



KUNG FU WUSHU AUSTRALIA Limited

ACN 141 125 117

CONSTITUTION

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CONSTITUTION of KUNG FU WUSHU AUSTRALIA LIMITED (ACN 141 125 117)

The name of the Company is KUNG FU WUSHU AUSTRALIA Limited.

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Constitution, unless the context otherwise requires:

Associate Member means a national or state organisation conducting activity or competition in relation to Kung Fu/Wu Shu, whose participants are not necessarily affiliated or registered with an Ordinary Member. Such organisations can be admitted to the Company in accordance with clause 4

AGM or Annual General Meeting means the Annual General Meeting of the Company required to be held by the Company in each calendar year under section 250N(2) of the Corporations Act.

Appeals Tribunal means the tribunal formed by the Board under clause 4.10(b) as an appellate review body for Members against adverse membership (clause 4.4) and discipline decisions (clause 13.3).

Appointed Director means a Director appointed in accordance with clause 11.4.

ASIC means the Australian Securities and Investments Commission.

Board means all or some of the Directors of the Company acting as a board, and convened in accordance with this Constitution, to conduct business on behalf of the Company.

Business Day means a day that is not a Saturday, Sunday or any other day which is a public holiday in the place where the Company has its registered office.

By-Laws mean the rules for internal management of the Company which can only be amended by the Board or Management.

CEO means a person appointed as chief executive officer of the Company by the Board.

Committee means a committee established by the Directors under clause 20.

Company means Kung Fu Wushu Australia Limited.

Company Secretary means a person appointed as a company secretary of the Company by the Directors under clause 17.

Constitution means this Constitution as amended from time to time, and a reference to a particular clause is a reference to a clause of this Constitution.

Corporations Act means the Corporations Act 2001 (Cth), as amended from time to time, or any act of the parliament of the Commonwealth of Australia replacing the Corporations Act 2001 that has the same or substantially similar effect

Director means a director of the Company and includes Elected Directors and Appointed Directors.

Elected Director means a Director elected in accordance with clause 11.3.

Extraordinary General Meeting means a General Meeting other than an Annual General Meeting, held in accordance with clause 6.2.

Financial year means the 12 month period ending 30 June each calendar year.

General Meeting means a meeting of Members in respect of the Company, including the AGM, called in accordance with the Corporations Act.

Initial Directors means the people who held director positions in the Company immediately upon it being duly constituted and registered as a legal corporate entity under the Corporations Act.

Life Member means a person admitted to the Company as such in accordance with clause 4.

Member means a legal entity admitted to one of the membership classes of the Company in accordance with clause 4, and Membership has a corresponding meaning.

Members Direction means a direction given to the Board by the Members with at least 20% of the votes and made in accordance with section 294A of the Corporations Act.

Notice means a notice in writing, sent to a Member or Director, concerning Company business in accordance with clause 22.

Objects means the objects of the Company contained in clause 2.

Official Governing Body means the National Sporting Organisation acknowledged by the Australian Sports Commission, Australian Olympic Committee, Australian Paralympic Committee, Australian Commonwealth Games Committee, the international Kung Fu/Wushu governing body and any of their successor organisations, as the official governing body of Kung Fu/Wushu in Australia.

Official Position means a person who, in connection with any body corporate or organisation, either:

- holds a position, whether elected or appointed, as president, vice president, secretary, treasurer, employee, director or equivalent of that body corporate or organisation; or
- has, directly or indirectly, a material ownership or financial interest in that body corporate or organisation.

Ordinary Member means a legal entity admitted to the Company as such in accordance with clause 4.

Policy A KWA Policy is a policy document adopted by the Board, and applies to all Members of KWA, to their members, and all other participants, including members of the Board, employees, and contractors

President means the Chairman of the Company elected by the Board pursuant to clause 14.4.

Registration means the act of finalised processing of an entity as a Member of the Company in accordance with clause 4, and Registered has a corresponding meaning.

Representative means a person (other than a proxy) appointed in accordance with the Corporations Act to represent a Member at a General Meeting of the Company.

Special Awards Committee means the committee formed by the Board in accordance with clause 20 to investigate and report to the Board on nominations for Honorary Life Membership under clause 4.2(d).

