

The Constitution of SMBI CLT Limited
A Company Limited by Guarantee Not Having a Share Capital

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CONSTITUTION of SMBI CLT LIMITED

A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL

1 NAME

The name of this company is SMBI CLT Limited, hereinafter referred to as “the Company”.

2 REPLACEABLE RULES

This Constitution displaces the replaceable rules in the Act.

3 DEFINITIONS AND INTERPRETATION

3.1 Definitions

In this Constitution, unless the context otherwise requires:

“**Act**” means the *Corporations Act 2001* (Cth);

“**Auditor**” means a person appointed as auditor of the Company;

“**Board**” means the board of Directors of the Company;

“**Business Day**” means a day which is not a Saturday, Sunday, bank holiday, or public holiday in the place in which the registered office of the Company is located;

“**Company Property**” means any land, improvements and/or demountable residences which are owned, leased or otherwise within the custody or control of the Company;

“**Constitution**” means those rules for the operation of the Company set forth in this constitution and as amended, modified or supplemented from time to time;

“**Director**” means a person named in *Schedule 1: Details of Directors and Secretary* as a director of the Company upon incorporation or a person who is thereafter elected or re-elected to the office of director of the Company;

“**General Board Member**” is a general member elected to the Board.

“**General Member**” has the meaning given in Rule 13.1.2.

“**Instantaneous Communication Device**” means any device by which the processes of a meeting may be conducted between persons in different places and includes telephone, television or any other audio and/or visual device or technology which permits instantaneous (or near as practical thereto) communication;

“Major Resolution” means resolution by two-thirds majority vote;

“Member” means any person whose name appears in the Register as a Member of the Company;

“Nominated Representative” means a natural person nominated to be the representative of a Member not being a natural person for the purpose of exercising the Member’s rights under this Constitution.

“Ordinary Resolution” means resolution by majority vote.

“Public Interest Board Member” means someone elected to the Board by the voting members, who has an interest or expertise in affordable housing, finance, real estate, public policy, or any other topic related to Community Land Trusts.

“Resident Board Member” is a resident member elected to the Board.

“Resident Member” has the meaning given in Rule 13.1.1.

“Resident Owner” means a Resident Member who has an ownership interest in the Company Property which the Resident Member occupies.

“Rule” means the provisions of this Constitution, and **“Rule”** means any one of them;

“Seal” means the common seal of the Company;

“Secretary” means a person named in *Schedule 1: Details of Directors and Secretary* as secretary of the Company upon incorporation or any person thereafter appointed to perform the duties of a secretary of the Company;

“Special Resolution” has the meaning assigned to that expression by section 9 of the Act.

“Supporting Member” has the meaning given in Rule 13.1.3.

3.2 Interpretation

In the interpretation of this Constitution, unless the context or subject matter otherwise require:

- (a) words importing any gender include the other genders;
- (b) singular words include the plural and vice versa;
- (c) alternate grammatical forms of a defined term have a corresponding meaning;
- (d) a reference to a clause, paragraph, schedule, annexure, or appendix is a reference to a clause or paragraph of, and a schedule, annexure, or appendix to this

Constitution, and each paragraph and sub-paragraph in a list is to be read independently from the others in a list;

(e) a reference to an agreement or document (including this Constitution) includes the document as novated, varied, or substituted from time to time, and includes all recitals, background, schedules, appendices and exhibits to it;

(f) a reference to a person includes a natural person, firm, partnership, body corporate, association, joint venture, trust, trustee, charity and governmental body, authority, agency or other entity;

(g) a reference to a person or party includes that person or party's estate, personal representatives, executors, administrators, successors, permitted substitutes (including by novation) and permitted assigns;

(h) a reference to two or more persons is to any of them together and each of them individually;

(i) references to statutes include statutes amending, consolidating or replacing the statutes referred to and all regulations, orders in council, rules, by-laws and ordinances made under those statutes;

(j) "including" and similar expressions do not limit the generality of any provision of this Agreement;

(k) costs and expenses include legal costs and expenses on a full indemnity basis;

(l) conduct includes an omission, statement or undertaking, whether or not in writing;

(m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day;

(n) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;

(o) a reference to "writing" includes printing, typing, facsimile and other means of representing or reproducing words, figures, drawings or symbols in a visible and tangible or electronic form, in English;

(p) a reference to "signature" or "signing" means due execution of a document and includes signing by an agent or attorney or representative, or by digital signature;

(q) a reference to "property" or "asset" includes any real or personal, present or future, tangible or intangible property or asset and any right, interest, revenue or benefit in, under or derived from the property or asset;

(r) where a person is entitled to vote or holds the right to vote on any matter under this Constitution, that person may vote by proxy or attorney or representative, and a reference to a person being present means present in person or by proxy;

- (s) a word or expression defined in the Act has the meaning given to it in that Act;
- (t) headings and the table of contents are inserted for convenience only and are to be disregarded in the interpretation of this Constitution; and
- (u) a reference to time is to time at the registered office of the Company;
- (v) a reference to “month” means calendar month;
- (w) a reference to dollars (\$) shall mean a reference to Australian dollars, unless otherwise expressly intended.

3.3 Actions authorised under the Act

Subject to Rule 5, where the Act authorises or permits a company to do any thing if authorised by its constitution, the Company is authorised or permitted by this Constitution to do that thing despite any other provision of this Constitution.

3.4 Corporations Act prevails

Where any provision in this Constitution conflicts with or is inconsistent with any provision of the Act, that provision will be read and interpreted as being subject to the provisions of the Act and will be ineffective, but only to the extent of any conflict or inconsistency.

3.5 Invalidity

This Constitution will, to the extent possible, be interpreted and construed so as not to be invalid, illegal or unenforceable in any respect. If a provision, on its true interpretation or construction is found to be illegal, invalid or unenforceable:

- (a) that provision will, be read down to the extent that it may be necessary to ensure that it is not illegal, invalid or unenforceable and as may be reasonable in the circumstances to give it a valid operation; or
- (b) if the provision or part of it cannot effectively be read down, that provision or part of it will be deemed to be void and severable and the remaining provisions of this Constitution will not in any way be affected or impaired and will continue regardless of that illegality, invalidity or unenforceability.

3.6 No limit on powers

Where the Company or the Directors or any other person is given a right under this Constitution:

- (a) the right is exercisable absolutely and with unfettered discretion and without restriction unless the right is expressly limited;

(b) any exercise of that right on any occasion will not restrict the further exercise of the right on any other occasion or at any time; and

(c) this Rule 3.6 applies, subject to any provision of this Constitution, the Act or any other law, to the contrary.

4 EFFECT OF THE CONSTITUTION

This Constitution shall have effect as a contract:

(a) between the Company and each Member;

(b) between the Company and each Director and Secretary; and

(c) between a Member and each other Member,

pursuant to which each Member agrees to observe and perform the Rules within the Constitution so far as they apply to that Member.

5 OBJECTS

The Company is established to be a charity whose purpose is to advance social and public welfare by undertaking activities such as:

(a) providing affordable rental housing at below-market rates in order to relieve the poverty, distress or disadvantage of individuals or families who are otherwise unable to afford such housing in order to achieve a modest standard of living in the Australian community without experiencing financial distress;

(b) providing affordable housing ownership options to individuals or families who are financially disadvantaged, and are otherwise unable to afford co-op or home ownership in order to achieve a modest standard of living in the Australian community without experiencing financial distress;

(c) providing perpetually affordable housing to those in poverty or distress by adopting the use and methodologies of “community land trusts”, the purposes of which include the provision of ever increasing supplies of affordable housing;

(d) providing emergency shelter and temporary accommodation to relieve those in poverty or distress, such as the homeless, battered women, or other individuals or families in benevolent need whose circumstances are of such seriousness as to arouse community compassion and thus engender the provision of relief;

(e) providing affordable housing or land (for rental or ownership purposes) to the beneficiaries of other charitable or benevolent organisations with similar views and purposes, provided that such beneficiaries fall within; and

(f) promoting, sponsoring, engaging, or collaborating with other local and international groups with similar views and purposes.

