does not arise out of conduct involving:
 - (iv) a wilful breach of duty in relation to a Group Company; or
 - (v) improper use of information obtained in his or her capacity as an Officer; or
- (b) for costs and expenses incurred by that person in defending Proceedings, whatever their outcome.

82. MINISTER AND TRUST - SPECIFIC PROVISIONS

While the Minister or the Trustees hold any shares and notwithstanding any other Article to the contrary, Article 3.4 (Maximum and Minimum Shareholding), Article 4.1 (Voting entitlement), Article 7 (Active membership), Article 10 (Forfeiture of Shares), Article 12 (Dealings in shares), Article 13 (Substantial shareholding) shall not apply to the Minister or Trustees or any shares held by the Minister or Trustees.

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