Special Resolution means a resolution that must be passed by a majority of at least 75% of votes exercisable by Voting Members at the relevant General Meeting in accordance with this Constitution and the Corporations Act. Notice of such a resolution must be given to the Members at least 21 days prior to the General Meeting.

State means the States of Australia which shall be deemed to include each of Northern Territory and the Australian Capital Territory.

Statutes and Regulations means the statutes and regulations of ISAF in force from time to time.

Telecommunications Meeting means any meeting of the Company held where the participants are not physically present with each other, but each participant is in contemporaneous communication with all other participants and the meeting is held in accordance with clause 10.2.

Voting Member means, in relation to a General Meeting, those Members present and entitled to vote either in person, by proxy or by Representative.

1.2. General Interpretation

In this Constitution, unless the context requires otherwise:

- (a) (presence of a Member) a reference to a Member present at a General Meeting means the Member present in person or by proxy, attorney or Representative;
- (b) (document) a reference to a document or instrument includes any amendments made to it from time to time and, unless the contrary intention appears, includes a replacement;
- (c) (gender) words importing any gender include all other genders;
- (d) (person) the word person includes a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, an authority or any other entity recognised at law in Australia;
- (e) (successors) a reference to an organisation includes a reference to its successors and legal assigns (except where specifically excluded);
- (f) (singular includes plural) the singular includes the plural and vice versa;
- (g) (law and legislation) a reference to law, legislation or similar means the laws of the states, territories and Commonwealth of Australia as enacted and in force from time to time, or other valid statutory instrument created in accordance with those laws (for the avoidance of doubt, this includes local laws (or similar) of the local government entities);
- (h) (instruments) a reference to a law includes regulations and instruments made under it;

- (i) (amendments to legislation) a reference to a law or a provision of a law includes amendments, re-enactments or replacements of that law or the provision, whether by a State or the Commonwealth or otherwise;
- (j) (include) the words include, includes, including and for example are not to be interpreted as words of limitation;
- (k) (signed) where, by a provision of this Constitution, a document including a notice is required to be signed, that requirement may be satisfied in relation to an electronic communication of the document in any manner permitted by law or in any other manner approved by the Directors;
- (l) (writing) writing and written includes printing, typing and other modes of reproducing words in a visible form including, without limitation, any representation of words in a physical document or in an electronic communication or form or otherwise; and
- (m) (various bodies and systems) a reference, usually capitalised, to a body, authority, association, style or similar (for example the Martial Arts Industry Association or Kung Fu/Wushu) has the ordinary meaning that it would have outside of this Constitution.

1.3 Corporations Act

- 1.3.1 Unless the context requires otherwise, a provision of this Constitution that deals with a matter dealt with by a particular provision of the Corporations Act, has the same meaning as that provision of the Corporations Act. Subject to clause 1.3.2, a provision of this Constitution that is inconsistent with a provision of the Corporations Act is read down or removed to the extent that is necessary to ensure compliance with the law.
- 1.3.2 The provisions of the Corporations Act that apply as replaceable rules are displaced by this Constitution and accordingly do not apply to the Company.

1.4 Headings

Headings are inserted for convenience and do not affect the interpretation of this Constitution.

2. OBJECTS AND NATURE OF COMPANY

The objects for which the Company is formed are:

- (a) to be the Australian Kung Fu/Wu Shu Official Governing Body affiliated with the Australian Olympic Committee, Australian Paralympic Committee, Australian Commonwealth Games Association, International Wu Shu Federation and Oceania Wu Shu Federation, and to represent and advise on Kung Fu and Wu Shu to all local, State and Federal Government Departments, including the Australian Sports Commission, as may be required.;
- (b) to establish and maintain cordial relations with other sporting bodies;
- (c) to improve the physical, mental and social well-being of the citizens of Australia through the encouragement and promotion of Kung Fu/Wu Shu, and the proper regulation of such activities;