6 PUBLIC COMPANY

The Company is registered as a public company limited by guarantee and accordingly:

- (a) the number of members of the Company must not be less than one (1); and
- (b) the minimum number of directors that the Company must have at any time is three (3).

7 PROMOTION OF OBJECTS

Without limiting Rule 5, the Company intends to adopt the following principles and methods:

7.1 Housing Types

The Company will provide shelters, co-ops, units, strata-title, single or multi-family homes, or any other form of housing that serves the charitable objects of the Company.

7.2 Housing Methods

The Company will use rentals, limited-equity, shared-equity, ground-leasing, rent-to-buy, or any other suitable methods of housing ownership in order to accomplish the charitable objects of the Company.

7.3 Limited Appreciation

The Company will adopt the concept of “limited appreciation”, being the limitation of financial return to Resident Owners due to the increase in value of land and its improvements, thereby preserving or ensuring its ongoing affordability.

7.4 Appreciation Formula

The Board will determine the nature and extent of the limitation, having regard to all of the relevant circumstances; but in no case will any Resident Owner realise a capital return exceeding the lower of:

- (a) 25% of the gain in value of the company property over the period during which the Resident Owner held its interest in the relevant Company Property; and
- (b) The value of the company property at the time of purchase by the Resident Owner adjusted by the CPI to the date of sale.

7.5 Preservation

The Company will seek to preserve and contribute to the historic and aesthetic qualities of any community in which the Company operates;

7.6 Environmental Protection

The Company will seek to protect the natural environment of properties owned by the Company and to promote the ecologically sound use of land and natural resources and the long-term health and safety of Resident Members;

8 POWERS

The Company may by Ordinary Resolution, or Special Resolution as the Act requires, exercise from time to time any power by the Act a company limited by guarantee may exercise if authorised by its Constitution.

9 CONTRIBUTION IN THE EVENT OF WINDING UP

Each Member of the Company undertakes to contribute to the property of the Company, if the Company is wound up while he or she is a Member or within one (1) year after he or she ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a Member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required but not exceeding ten dollars (\$10.00).

10 APPLICATION OF INCOME AND PROPERTY

10.1 Subject to Rule 10.2, all income and property of the Company, however derived, shall be applied solely for the benefit and promotion of the Company's objects and no portion thereof shall be:

(a) distributed, paid or transferred directly or indirectly by way of dividends, bonus, or otherwise to the Members of the Company; or

(b) paid to Directors as fees or other remuneration or other benefit in money or money's worth;

10.2 Nothing in this Rule 10 shall preclude, with the prior approval of the Board by Ordinary Resolution:

(c) payment in good faith of reasonable and proper remuneration to any Director, officer or servant of the Company or to any member in return for any services rendered to the Company;

(d) reimbursement of reasonable out-of-pocket expenses to any of the Directors, Secretary, or servants of the Company for expenses incurred in the conduct of services rendered to the Company; or

(e) remuneration to any Member of the Company in return for services actually rendered to the Company or for goods supplied in the ordinary course of business; or

(f) a financial benefit to or on behalf of a Director to which section 212 of the Act refers.

11 WINDING UP, DISSOLUTION OR REVOCATION OF ENDORSEMENT

11.1 If the Company is wound up or its endorsement as a deductible gift recipient is revoked (whichever occurs first), any surplus of the following assets must be transferred to one or more organisations: having similar objects to the Company, which is charitable at law, and to which income tax deductible gifts can be made:

(a) gifts of money or property for the principal purpose of the Company;

(b) contributions made in relation to an eligible fundraising event held for the principal purpose of the Company; or

(c) money received by the Company because of such gifts and contributions.

11.2 Without limiting Rule 11.1, in determining which organisations are to receive a transfer of surplus assets, priority shall be given to the following organisations in the following order:

(a) firstly, to a local not-for-profit organisation operating a "community land trust" or similar undertaking serving the area(s) closest to the area(s) in which the Company owns land, or otherwise operates;

(b) secondly, to any other not-for-profit organisation operating a "community land trust" or similar undertaking; and

(c) lastly, to any other organisation satisfying the requirements contained in Rule 11.1.

12 MEMBERSHIP

12.1 Members

The Members will be constituted by:

(a) the Members as at the date the Company is registered as set out in *Schedule 2: List of Members*, as long as the registration complies with the Act; and

(b) any other persons that the Board may admit to membership in accordance with this Constitution.

12.2 Application for Membership

12.2.1 Any person who wishes to make an application for membership shall do so in the form set out in Schedule 4: Membership Application Form or in such form as may otherwise be approved by the Board from time to time specifying the class of Membership to which they wish to be admitted and any other information the Board may reasonably require to assess the suitability of the applicant for membership.

12.2.2 Upon making application, the applicant shall furnish the membership joining fee (if any) as determined by the Board in accordance with Rule 12.6. If an applicant is refused membership under Rule 12.4 such fees shall be refunded to the applicant in full.

12.2.3 If the applicant for membership is a body corporate it must nominate one person (Nominated Representative) to represent it in the Company in the form of Schedule 5: Nominated Representative Appointment Form. The application form must:

(a) State the name and residential address of the Nominated Representative; and

(b) Be signed by the Nominated Representative providing the Nominated Representative's consent to the nomination in writing.

12.2.4 No person under the age of 18 years may be admitted as a Member, except as otherwise approved by the Board by Ordinary Resolution.

12.3 Further information

An applicant for membership must provide in writing, any other information (including any documents or evidence as to disqualification for the type of Membership applied for) in addition to that contained in the application, as the Board requires.

12.4 Determination of Membership Application

12.4.1 The Board will determine the outcome of a membership application or may proxy its power to deal with membership applications to the Secretary or such other duly appointed officer as the Board deems necessary from time to time.

12.4.2 The Board may approve or reject any applicant for membership in the Board's absolute discretion. The applicant for membership shall not have any right of appeal in relation to the decision made by the Board.

12.4.3 The Board is not required to give or assign any reason or explanation for the approval or rejection of any application for membership.

12.5 Notification of Determination

12.5.1 When an application for membership has been accepted, the Secretary will send to the applicant written notice of the acceptance and will enter the applicant's name in the Register.

12.5.2 When an application for membership is rejected, the Secretary will send to the applicant written notice of the rejection and the subscription fee paid, if any, by that applicant will be refunded in full.

12.6 Membership joining fees

12.6.1 The Board may determine the membership joining fees payable by any person applying for membership of the Company.

12.6.2 The Board may at any time and as many times as they decide, change the membership joining fees payable.

12.7 Unlimited Members

There is no upper limit to the number of Members which the Company may have.

12.8 Register to be kept

12.8.1 A register of members shall be kept in accordance with the Act.

12.8.2 The full name, address, facsimile number and electronic mail address (if any) of each Nominated Representative and his or her applicable Member is to be recorded on the Register.

12.9 Certificates

12.9.1 A certificate of membership may be issued by the Company to any Member.

12.9.2 Any certificate issued will remain the property of the Company and must be returned to the Company on written demand by the Secretary.

12.10 Membership not Transferable

12.10.1 Membership of the Company is not transferable by operation of law or otherwise.

12.10.2 All rights and privileges of membership of the Company will cease immediately upon a person ceasing to be a Member for any reason.

12.11 Notification by Members

Each Member must promptly notify the Secretary in writing of any change in its Nominated Representative.

13 CLASSES OF MEMBERS

13.1 Classes of Membership Generally

The Company has the following classes of membership:

13.1.1 Resident Members

Resident Members are persons who occupy Company Property.