- (d) to provide adequate representation of Australia in Kung Fu/Wu Shu at the Olympic Games, Commonwealth Games and other international meetings; and
- (e) to act alone or with individuals or other bodies in the interests of sport and, in particular, Kung Fu/Wu Shu;
- (f) to administer the National Coaching Accreditation Scheme and National Officiating Accreditation Scheme for Kung Fu/Wushu.
- (g) to be the official sanctioning body for all regional, State, National and International Competitions/Titles/Events in Kung Fu and Wu Shu that are conducted in Australia.
- (h) to act as the official Australian representative member of the International Wu Shu Federation and the Oceania Wu Shu Federation.
- (i) to act as the official executive member representing Kung Fu and Wu Shu on the Martial Arts Industry Association.
- (j) to act as the key consultative and advisory agency for Kung Fu/Wu Shu to the Australian Sports Commission.
- (k) to act as the key consultative and advisory agency for Kung Fu/Wu Shu to any relevant government department or body on any martial arts or self defence related qualification involving Chinese martial arts under the Vocational Education and Training Accreditation Act 1990.
- (l) to hold or arrange competitions and provide or contribute towards the provision of prizes, awards and distinctions in connection therewith - provided that no Member shall receive any prize, award or distinction of monetary value except as a successful competitor on merit and on equal footing with all other valid competitors; and to further the above to do all acts and things necessary or appropriate for the management, control, regulation and promotion of the Company and the sport of Kung Fu/Wu Shu in Australia.

3. INCOME AND PROPERTY OF THE COMPANY

The income and property of the Company, however derived, must be solely applied towards the promotion of the objects of the Company as set out in this Constitution, and no portion of it will be paid or transferred, directly or indirectly, in any way, to the Members, provided that nothing in this Constitution will prevent:

- (a) the payment by way of grant or subsidy to any Member which is itself a non-profit association or corporation solely for the advancement of the purposes or objects of such Member;
- (b) the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Company or any Member:
 - (1) in return for any services actually rendered to the Company; or
 - (2) for goods supplied in the ordinary and usual way of business; and
- (c) the payment of interest at a rate not exceeding interest at the rate for the time being charged by its bankers for overdrawn accounts on money lent, or

reasonable and proper rent for premises demised or let by any Member to the Company.

4. MEMBERSHIP AND VOTING RIGHTS

4.1 Foundation Members

The original foundation subscribers to the Constitution and such other persons as the Board shall admit to membership in accordance with these articles shall be the Members of the Company.

4.2 Classes of Membership

Under this Clause membership shall be granted in the following categories:

- (a) Ordinary Members, consisting of the original subscribers and the appointed representatives for each State or Territory Association which is recognised as representing Kung Fu/Wu Shu, in its respective State or Territory, by the Company. There will be only one member accepted for each State and Territory of Australia. For the avoidance of doubt, the recognition of a State or Territory Association for Kung Fu/Wu Shu shall be at the discretion of the Company;
- (b) Associate Members, consisting of bodies whose objectives for the promotion of Kung Fu/Wu Shu in Australia are consistent with those of the Company; and
- (c) Honorary Life Members, being a conferred class of membership to any natural person who has rendered distinguished service to the sport of Kung Fu/Wu Shu in Australia. The Special Awards Committee shall comprise the President (or nominee), the Presidents of two Member Associations (or nominees), and two nominees of the Board. Nominations for Life Membership may be made to the Special Awards Committee by the Board or by any Member.

Additional eligibility criteria for each category of membership shall be set by the Board.

4.3 General Membership Requirements

- 4.3.1 An applicant for Membership will become a Member, and the Board will direct the Company Secretary to record their name in the register of Members kept by the Company, only upon the applicant:

- (a) meeting the criteria applicable to the relevant category of membership, as determined from time to time; and
- (b) providing a completed and signed application, in which they undertake to:
 - (1) be bound by this Constitution, the Statutes and Regulations and the Bylaws;
 - (2) pay the fees and subscriptions determined to apply to the Member under clause 5; and

- (3) support the Company in the encouragement and promotion of its Objects, as set out in clause 2.

4.3.2 All Members will be subject, and submit unreservedly, to the Bylaws, Objects, rules, jurisdiction, procedures, penalties and appeal mechanisms of the Company pursuant to this Constitution.

4.4 Ordinary Membership Requirements

4.4.1 Applicants for Ordinary Membership and existing Ordinary Members must, on a continuing basis:

- (a) be bona fide organisations whose major purpose is to conduct activities that relate to participation in the sport of Kung Fu/Wu Shu;
- (b) have a membership, the majority of which is made up of either:
 - (1) Kung Fu/Wu Shu students, instructors and officials who are regularly involved in Kung Fu/Wu Shu competition and training; or
 - (2) clubs whose membership is made up of Kung Fu/Wu Shu students, instructors and officials who are regularly involved in Kung Fu/Wu Shu competition and training;
- (c) demonstrate its involvement in Kung Fu/Wu Shu competition through the organisation of, or participation or involvement, in competitions;
- (d) demonstrate that its members are provided with training facilities or are involved in the training of athletes;
- (e) have objects that do not conflict with the Company's Objects and do all that is reasonably necessary to enable the Objects to be achieved, having regard to any legislation applicable to that Member's State;
- (f) be bound by, promulgate and enforce the Constitution, Bylaws and the Statutes and Regulations;
- (g) at all times act for and on behalf of the interests of the Company, the Members, and Kung Fu/Wu Shu;
- (h) work collaboratively and be responsible and accountable to the Company for fulfilling its obligations pursuant to the Company's strategic plan;
- (i) provide the Company with copies of its annual financial report, report of the directors or committee, whichever is applicable, and auditor's report on the financial report (if provisioned);
- (j) act in good faith and loyalty to maintain and enhance the Company and Kung Fu/Wu Shu, its standards, quality and reputation for the collective and mutual benefit of the Members and Kung Fu/Wu Shu;
- (k) at all times operate with and promote mutual trust and confidence between the Company and the Members, promoting the economic and sporting success, strength and stability of each other and work cooperatively with each other in the pursuit of the Objects;

- (l) maintain a database of all members Registered with it in accordance with the Bylaws and provide a copy to the Company annually or upon request from time to time by the Directors in such means as may be agreed;
- (m) not do, or permit to be done, anything which might adversely affect or derogate from the standards, quality, reputation, maintenance or development of the Company and of Kung Fu/Wu Shu; and
- (n) advise the Company as soon as practicable of any serious administrative, operational or financial difficulties, assist the Company in investigating those issues and cooperate with the Company in addressing those issues as agreed.

4.4.2 The constituent documents of each Ordinary Member must maintain consistency with the Objects (in whole or in such part as are applicable to the Member) allowing such incidental variations as are necessary or appropriate having regard to the State laws applicable to each Ordinary Member. Except in the case of compulsion of law, the Ordinary Members shall be permitted a reasonable amount of time to ensure the consistency;

4.4.3 In addition to the requirements in clause 4.3, any application for Ordinary Membership must be determined by the Ordinary Members in General Meeting. The Board shall present the application, together with any recommendation it may make, at the next practical General Meeting and notify the applicant of the outcome of the determination in due course;

4.4.4 At the Annual General Meeting, each Ordinary Member must provide evidence to the reasonable satisfaction of the Board of its continued compliance with clause 4.3, and of the number of its members.

4.4.5 Any applicant for membership aggrieved of a determination by the Members under clause 4.4.3 may appeal that decision to the Appeals Tribunal. In respect of any such appeal:

- (a) No aggrieved applicant may commence any claim or proceeding in any court or other tribunal unless and until the applicant has exhausted its rights under this clause;
- (b) If the Appeals Tribunal determines that the Members have not acted appropriately in rejecting the application, the Appeals Tribunal may only refer the application for reconsideration by the Members in General Meeting and will provide a statement of reasons as to why it is considered the Members acted inappropriately; and
- (c) If the Appeals Tribunal so refers the application, the Members will reconsider the application at the next General Meeting convened after the recommendation. Should the Members again reject the application, the decision shall be final.