13.1.2 General Members

General Members are persons who do not occupy Company Property, but reside in the designated geographic area of focus of the Company, as determined by Major Resolution of the Board from time to time.

13.1.3 Supporting Members

Supporting Members are persons who reside outside the designated geographic area of focus of the Company, as determined by Major Resolution of the Board from time to time.

13.1.4 Other Classes of Members

The Board may only create any other classes of Members, particularly as to voting rights of the Members in each class with the express authority of the company in a general meeting with the approval of the Members by Ordinary Resolution.

13.2 Membership Requirements

13.2.1 Resident Members

Resident Members:

- (a) must be a occupy a Company Property;
- (b) must satisfy all criteria (if any) set by the Board from time to time by Ordinary Resolution, which criteria must be consistent with Rule 5;
- (c) will not be required to pay any joining fees or other fees in order to become or remain as Resident Members;
- (d) who cease occupation of Company Property may, at their election, become General Members or Supporting Members, subject to their satisfaction of the requirements associated with being General Members or Supporting Members (as the case may be).

13.2.2 General Members and Supporting Members

General Members and Supporting Members must:

(a) satisfy all criteria (if any) set by the Board from time to time by Ordinary Resolution, which criteria must be consistent with Rule 5; and

(b) demonstrate with distinction a commitment to furthering the objects of the Company, as determined by the Board by Ordinary Resolution.

13.3 Rights of Members

13.3.1 Each Member who is a Resident Member or General Member shall have the right to one vote on all matters properly put before the Members for consideration, as provided in this Constitution; to nominate and elect or ratify members of the Board of Directors; to serve on the Board or on committees if chosen, and to receive notices, minutes and reports as provided in this Constitution. However, no such Member will have a right to vote on any decision to enter into a contract or arrangement in which the Member is in any way directly or indirectly interested.

13.3.2 Supporting Members shall not have the right to vote at any meeting of Members, but can be elected to serve on the Board or committees by the voting members.

13.3.3 The assent of the voting Membership shall be required before action may be taken on the following issues:

(a) The alteration or amendment of the Company's limited appreciation formula;

(b) The movement of the Company's registered office; and

(c) Any other major issue concerning the Company, as determined by Ordinary Resolution of the Directors.

13.3.4 Exercise of rights by a Member which is a corporate entity or other body recognised by law

(a) A Member which is a corporate entity or other body recognised by law may only exercise the rights given to it under this Constitution, by appointing a Nominated Representative who is a natural person or by reliance upon the rights set out in this Constitution to appoint a proxy.

(b) A Nominated Representative is entitled to receive notices of all general, annual general or special general meetings.

(c) A Nominated Representative may attend at and vote at all general, annual general or special general meetings on behalf of the Member who appointed the Nominated Representative and is entitled to exercise for the Member corporation the same power at meetings as the Member corporation.

(d) A Member which is a corporate entity may appoint or replace a Nominated Representative by using Schedule 5: Nominated Representative Appointment Form, or by such other form as may be approved by the Board from time to time.

(e) A Member which is a corporate entity may appoint a proxy by using the form set out in Schedule 6: Appointment of Proxy Form, or by such other form as may be approved by the Board from time to time.

14 VARYING MEMBERS' RIGHTS – SPECIAL RESOLUTION

14.1 The rights attached to any class of membership may only be varied with the written consent of 75% of the Members in that class or with the sanction of a Special Resolution passed at a meeting of the Members of that class.

14.2 The right to vary membership rights in Rule 14.1 may be exercised unless otherwise provided by the terms of acceptance of the members of that class and whether or not the Company is being wound up.

15 FEES AND LEVIES

15.1 Fees

Unless the Board otherwise resolves by Ordinary Resolution:

- (a) Resident Members will not be required to pay annual membership fees; and
- (b) General Members and Supporting Members will be required to pay a minimum annual membership fee of \$10.00.

15.2 Levies

In order to provide additional funds required for the operation of the Company, the Board may determine that levies are to be paid by Members and may fix the amount and the dates for payment of them. In the absence of such a determination, no such levies will be payable by the Members.

15.3 Different fees or levies payable

In determining fees or levies under this Rule, the Board may differentiate between classes of Members as to the amounts and timing of fees or levies payable.

16 CESSATION OF MEMBERSHIP

16.1 Non-payment of fees or levies

If the Board resolves to require payment of fees or levies, and if any fees or levies payable by a Member remain unpaid for a period of two (2) calendar months after notice of the default is given to the Member by the Company, that Member may be debarred, by Ordinary Resolution of the Board, from all privileges of membership (including the right to vote), or terminate the Member's membership of the Company,

provided that the Board may reinstate the Member on payment of all arrears if the Board thinks fit to do so.

16.2 When membership ceases

16.2.1 A Member shall cease to be a Member of the Company if:

(a) the Member resigns that membership by giving notice in writing addressed to the Secretary of the Company and such resignation shall be effective from the date of receipt of the notice by the Secretary;

(b) the Member's membership is terminated under these Rules and such termination shall be effective from the date of the resolution of the Board;

(c) the Member dies; or

(d) the Member becomes bankrupt, insolvent or makes any arrangements or compositions with his or her creditors generally, or has an application for winding up presented against it, or enters into liquidation whether voluntarily, compulsorily or provisionally, or is wound up or dissolved (except for the purpose of reconstruction or amalgamation), or is placed under official management or administration, or a receiver and/or manager of its assets is appointed, or is deregistered or it is struck off, deregistered or otherwise ceases to exist or have a full capacity; or

(e) the Member's membership is terminated by the Board in accordance with Rule 16.3.

16.3 Expulsion of Member due to conduct

16.3.1 A Member may be expelled from membership in the Company if:

(a) the Member wilfully refuses or neglects to comply with the provisions of this Constitution; or

(b) the Member engages in conduct, which, in the opinion of the Board, is injurious or prejudicial to the interests of the Company.

16.3.2 If the Board considers that the conduct of a Member warrants expulsion because of one of the reasons listed in Rule 16.3.1, the Secretary must give notice in writing to the Member of the proposed expulsion. The notice must:

(a) set out the full particulars of the conduct in question; and

(b) advise the person of their right to appeal their expulsion, provided that they lodge their appeal in writing to the Secretary within twenty-one (21) days of receiving the notice.

16.3.3 If no appeal is lodged within the time prescribed in Rule 16.3.2(b), the Member shall cease to be a Member at the expiration of the twenty-one (21) day period.

16.3.4 If an appeal is lodged within the twenty-one (21) day limit, then the Board shall refer the matter to a disciplinary committee which will be convened by the Board to consider the appeal. The meeting to consider the appeal must be held within two (2) months of the receipt of the appeal by the Secretary unless the appellant and the disciplinary committee otherwise agree. The Secretary must inform the Member in writing of the date, time and venue for the meeting before the disciplinary committee at least twenty-one (21) days before the meeting.

16.3.5 At the meeting at which the expulsion is considered, the disciplinary committee must afford the person appealing a reasonable opportunity to be heard and must consider any representations in writing in relation to the appeal.

16.3.6 At the meeting before the disciplinary committee, the disciplinary committee may, after having afforded the Member concerned a reasonable opportunity to be heard, expel or decline to expel that Member from membership of the Company and shall communicate that decision in writing to the Member and the Board. The disciplinary committee may impose a penalty other than expulsion (such as a fine or some form of service order) only if the appellant agrees to accept that other penalty.

16.3.7 A Member who is expelled under Rule 16.3.6 from membership of the Company ceases to be a Member upon receipt of written notice of their expulsion.

16.4 Liability for fees

If fees for membership in the Company are introduced and a Member's membership is terminated for any reason, notwithstanding anything else to the contrary in this Constitution, the Member shall continue to be liable for any annual membership fee and all arrears due and unpaid up to the date of the cessation of membership and for all other moneys due by that Member to the Company.

17 GENERAL MEETINGS

17.1 Annual general meeting

An annual general meeting of the Company shall be held once a year in accordance with the provisions of the Act.

17.2 Business of annual general meeting

The business to be transacted at every annual general meeting must include all matters required by the Act and if not expressly required by Act shall include the following unless the Company otherwise resolves:

- (a) the confirmation of the minutes of the previous general meeting, except at the first AGM;
- (b) the consideration of the annual financial report, Directors' reports and Auditor's report;

- (c) the election of Directors;
- (d) the appointment and remuneration of an Auditor (if required); and
- (e) any other business of which proper notice has been given.

17.3 Director may convene general meeting

17.3.1 Any three (3) or more Directors may convene a general meeting.

17.3.2 The same three Directors who convene a general meeting may cancel that meeting by notice in writing to all members, except that a meeting convened on the requisition of a member or members shall not be cancelled without the consent of that member or those members.

17.3.3 The notice convening a general meeting shall state the particular matter(s) to be discussed at the meeting and no business other than that specified in the notice shall be transacted.

17.4 Board convening a general meeting at the request of members

17.4.1 The Board must call and arrange to hold a general meeting at the request of the Members with at least five per cent (5%) of the votes that may be cast at a general meeting, or at least one hundred (100) Members, whichever is the lesser, provided that the request from the Members:

- (a) states the resolution(s) to be proposed at the meeting;
- (b) is signed by the Members making the request; and
- (c) is given to the Company.

17.4.2 Such general meeting must be held no later than two (2) months after the receipt of a duly signed request.

17.5 Notice of general meeting

17.5.1 A general meeting may only be convened by giving the Members notice of the meeting.

17.5.2 A notice of general meeting does not need to be given to Members who are not entitled to notice of meetings.

17.5.3 A notice of a general meeting must:

- (a) be given at least twenty-one (21) days before the date of the meeting unless otherwise agreed by all the Members entitled to notice; and
- (b) specify the place, the day and the time of the meeting; and
- (c) describe the nature of the business to be transacted at the meeting; and

(d) contain any other information required by the Act.

17.5.4 The Board may postpone a general meeting or change the venue for the meeting by giving written notice to all Members who received the original notice of meeting not later than seventy-two (72) hours before the appointed time. That notice must specify the time and place for the postponed meeting.

17.5.5 If a Member does not receive a meeting notice or the Board accidentally omits to give the Member a meeting notice, that omission will not invalidate the proceedings, or any resolution passed at the meeting.

17.5.6 No business is to be transacted at any general meeting except that contained in the meeting notice unless all the Members otherwise agree.

18 CONDUCT OF BUSINESS AT GENERAL MEETINGS

18.1 Quorum

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

18.1.2 A quorum of members at a general meeting will be:

(a) if the Company has only one Member entitled to receive notice of and vote at the meeting, that Member; and

(b) in every other case, two Members who are entitled to receive notice of and vote at the meeting.

18.1.3 Unless the Members present whilst quorum is maintained otherwise agree, a quorum of Members must be present throughout each general meeting. If a quorum is not present at any time, the meeting is not validly convened but this will not affect the validity of any business conducted before the absence of a quorum occurs.

18.1.4 In determining whether a quorum is present, individuals attending as proxies or Nominated Representatives must be counted.

18.2 Procedure where no quorum

18.2.1 If a quorum is not present within thirty (30) minutes after the time appointed for the meeting:

(a) where the meeting was convened upon the requisition of Members, the proposed meeting shall be dissolved; or

(b) in any other case, the meeting will be adjourned.

18.2.2 Any meeting adjourned will be rescheduled to take place on a day and time and at the place that the Board decides.

18.2.3 If no Directors are present at the meeting or if no decision is made by the Board, the meeting will take place on the same day and at the same time and place as originally notified but in the next succeeding week.

18.2.4 Notice of the day, the time and the place of the adjourned meeting must be given to all members not less than two (2) business days before the day of the meeting.

18.2.5 If at the rescheduled meeting a quorum is not present within thirty (30) minutes after the appointed time, the members present shall constitute a quorum and may transact the business for which the meeting was called.

18.3 Election of Chairperson

18.3.1 The Board will elect one Director to preside as chairperson at every general meeting. If the Board has elected a chairperson of the Board, that person will be deemed to be elected as the chairperson at every general meeting.

18.3.2 Where a general meeting is held and:

(a) a chairperson of the Board has not been elected;

(b) the chairperson of the Board is not present within fifteen (15) minutes after the appointed time; or

(c) the chairperson of the Board is unwilling to act;

the Members will elect one Member to be Chairperson of the meeting.

18.4 No Casting Vote

The chairperson does not have a casting vote in addition to any vote the chairperson has as a Member.

18.5 Adjournment of Meeting

18.5.1 The chairperson may adjourn any meeting of Members.

18.5.2 An adjournment of a meeting of Members must only be made:

(a) with the consent of the meeting provided a quorum is present; or

(b) in the case of an adjournment under Rule 18.5.1, with the consent of the Members present and entitled to vote; or

(c) if directed by the meeting to do so.

18.5.3 Any adjournment may change the time or the venue for the meeting.

18.5.4 Only business left unfinished from the adjourned meeting can be transacted at any rescheduled meeting.

18.5.5 When a meeting is adjourned, notice of the adjourned meeting shall be given as in the case of an original meeting.

18.6 Show of hands, call or poll

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, or if held via Instantaneous Communication Device, by call of 'yes' or 'no' unless a poll is demanded.

18.7 Chairperson's Declaration

If a poll is not demanded, the chairperson's declaration that a resolution has been carried or lost with an entry to that effect in the minute book is conclusive evidence of the fact. It is not necessary to record the number or proportion of votes recorded for or against the resolution.

18.8 Poll requested

18.8.1 A poll will be taken if one is demanded by at least 5% of Members present and entitled to vote on the resolution.

18.8.2 A poll, when demanded, shall be taken in the manner and at the time the chairperson directs.

18.8.3 The result of the poll will be recorded as the resolution of the meeting at which the poll was demanded.

18.8.4 The demand for a poll shall not prevent a meeting from continuing for the transaction of any business other than that on which a poll has been demanded.

18.9 Withdraw poll

The demand for a poll may be withdrawn at any time.

18.10 Poll of Chairperson

A poll may not be demanded on the election of a chairperson or on a question of adjournment.

18.11 Which Members may vote

Only those Members who belong to a class of Members who are entitled to vote at a general meeting whether in person, through their Nominated Representative or by proxy will be entitled to vote or participate in a circulating resolution.

18.12 Voting

18.12.1 Subject to any rights or restrictions attached to any class of membership:

(a) at meetings of Members or classes of Members, each Member entitled to vote may vote in person, by their Nominated Representative or by proxy; and

(b) every person present who is a Member, a Nominated Representative of a Member or a proxy of a Member has one (1) vote and on a poll, every person present in person or by delegation has one (1) vote, subject to the proviso that each Member may only authorise one person to exercise its vote at a meeting of Members.

18.13 No voting unless fees fully paid

If fees are introduced for membership, a Member will be entitled to vote at any general meeting only if all fees and levies and other amounts presently payable by the Member have first been paid.

18.14 Objections to qualifications to vote

18.14.1 An objection to the qualification of a person to vote may be raised only at the meeting or adjourned meeting at which the vote objected to is tendered.

18.14.2 Any objection shall be referred to the chairperson of the meeting, whose decision shall be final.

18.14.3 A vote allowed after an objection shall be valid for all purposes.

18.15 Rights of third parties to attend meetings

18.15.1 A Director who is not a member shall be entitled to be present and to speak at any general meeting.

18.15.2 A Secretary who is not a member shall be entitled to be present and, at the request of the chair, to speak at any general meeting.