4.5 Individual Membership Requirements

4.5.1 Saving the provisions of 4.7 an individual shall not be permitted to become an Individual Member of the Company.

4.6 Associate Membership Requirements

4.6.1 The recognition of an Associate Member will be determined by a simple majority of votes cast by the Board.

4.6.2 An Associate Member:

- (a) will be invited to have a Representative attend all General Meetings of the Company other than Extraordinary General Meetings convened as Telecommunications Meetings;
- (b) does not have the right to vote at any meetings of the Company; and
- (c) at any General Meeting of the Company to which he or she is invited to attend, has the right for its Representative to be heard on any subject under discussion.

4.7 Honorary Life Membership Requirements

An Honorary Life Member:

- (a) will have their status determined by a three quarters majority of votes cast by the Board;
- (b) will be eligible to attend all general meetings of the Company other than extraordinary general meetings convened as telecommunication meetings;
- (c) does not have the right to vote at general meetings of the Company;
- (d) at any general meeting of the Company to which he or she is eligible to attend, has the right to be heard on any subject under discussion;
- (e) will be admitted free of charge to all Kung Fu/Wu Shu meetings owned or controlled by the Company or any Member; and

- (f) is not required to pay any membership fee, subscription or levy to any entity in respect of his Honorary Life Membership.

4.8 Memberships are not transferable

The rights of Members are personal and are not transferable or transmissible, save as explicitly contemplated by this Constitution.

4.9 Cessation of Ordinary Membership

An Ordinary Member ceases to be a Member if it:

- (a) ceases to satisfy the requirements described in clause 4.3 as determined by Special Resolution by the Members in General Meeting on the recommendation of the Board;
- (b) resigns by written Notice delivered to the Secretary of the Company;
- (c) is expelled from Membership pursuant to this Constitution; or
- (d) becomes insolvent or enters into liquidation (other than a voluntary liquidation for the purposes of reconstruction, amalgamation or similar re-organisation) or enters into any arrangement or composition with its creditors or any of them, or has a receiver or receiver and manager or trustee or administrator or agent in possession appointed.

4.10 Policies in respect of membership

The Board may make a policy or policies:

- (a) for the hearing and determination of:
 - (1) grievances by any Member who feels aggrieved by a decision or action of the Company (or an Ordinary Member or Associate Member); and
 - (2) disputes between Members relating to the conduct or administration of Kung Fu and Wu Shu; for the discipline of Members;
- (b) for the formation and administration of an Appeals Tribunal which must be independent of any party before it on the matter which is the subject of the appeal in question; and
- (c) for the termination of Members (except in respect of Ordinary Members).

4.11 Disciplinary proceedings

The Board in their sole discretion may refer an allegation (which in the opinion of the Board is not vexatious, trifling or frivolous) by a complainant (including a Director or a Member) that a Member has:

- (a) breached, failed, refused or neglected to comply with a provision of this Constitution, the By-Laws, or any other resolution or determination of the Board or any duly authorised Committee;
- (b) acted in a manner unbecoming of a Member or prejudicial to the Objects and interests of the Company; or

(c) prejudiced the Company or brought the Company into disrepute,

for investigation or determination either under this Constitution, the Bylaws or by such other procedure or persons as the Directors consider appropriate.

4.12 Sanctions for Discipline of Ordinary Members

Without limiting matters that may be referred to in the By-Laws, any Ordinary Member that is determined by the Board to have acted in a manner set out in clause 4.11 shall be liable for the sanctions set out in that policy, including termination of Membership (which shall only take place in accordance with the procedure set out in clause 4.13).

4.13 Termination of Membership of Ordinary Members

4.13.1 No recommendation can be made by the Board under this clause unless all avenues of appeal available to the relevant Ordinary Member under this Constitution have been exhausted.

4.13.2 Subject to compliance with clause 4.13.1 (and the Bylaws), the Bylaws may recommend to a General Meeting to terminate the membership of an Ordinary Member.

4.13.3 Upon recommendation from the Board under clause 4.13.2, a General Meeting may, by Special Resolution, terminate the membership of an Ordinary Member.

4.13.4 Where an Ordinary Membership is terminated in accordance with this clause:

- (a) the Board may recommend to the General Meeting that the Company admit another body, which meets the requirements of Ordinary Membership, as the Ordinary Member to represent the relevant State;
- (b) the General Meeting may, by Special Resolution, admit the recommended body as the Ordinary Member to represent the relevant State, subject to compliance with all relevant Membership requirements under clause 4; and
- (c) the Individual Members and Clubs of the terminated Ordinary Member may continue to be recognised by the Company to the extent (if any) and for such time (if any) as is determined in the sole discretion of the Board.