18.15.3 Any other person (whether a member or not) requested by the Directors to attend any general meeting shall be entitled to be present and, at the request of the chairperson, to speak at that general meeting.

18.16 Electronic communication for Members' Meetings

18.16.1 For the purposes of this Constitution, the contemporaneous linking together by Instantaneous Communication Device of a number of Members being not less than the quorum (whether or not any one or more of the Members is out of Australia), shall be deemed to constitute a meeting of the Members duly convened and held with persons actually present so long as:

(a) all the Members being entitled to receive notice of the Members' meeting shall receive notice of such a meeting and such notice may be given by any means authorised by this Constitution;

(b) each of the Members taking part in the meeting by Instantaneous Communication Device must be able to hear the chairperson and each of the other Members taking part during the meeting; and

(c) at the commencement of the meeting, each Member must acknowledge his or her presence to all the other Members taking part.

18.16.2 A Member may not leave the meeting by disconnecting his or her Instantaneous Communication Device unless he or she has previously obtained the express consent of the chairperson of the meeting.

18.16.3 A Members' meeting by Instantaneous Communication Device shall not be invalidated by any voluntary or involuntary disconnection of a participant, provided that sufficient persons are still able to hear each other to constitute a quorum.

18.16.4 A minute of the proceedings at a meeting by Instantaneous Communication Device shall be prepared by the Secretary or such duly appointed person and shall be prima facie evidence of the proceedings and of the observance of all necessary formalities if certified as a correct minute by the chairperson of the meeting.

18.17 Written resolutions of Members

18.17.1 While the Company has only one (1) Member, the Company may pass a resolution by that member signing a record in writing of that resolution.

18.17.2 the Company may pass a resolution without a meeting of the members in accordance with the Act.

19 RULES FOR VOTING BY PROXY

19.1 Appointment of Proxy

19.1.1 A person entitled to attend and vote at a meeting of the Company is entitled to:

(a) appoint a person as the Member's proxy to attend and vote for the Member at the meeting;

(b) appoint a person as their Nominated Representative to attend and vote for the Member at the meeting.

19.1.2 A Member entitled to cast one vote may appoint one proxy. A Member entitled to cast two or more votes may appoint not more than two proxies. A proxy need not be a Member.

19.1.3 If a Member appoints two proxies, neither proxy is entitled to vote on a show of hands.

19.1.4 A Member may not appoint an independent chairperson (whether acting as chairperson of the meeting or not) as a proxy.

19.1.5 An appointment of a proxy or Nominated Representative may be revoked at any time before the vote to which the proxy or Nominated Representative relates is exercised by written notice delivered to the Secretary.

19.1.6 A person must not exercise proxies for more than three (3) Members.

19.2 Appointment in writing

Any instrument appointing a proxy must be in writing and signed by:

(a) the appointor; or

(b) the appointor's attorney; or

(c) if the appointor is a corporation, be either under seal or under the hand of a duly authorised officer or attorney.

19.3 How the Proxy is to vote

19.3.1 A proxy may vote as the proxy thinks fit on any motion or resolution in respect of which no manner of voting is indicated.

19.3.2 If the document appointing the proxy specifies how the proxy or is to vote in relation to a resolution, the proxy must vote as specified in the document. Any vote tendered otherwise is invalid and must be disregarded.

19.3.3 If an instrument appointing two proxies does not specify the proportion of the member's voting rights each proxy is entitled to represent, each proxy shall exercise the proportion of voting rights specified by the Act.

19.4 Authority for a poll

A document appointing a proxy or Nominated Representative confers the authority to demand a poll.

19.5 Form of Appointment

The appointment of a proxy must be substantially in the form as set out in *Schedule 6: Appointment of Proxy Form*, or such other form as determined by the Board.

19.6 Delivery of Proxy before meeting

19.6.1 The appointment of a proxy or Nominated Representative is not valid unless the following documents are received by the Company at least forty-eight (48) hours before the meeting (or any shorter period as the Directors may permit):

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

19.6.2 The relevant documents may be delivered to the Secretary at any time prior to the commencement of the meeting.

19.6.3 The relevant documents must be delivered to:

- (a) the Company's registered office; or
- (b) any other place in Australia specified in the notice convening the meeting.

19.7 Validity of Proxy's vote

19.7.1 A vote tendered in accordance with the appointment of a Nominated Representative, proxy or power of attorney is valid even if, prior to the exercise of the rights of the Member by the proxy or Nominated Representative:

- (a) the appointor or principal dies or becomes mentally incapacitated; or
- (b) the liquidation or administration of the appointor or principal;
- (c) the proxy or nomination as Nominated Representative is revoked in any way,

if no notice in writing of the death, mental incapacity, liquidation, administration or incapacity or revocation has been received by the Company at its registered office not less than forty-eight (48) hours (or any shorter period as the Board may permit) before the commencement of the meeting, or adjourned meeting at which the instrument is used or the power is exercised.

19.7.2 A proxy is not revoked by the principal attending and taking part in the meeting, unless the principal actually votes at the meeting on the resolution for which the proxy is proposed to be used.

19.7.3 A proxy is revoked if the proxy becomes an independent chairperson.

19.8 Instrument not valid

19.8.1 An instrument appointing a proxy will not be valid after the expiration of twelve (12) months from the date of its execution.

19.8.2 A valid instrument appointing a Nominated Representative will be valid until it is revoked in accordance with this Constitution.

19.9 Where Proxy is incomplete

19.9.1 Subject to Rule 19.9.2, no instrument appointing a proxy is treated invalid merely because it does not contain:

(a) the address of the appointor or of a proxy;

(b) the proxy's name or the name of the office held by the proxy; or

(c) in relation to any or all resolutions, an indication of the manner in which the proxy is to vote.

20 DIRECTORS

20.1 Appointment to the Board

20.1.1 the Company shall be governed by a Board.

20.1.2 Appointment to the Board may only take place by election at an annual general meeting in accordance with Rule 17 or on the filling of a vacancy under Rule 20.7.

20.1.3 Only Resident Members, General Members, the Nominated Representatives of such Members, or Public Interest Board Members may be elected to the Board, unless otherwise approved by the Members by Ordinary Resolution.

20.2 Number of Directors

20.2.1 the Company must have a minimum of three (3) Directors and a maximum of nine (9) Directors.

20.2.2 the Company may by Ordinary Resolution passed at a general meeting increase or decrease the number of Directors but must not reduce the minimum number of Directors below three (3) or the maximum number of directors above nine (9).

20.2.3 Where the number of Directors at any time falls below the specified minimum, the Board must not act, except to fill the vacancies up to the minimum number specified.

20.3 Composition of the Board

The Members will aim to appoint persons to the Board to achieve a composition being 1/3rd Resident Board Members, 1/3rd General Board Members, and 1/3rd Public Interest Board Members*.

*The intent is to allow people outside the designated geographic area to serve on the Board, if elected by the voting members. In order to serve on the Board, they will be required to become a supporting member.

20.4 Election of Directors

The election of Directors shall take place in the following manner:

- (a) Any Member may nominate any eligible person to serve as a Director of the Company.
- (b) The nomination must be in writing and signed by the nominee and the proposer and shall be in the form provided in Schedule 3: Director Nomination Form. No person is eligible for election as a Director unless the nominee gives written consent.
- (c) The nomination shall be provided to the chairperson or the Secretary not less than ten (10) business days before the annual general meeting at which the election is to take place.
- (d) Unless the Board resolve otherwise, the candidates' names (in alphabetical order) and the proposers' and seconders' names must be forwarded to Members with the notice of annual general meeting.
- (e) At the annual general meeting each member entitled to vote, may cast a vote in a ranked-choice (instant runoff) secret ballot for the election of Directors to the Board.

20.5 Office of Directors

Each Director shall take office at the first meeting of the Board after the general meeting at which he or she is elected.

20.6 Rotation of Directors

20.6.1 At each annual general meeting, one-third of the Directors, or if the number of Directors is not a multiple of three (3), then the number neared to one-third, must retire from office. A retiring Director is immediately eligible for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their election. As between persons who became Directors on the same date, the Director to retire will be determined by lot.

20.6.2 The Company, may by Ordinary Resolution, fill a retiring Director's vacated office by electing a person to that office. If the vacated office is not filled, the retiring Director must, if offering himself or herself for re-election, be deemed to have been re-elected unless at that meeting:

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

20.7 Removal of Director

The Company may by Ordinary Resolution remove any Director and appoint another eligible person as a replacement.

20.8 Vacancy in Board

The office of a Director becomes vacant if:

- (a) required by the Act;
- (b) the Director is removed under these Rules;
- (c) the Director dies or becomes mentally incapacitated or the Director's estate is liable to be dealt with under a law relating to mental health;
- (d) the Director becomes bankrupt or makes any arrangement or composition with creditors; or
- (e) the Director resigns or ceases to be a Member by notice in writing from the Director of the Company;
- (f) the Director is absent from meetings of the Board held during a continuous period of six (6) months without leave of the Board.

20.9 Filling of Vacancy

If there is a vacancy on the Board, the Board may appoint such Member or Nominated Representative of a Member as it thinks fit to fill the vacancy. The person so appointed shall hold office, subject to the Rules in this Constitution, until the conclusion of the next annual general meeting following the date of his or her appointment.

20.10 Reimbursement of expenses

Subject to the approval of the Board, a Director shall be entitled to be reimbursed out of the funds of the Company for all reasonable expenses properly incurred by them:

- (a) in attending Board or committee meetings;
- (b) in attending general meetings of the Company; or
- (c) in connection with the Company's business.

21 POWERS AND DUTIES OF THE BOARD

21.1 Powers and duties of the Board

Subject to the Act and to any other provisions of this Constitution, the Board:

- (a) will have control and management of the activities, property, and funds of the Company;

(b) will be entitled to pay or reimburse all expenses incurred in promoting or forming the Company; and

(c) may exercise all the powers of the Company except any powers that, by the Act or by this Constitution, are required to be exercised by the Company in general meeting.

21.2 Specific powers of Board

Notwithstanding the generality of the Rule 21.1, the Board shall have the following powers:

(a) to make, alter or repeal by-laws as to:

- (i) the management of the Company and the affairs thereof;
- (ii) the duties of any officers or servants of the Company;
- (iii) the conduct of business by the Board or any subcommittee; or
- (iv) any of the matters or things within the power or under control of the Board.

For the purposes of this Rule 21.2(a), no by-law may be inconsistent with this Constitution or with the provisions of the Act, and any by-law in relation to any subcommittee responsible for the management of a tax-deductible fund must not be inconsistent with the conditions of such tax deductibility;

(b) to authorise any Director or other person nominated by the Board to sign all cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and to sign all receipts for money paid to the Company as the case may be; and

(c) to authorise payment by the Company of an insurance premium in respect of liability incurred as an officer of the Company to which section 212 of the Act refers.

21.3 Appointment of attorneys

21.3.1 The Directors may, by power of attorney, appoint any person to be the attorney of the Company for the purposes, with the powers, authorities and discretions vested in or exercisable by the Directors for any period and subject to any conditions as they think fit.

21.3.2 Any appointment under Rule 21.3.1 may be made on terms 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 discretions vested in the attorney.

21.4 Minutes

The Board must ensure that proper minutes are made of:

- (a) all general meetings of the Company;
- (b) all appointment of officers;
- (c) the proceedings of all general meetings;
- (d) the attendance at and business transacted at general meetings;

and the minutes of any meeting, if purporting to be signed by the chairperson of the meeting or by the chairperson of the next succeeding meeting, will be conclusive evidence of the matters recorded in them without any further proof.

21.5 Interests of Members

The Company shall not enter into any contract or arrangement in which any Member is in any way directly or indirectly interested, unless the Board determines that the contract or arrangement is on arm's length terms despite the existence and nature of the interest of the relevant Member.

22 SUBCOMMITTEES

22.1 Power to establish subcommittees

22.1.1 The Board may proxy any of its powers and functions (not being duties imposed on the Board as the Directors of the Company by the Act or the general law) to one or more subcommittees consisting of such members of the Board as the Board thinks fit.

22.1.2 Any subcommittee so formed shall conform to any rules or by-laws that might be imposed by the Board and shall have power to co-opt such persons as it thinks fit.

22.1.3 If a subcommittee is established that is to conduct a fund which is tax deductible that fund must be conducted in accordance with all and any relevant requirements under the law and any lawful requirements of the Australian Taxation Office.

22.2 Disciplinary Subcommittee

22.2.1 The Board may from time to time establish a disciplinary committee which will consist of at least three (3) Members.

22.2.2 The disciplinary committee must be provided with such resources as are reasonably necessary to discharge its duties including independent legal advice and assistance.

22.3 Chairperson's Membership of Subcommittees

The chairperson of the Board (if any) is an ex-officio member of all subcommittees from time to time created and shall be notified of the time and place of all meetings of subcommittees unless the chairperson or the Board otherwise directs.

23 PROCEEDINGS OF THE BOARD

23.1 Regulation of meeting

23.1.1 The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit.

23.1.2 The Secretary may at any time, or on the request of a Director must, convene a meeting of the Board. However, a Director acting alone is not entitled to call or cause the Secretary to call a meeting of Directors if a majority of Directors have previously resolved either that a single Director may not do so, or that the particular Director wishing to do so may not do so.

23.2 Notice of meeting

Notice of every meeting of the Board, stating in general terms all business to be considered at such meeting, shall be sent to each Director at least five (5) business days before such meeting is due to be held except if:

- (a) The Director receiving less notice waives such requirement; or
- (b) A resolution is signed by the requisite number of Directors after the giving (or waiving by each of them) of any requisite notice for such a written resolution.

23.3 Decisions by simple majority

23.3.1 Subject to this Constitution, questions arising at any meeting of the Board shall be decided by Ordinary Resolution. A determination by a majority of the Directors present shall, for all purposes, be deemed to be a determination of the Board.

23.3.2 In case of an equality of votes, the chairperson of the meeting shall have not only a deliberative vote but also a casting vote.

23.4 Quorum

23.4.1 The quorum necessary for the transaction of the business of the Board must be a half the number of Directors (if a fraction, rounded up to the next highest whole number).

23.4.2 A Director who is not entitled to vote for any reason, is not counted when reckoning the quorum in respect of any relevant item of business.

23.4.3 Unless the Directors present whilst quorum is maintained otherwise agree, a quorum must be present throughout each meeting of the Board. If a quorum is not present at any time, the meeting is not validly convened but this does not affect the validity of any business conducted before the absence of a quorum occurs.

23.5 Board to continue to act

23.5.1 If a vacancy on the Board occurs, the remaining Directors on the Board may continue to act.

23.5.2 If the number of remaining Directors is insufficient to constitute a quorum, the Board may act only for the purpose of increasing the number of Directors to that required to constitute a quorum or to convene a general meeting.

23.6 Validity of acts of Board

All acts done by any meeting of the Board or by any person acting as a Director will be valid even though it subsequently becomes known:

- (a) that there was some defect in the appointment of a person to be a Director; or
- (b) that a person appointed was disqualified.

23.8 Resolution in writing

23.8.1 The Directors may pass a resolution without a Directors' meeting being held if all the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.