5. **FEES, DUES and LEVIES**

5.1 Determination of Fees and Levies

The Board will determine the fees and levies for each Financial Year and payable from time to time by each class of Member. Any change in fees or levies will be determined at the AGM prior to the implementation of said fees and levies.

Fees and levies will be due and payable at such time and in such manner as the Board determines.

5.3 Consequences of Failure to Pay

Failure to pay any fee or levy by a Member within 60 days of the same being due and payable will suspend all rights in respect of the Company for the Member concerned. The rights of any such Member will be restored on payment of the amount due, together with such further amount determined by the Board, acting reasonably, by way of fines and interest on the outstanding amount. If payment of the arrears, fines and interest is not made by the date determined by the Board, the Member concerned will cease to have any rights in respect of the Company. For the avoidance of doubt, the non-payment of amounts due under this clause is grounds for termination of membership.

6. **GENERAL MEETINGS**

6.1 Annual General Meeting

6.1.1 The Company must, in each year, hold its Annual General Meeting at such time and place as is determined by the Board provided that the date of such meeting must be no more than five months after the close of the Financial Year.

6.1.2 The business of each Annual General Meeting will be to:

- (a) receive and consider the audited accounts of the Company (if applicable);
- (b) receive and consider the report of the President on the affairs of the Company;
- (c) receive and consider the recommendations of the Board;
- (b) elect the Directors (if applicable);
- (c) elect the Company's auditor (if applicable);
- (d) decide applicable Membership applications; and
- (e) transact any other business of which due notice has been given or which, in the opinion of the chairman of the meeting, may be expedient.

6.1.3 Prior to each Annual General Meeting the President will convene a meeting of himself and all presidents of Members (to be known as "The Presidents' Meeting") for the purpose of discussing the affairs of the Company, its relations with Members and the sport of Kung Fu/Wu Shu in Australia.

6.2 Extraordinary General Meetings

6.2.1 All General Meetings other than Annual General Meetings will be Extraordinary General Meetings.

6.2.2 The President may, and the Secretary will at the request of any two Directors, convene an Extraordinary General Meeting.

6.2.3 An Extraordinary General Meeting must be convened if requested in writing by Members in accordance with the requirements under the Corporations Act.

6.3 Notice of General Meetings

- 6.3.1 In the case of a meeting convened to consider a motion requiring a Special Resolution, 28 clear days Notice and in other cases, except where the Law allows a shorter notice to be given by agreement, at least 21 days Notice (exclusive of the day on which the Notice is served or deemed served and of the day for which notice is given) of a General Meeting must be given to the Directors and all Members (subject to clause 6.3.2).
- 6.3.2 Notice of all General Meetings must be given to Directors and Members; provided that Associate Members and Life Members are not entitled to receive notice of Extraordinary General Meetings convened as Telecommunications Meetings.
- 6.3.3 A Notice of a General Meeting must specify:
- (a) the place, day, time and general nature of the business of the meeting;
 - (b) if a motion requiring a Special Resolution is to be proposed at the meeting, then a statement containing the intention to propose that motion, the terms of the motion and the requirement for it to be passed as a Special Resolution;
 - (c) where the business of the General Meeting will include the election of Directors, the names of the candidates for election to such position; and
 - (d) the right of Members to appoint a proxy in accordance with this Constitution.
- 6.3.4 The accidental omission to give Notice of any General Meeting to, or the non-receipt of the notice by, any person entitled to receive Notice of a General Meeting under this Constitution (other than a Member) or the accidental omission to advertise (if necessary) the meeting does not invalidate the proceedings at or any resolution passed at the meeting.

6.4 Postponement of General Meetings

- 6.4.1 The Board may postpone the holding of any General Meeting whenever they think fit (other than a meeting requisitioned by Members pursuant to the Corporations Act) for not more than 21 days after the date for which it was originally called.
- 6.4.2 Whenever any meeting is postponed (as distinct from being adjourned under clause 7.4) the same period of notice of the meeting must be given to persons entitled to receive notice of a meeting as if a new meeting were being called for the date to which the original meeting is postponed.