23.8.2 The document containing the resolution must be sent at least five (5) business days before it is signed by Directors to all those entitled to receive notice of a meeting at which a resolution could be put.

23.8.3 Separate copies of a document may be used for signing by the Directors if the wording of the resolution and the statement is identical in each copy.

23.8.4 A fax which is received by the Company or an agent of the Company and is sent for or on behalf of a Director is taken to be signed by that Director not later than the time of receipt of the fax by the Company or its agent in legible form.

23.8.5 The resolution is passed when the last Director signs.

23.9 Electronic communication

23.9.1 For the purposes of this Constitution, the contemporaneous linking together by Instantaneous Communication Device of a number of Directors being not less than the quorum (whether or not any one or more of the Directors is out of Australia), shall be deemed to constitute a meeting of the Board duly convened and held with persons actually present so long as:

- (a) all the Directors being entitled to receive notice of the Directors' meeting shall receive notice of such a meeting and such notice may be given by any means authorised by this Constitution;

(b) each of the Directors taking part in the meeting by Instantaneous Communication Device must be able to hear the chairperson and each of the other Directors taking part during the meeting; and

(c) at the commencement of the meeting, each Director must acknowledge his or her presence to all the other Directors taking part.

23.9.2 A Director may not leave the meeting by disconnecting his or her Instantaneous Communication Device unless he or she has previously obtained the express consent of the chairperson of the meeting.

23.9.3 A Directors' meeting by Instantaneous Communication Device shall not be invalidated by any voluntary or involuntary disconnection of a participant, provided that sufficient persons are still able to hear each other to constitute a quorum.

23.9.4 A minute of the proceedings at a meeting by Instantaneous Communication Device shall be prepared by the Secretary or such duly appointed person and shall be prima facie evidence of the proceedings and of the observance of all necessary formalities if certified as a correct minute by the chairperson of the meeting.

24 SECRETARY

24.1.1 The Secretary will be appointed by the Board on terms and conditions determined by the Board.

24.1.2 The Board may appoint a person as an additional Secretary or as acting Secretary or as a temporary substitute for the Secretary who will, for the purposes of these Rules, be deemed to be the Secretary.

24.1.3 The Board may at any time remove or replace the Secretary.

24.1.4 The Secretary does not have the right to vote unless the Secretary is also a Director.

25 INTERESTED DIRECTORS

25.1 Notice requirements

Provided that a Director of the Company who is in any way directly or indirectly interested in a contract or proposed contract with the Company, or in any contract or arrangement entered into by or on behalf of the Company, has declared the nature of his or her interest at a meeting of the Board, the Board has recorded the interest in a Register of Interests, and the Board has passed the resolution that:

(a) specifies the Director and their interest in the matter; and

(b) states that the contract or proposed contract is on arm's length terms, despite the existence and nature of the Director's interest,

then:

(c) such Director shall not be disqualified by his or her office from contracting with the Company either as vendor, purchaser, or otherwise;

(d) no contract made by that Director with the Company and no contract or arrangement entered into by or on behalf of the Company in which that Director is in any way interested shall be voided by reason only of such Director holding his or her office or of the fiduciary relationship thereby established;

(e) the Director so contracting or being so interested shall not be liable to account to the Company for any profit realised by such contract or arrangement or by reason only of such Director holding his or her office or of the fiduciary relationship thereby established; and

(f) such Director may in respect of any contract or arrangement in which he or she is so interested may not:

(i) vote;

(ii) execute any deed or document on behalf of the Company; and

(iii) count in a quorum.

25.2 Sufficient disclosure

A general notice that a Director is a Director or Member of any specified Company or firm and is to be regarded as interested in all subsequent transactions with such Company or firm shall be sufficient disclosure under these Rules in relation to any contract, proposed contract or arrangement so made by such Company or firm.

25.3 Other office may be held

A Director may hold any other office or place of profit, except that of auditor, in the Company in conjunction with his or her Directorship and may be appointed upon such terms as to remuneration, tenure of office or otherwise as the Board decides.

26 SIGNING ON BEHALF OF THE COMPANY

26.1 Signing by company

the Company may execute a document without using a common seal if the document is signed by:

(a) two (2) Directors of the Company; or

(b) a Director and the Secretary of the Company.

26.2 Common seal

the Company may use a common seal. If the seal is affixed to a document, the seal is to be witnessed by:

- (a) two (2) Directors of the Company; or
- (b) a Director and the Secretary of the Company.

27 ACCOUNTS

27.1 Proper records to be kept

The Board must ensure that proper accounting and other records are kept.

27.2 Annual financial reporting to Members

As required under the Act, the Company must report to Members for a financial year by either:

- (a) sending Members copies of:
 - (i) the financial report for the year; and
 - (ii) the Directors' report for the year; and
 - (iii) the auditor's report on the financial report; or
 - (b) sending Members a concise report for the year that complies with the Act;
- using any of the methods referred to in Rule 27.1.

27.3 General bank account

27.3.1 The Board shall cause to be opened with such bank as the Board selects a bank account in the name of the Company into which all moneys received shall be paid as soon as possible after receipt thereof.

27.3.2 The Board shall be responsible for ensuring that all receipts and payments are processed as required by Act and good management practices but may, subject to the approval of the Company's auditor, adopt such methods of receipts, payments and practices as it sees fit.

27.4 Accounts in relation to Tax Deductible Funds

the Company and any subcommittee of the Company must conduct all and any accounts in relation to tax deductible funds in accordance with the conditions of such tax deductibility and must keep the Auditor of such funds aware of all and any particular obligations in relation to such funds.

28 AUDIT

28.1 Audits generally

As required under the Act, the Company must appoint a properly qualified Auditor who shall report and otherwise discharge his or her duties as Auditor of the Company.

28.2 Audits in relation to Tax Deductible Funds

In addition to all and any duties of the auditor set out in Rule 28.1 the Auditor shall also separately audit and report on any tax deductible fund of the Company in accordance with the particular conditions and requirements of such fund. The Commissioner of Taxation is to be advised in writing within 30 days of any amendment made.

29 INSPECTION OF RECORDS

29.1 Conditions

The Directors may determine whether and under what conditions the accounting records or other documents of the Company will be open to the inspection of Members.

29.2 Members have no right unless authorised

A Member does not have the right to inspect any document of the Company except as provided by the Act or authorised by the Directors or by the Company in general meeting.

29.2 Directors' right

The Directors have the right at any time to inspect the accounting records or other documents of the Company, whether or not they are a Member.

30 RESERVES

30.1 Make reserve

The Directors may:

(a) write off from the Company's earnings any amount for loss or depreciation of any property; and/or

(b) set aside any amount out of the Company's profits, as a reserve fund to meet contingencies or for repairing, improving and/or maintaining any of the Company's property and/or for any other purposes which are conducive to the interests of the Company.

30.2 Deal with reserve

The Directors may:

- (a) invest, lend or dispose of any reserved amounts in any way;
- (b) deal with, vary and dispose of any investments or parts of them for the benefit of the Company;
- (c) divide the reserve fund into special funds; and/or
- (d) employ the assets constituting the reserve fund in the business of the Company and without being bound to keep the same separate from other assets.

31 NOTICES

31.1 Form of notice

A notice is to be given by the Company to the intended recipient by sending it either:

- (a) by post to the intended recipient's registered address; or
- (b) by facsimile to the intended recipient's registered facsimile number; or
- (c) by email to the intended recipient's email address, and to that end the parties consent to sending and receiving electronic communications pursuant to the *Electronic Transactions (Queensland) Act 2001 (Qld)*; or
- (d) by any other means authorised by the Act.

31.2 Notice by post

Where a notice is sent by post, service of the notice shall be deemed to be effective by properly addressing, prepaying and posting a letter containing the notice, whether the notice forms part of or is accompanied by other material, and to have been effected in the case of a notice of a meeting, on the day after the date of its posting, and in any other case at the time which the letter would be delivered in the ordinary course of the post.

31.3 Notice by facsimile

Where a notice is sent by facsimile, service of the notice shall be deemed to be effected on the date of its transmission.

31.4 Notice by email

Where a notice is sent by email, service of the notice shall be deemed to be effected at the time that would be the time of receipt under the *Electronic Transactions (Queensland) Act 2001* (Qld).

31.5 Manner of notice

Notice of every general meeting shall be given in any manner authorised in this Constitution to every Member eligible to attend and whether or not eligible to vote at general meetings and whose name and address are recorded in the Register.

31.6 Irregularity may not invalidate meeting

The accidental omission to give notice of the meeting or the non-receipt by a Member of a notice of meeting shall not invalidate the proceedings at any meeting of the Company.

32 INDEMNITY

32.1 Indemnity in favour of Directors, Secretaries and Executive Officers

Subject to the Act and Rule 32.2, the Company must indemnify each Director, Secretary and Executive Officer to the maximum extent permitted by law, against any Liability incurred by them because of their holding office as, and acting in the capacity of Director, Secretary or Executive Officer of the Company, other than:

- (a) A Liability owed to the Company or a related body corporate of the Company;
- (b) A Liability for a pecuniary penalty order under section 1317H of the Act; or
- (c) A Liability owed to a person other than the Company that did not arise out of conduct in good faith.

32.2 Indemnity for legal costs

the Company must indemnify each Director, Secretary and Executive Officer to the maximum extent permitted by law, against any Liability for legal costs incurred by them in respect of a Liability incurred by them because of their holding office as, and acting in the capacity of, Director, Secretary or Executive Officer of the Company other than for legal costs incurred:

- (a) In defending or resisting proceedings, in which the Director, Secretary or Executive Officer is found to have a Liability for which they could not be indemnified under Rule 32.1;
- (b) In defending or resisting criminal proceedings in which the Director, Secretary or Executive Officer is found guilty;
- (c) In defending or resisting proceedings brought by the Australian Securities and Investment Commission ("ASIC") or a liquidator for a court order if the grounds for

making the order are found by the court to have been established (but this Rule 32.1(c) does not apply to costs incurred in responding to action taken by ASIC or a liquidator as part of an investigation before commencing Proceedings for the court order); or

(d) In proceedings for relief to the Director, Secretary or Executive Officer under the Act in which the court denies the relief.

32.3 Proceedings

For the purposes of Rule 32.2, 'proceedings' includes the outcomes of the proceedings and any appeal about the proceedings.

32.4 Insurance for the benefit of Directors, Secretaries and Executive Officers

Subject to the Act, the Company may pay a premium for a contract insuring a person who is or has been a Director, Secretary or Executive Officer of the Company acting in that capacity against any Liability for which the Company indemnifies them under Rule 32.1 or Rule 32.2.

32.5 When insurance may not be provided by the Company

The Company must not pay nor agree to pay, a premium for a contract insuring a person who is or has been a Director, Secretary or Executive Officer of the Company, against a liability (other than one for legal costs) arising out of:

- (a) Conduct involving a wilful breach of duty about the Company; or
- (b) A contravention of section 182 or section 183 of the Act.

32.6 Definitions

In this Rule 32 the following definitions apply:

Definition

Executive Officer

means a person who is concerned, or takes part in, the management of the Company (regardless of the person's designation and whether or not the person is a director of the Company).

Liability

includes any claim, action, suit, proceeding, investigation, inquiry, damage, loss, cost or expense.

33 ALTERATION OF CONSTITUTION

This Constitution or any other constitution for the time being in force, may be altered, rescinded, or repealed and a new constitution may be adopted only by Special Resolution of the Company in a general meeting in the manner prescribed by the Act.

34 AMALGAMATION

34.1 Amalgamation generally

In furtherance of the objects of the Company, the Company may amalgamate with any one or more organisations having objects similar to those of the Company, which is charitable at law, and to which income tax deductible gifts can be made.

34.2 Amalgamation if there is a Tax Deductible Fund

Notwithstanding the general provision set out in Rule 34.1, if the Company conducts any funds which are tax-deductible, procedures must be put in place and notifications given to ensure that the conditions of such tax deductibility are not breached upon amalgamation.

Schedule 1: Details of Directors and Secretary

Directors Name	Address	Date of Birth	Place of Birth	Occupation
Andrew Paul (Secretary)			Sydney, NSW	Real Estate Principal, Builder
Gary Flomenhoft			Amityville, NY, USA	Educator
Mark Fox- Andrews			Mt Isa, QLD	Building Supervisor, Carpenter

Schedule 2: List of Members

RESIDENT MEMBERS

NAME	ADDRESS

GENERAL MEMBERS

NAME	ADDRESS

SUPPORTING MEMBERS

NAME	ADDRESS
Andrew Paul	
Gary Flomenhoft	
Mark Fox-Andrews	

Schedule 3: Director Nomination Form

I,, whose signature appears below hereby consent to my nomination for election as a Director of the SMBI CLT Limited subject to the terms of the Constitution of SMBI CLT Limited.

I certify that I am a Resident Member or General Member or the Nominated Representative of such Member, or a Supporting Member of the SMBI CLT Limited.

Signed thisday of20.....

.....
Nominee for Director sign here

Nomination

Ibeing a member of SMBI CLT Limited, hereby certify that the above named applicant is a person suitable to be a Director of SMBI CLT Limited.

Signed thisday of20.....

.....
Proposer signs here

Schedule 4: Membership Application Form

I,, of
.....[address], hereby apply to become a member of
SMBI CLT Limited.

The class of membership to which I seek to be admitted is
Resident Member*/General Member*/Supporting Member*.

I agree to be bound by the terms of the Constitution of SMBI CLT Limited and supply
to the Board such information as it may reasonably required to assess this
application for membership.

Signed thisday of20....

.....
[Signature of applicant]
*Strike out whichever is not applicable.

Contribution:

- \$10 (low income)
- \$25 (standard)
- \$_____ (fill in amount)

Or send a direct deposit to Bendigo Bank: BSB#633000 Account
#165549437

Receipt

Received from: _____

The amount of \$_____ for membership in SMBI CLT.

Confirmed by: _____

Print Name

Signature

(SMBI CLT representative)

Schedule 5: Nominated Representative Appointment Form

[NAME OF ENTITY],
being a corporate Member of the SMBI CLT Limited and entitled to vote hereby

appoints of

..... as
its

Nominated Representative to attend and vote on its behalf at any / general* / annual
general* / special general* meeting of the SMBI CLT Limited for the period

from.....to or *until such time
that

[NAME OF ENTITY]
revokes such appointment.

Signed for and on behalf of [NAME OF ENTITY]

by its duly authorised officer on the day of 20....

.....
[Signature of Director / Secretary] [Signature of Director / Secretary]

.....
[Signature of Nominated Representative]

*Strike out whichever is not applicable.

Schedule 6: Appointment of Proxy Form

I,

of..... being a member of SMBI
CLT Limited entitled to vote hereby appoint
..... of

.....or failing him or

her..... of

..... as my Proxy to vote for me on my behalf at the
(annual or special as the case may be) general meeting of SMBI CLT Limited to be
held on

theday of.....20..... and at any adjournment thereof.

My Proxy is directed to vote *in favour of/*against the following resolutions:

.....
.....
.....
.....
.....

Signed thisday of20....

Note - In the event of the member desiring to vote for or against any resolution, he or
she shall instruct his or her Proxy accordingly. Unless otherwise instructed, the
Proxy may vote as he or she thinks fit.

*Strike out whichever is not applicable.

.....
Member or Authorised Officer or Director
granting Proxy signs here