6.5 Submission of Motions for General Meeting

Motions may only be submitted to a General Meeting of the Company by a Member or Director. Further, any motion desired by a Member to be put to a General Meeting must be received in writing by the President not less than one month prior to the General Meeting at which it is desired to consider and vote on the motion.

7. **PROCEEDINGS AT GENERAL MEETINGS**

7.1 Quorum

- 7.1.1 Each Member may be represented at a General Meeting by one voting Representative and one non-voting Representative. At General Meetings, other than Extraordinary

General Meetings convened as Telecommunications Meetings each Associate Member may be represented by one non-voting Representative and Honorary Life Members are entitled to attend.

7.1.2 No business may be transacted at any General Meeting unless a quorum of Members is present in person or by proxy.

7.1.3 A quorum consists of representatives of 50% of the total number of Members entitled to attend that type of General Meeting.

7.2 Absence of Quorum

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

(a) where the meeting was convened upon the requisition of Members the meeting is dissolved; or

(b) in any other case:

(1) the meeting stands adjourned to the day, and at the time and place, which the Board determines or, if no determination is made by the Board, to the same day in the next week at the same time and place; and

(2) if at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting is dissolved.

7.3 Chairperson at General Meetings

7.3.1 Subject to clause 7.3.2, the President will chair every General Meeting.

7.3.2 Where a General Meeting is held and the President is either:

(a) not present within 10 minutes after the time appointed for the holding of the meeting; or

(b) is unwilling to act,

then the Members present must appoint another Director as chair. If no Director is present or willing to act then the members may appoint any one of their number to chair the meeting.

7.4 Adjournment of Meetings

7.4.1 The chairperson of the meeting:

(a) may with the consent of any meeting at which a quorum is present; and

(b) must if so directed by a majority of Members present at the meeting who are entitled to vote,

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

7.4.2 No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

7.4.3 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.

7.4.4 Except as provided by clause 7.4.3, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

8. VOTING AT GENERAL MEETINGS

8.1 Eligibility to Vote at General Meetings

Only Ordinary Members have the right to vote on Company matters at General Meetings, unless this Constitution specifically provides otherwise.

8.2 Conduct of Voting

8.2.1 Each Member is entitled to one vote on every motion at a General Meeting whether on a show of hands or a poll.

8.2.2 At any General Meeting a motion put to the vote of the meeting is decided on a show of hands unless a poll is demanded (either before or on the declaration of the result of the show of hands):

- (a) by the chairperson of the meeting; or
- (b) by Members with at least 25% of the vote that may be cast at the meeting.

8.2.3 Saving the provisions of 8.4. voting on a motion is by simple majority, unless the motion is to vary this Constitution. Any amendment to this Constitution must be passed by a Special Resolution of the Company in General Meeting.

8.2.4 Unless a poll is demanded:

- (a) a declaration by the chairperson of the meeting that a resolution has been carried or lost on a show of hands; and
- (b) an entry to that effect in the book containing the minutes of the proceedings of the Company, signed by the chairperson of that or the next succeeding meeting,

is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against, the motion.

8.3 Conduct of Poll

8.3.1 If a poll is duly demanded, it must be taken:

- (a) in such manner; and
- (b) subject to clause 8.3.2, at such time,

as the chairperson of the meeting directs, and the result of the poll is the resolution of the meeting at which the poll was demanded.

8.3.2 A poll demanded on the appointment of a chairperson of a meeting, or on a question of adjournment, must be taken forthwith without adjournment.

8.3.3 The demand for a poll does not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded, unless that particular business is dependent on the outcome of the poll.

8.3.4 The demand for a poll may be withdrawn.

8.4 Casting Vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting may have a casting vote.

9. **PROXIES**

9.1 Appointment of Proxy

A Member may appoint a person as their proxy.

9.2 Form of Proxy

9.2.1 An instrument appointing a proxy must be in writing under the hand of the appointor.

9.2.2 The instrument of proxy must be in the form determined by the Board from time to time, but the form must:

- (a) enable the Member to specify the manner in which the proxy must vote in respect of a particular transaction; and
- (b) allow for the name of the person appointed as proxy to be disclosed. The form may provide that if the Member leaves it blank as to the person appointed as proxy or if the person appointed as proxy fails to attend, the chairperson of the meeting is appointed proxy.

9.2.3 Despite clause 9.2.2 an instrument appointing a proxy may be in the following form or in a form that is as similar to the following form as the circumstances allow:

KUNG FU WUSHU AUSTRALIA Limited
(ACN. 141 125 117)

I, _____ as an authorised representative of
, _____

a Member of the above named company,

appoint _____ as an authorised representative of

or, in their absence, _____ as an authorised representative of

as my proxy to vote on behalf of the Member at the *annual general/*extraordinary general meeting of the company to be held on _____ 20 _____ and at any adjournment of that meeting.

† This form is to be used *in favour of/*against the resolution.

Signed on _____ 20 ____ .

* Strike out whichever is not desired.

† To be inserted if desired.

9.3 Validity of Proxy

An instrument appointing a proxy may not be treated as valid unless the instrument of appointment, to the satisfaction of the President, is received at the registered office of the Company (or at any other place specified for that purpose in the notice convening the meeting) not less than 24 hours before the time for the holding of the meeting, or adjourned meeting, at which the Member named in the instrument proposes to vote.

9.4 Receipt of Proxy

For the purpose of clause 9.3 it is sufficient if the proxy is received by facsimile, electronic mail or similar means of communication in a reasonably legible form. If the proxy is required to be accompanied by other documents then these documents may also be received in the same manner.

9.5 Effect of Proxy Instrument

- 9.5.1 An instrument appointing a proxy confers authority to demand or join in demanding a poll.
- 9.5.2 If a proxy is only for a single meeting it may be used at any postponement or adjournment of that meeting, unless the proxy states otherwise.
- 9.5.3 A proxy may be revoked at any time by written Notice to the Company, signed on behalf of the Member to which the proxy relates.
- 9.5.4 A proxy may be given in regards to an adjourned meeting, whether or not a proxy was given in respect of the original meeting.

9.6 Voting Rights of Proxies

- 9.6.1 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument. If the Member does not specify the manner in which the proxy must vote in respect of any particular transaction, the person appointed as proxy may vote on that particular transaction as they determine.
- 9.6.2 A vote given in accordance with the terms of an instrument of proxy is valid despite the revocation of the instrument (or of the authority under which the instrument was executed) if the President has not received written notification of the revocation before the commencement of the meeting or adjourned meeting at which the instrument is used or the power is exercised.

10. RESOLUTIONS OF MEMBERS OTHER THAN AT GENERAL MEETING

10.1 Resolutions in Writing

- 10.1.1 If all the Members entitled to vote on a motion at General Meeting 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 General Meeting of the Company held at the date and time corresponding with the signature of the last Member to sign the document.
- 10.1.2 For the purposes of clause 10.1.1, two or more separate documents containing statements in identical terms, each of which is signed by one or more members, are deemed to collectively constitute a single document.
- 10.1.3 A reference in clause 10.1.1 to all the Members does not include a reference to a Member who, at a General Meeting, would not be entitled to vote on the resolution if a General Meeting was held on the last day on which the document was signed.
- 10.1.4 A facsimile transmission, electronic mail or some other form of electronic or digital communication addressed to or received by the Company and purporting to be signed by a Member for the purpose of this Constitution is deemed to be a document in writing signed by that Member for the purposes of clause 10.1.1.

10.2 Telecommunications Meetings

- 10.2.1 The Company may meet by means of a Telecommunications Meeting provided the number of Members participating is not less than a quorum required for a General Meeting. All provisions of this Constitution relating to a General Meeting apply to a Telecommunications Meeting of the Company in so far as they are not inconsistent with this clause 10.2.
- 10.2.2 For a Telecommunications Meeting of the Company:
 - (a) all Directors and Members for the time being entitled to receive Notice of a General Meeting are entitled to notice of a Telecommunications Meeting;
 - (b) all participant in the meeting must be linked to all other participants by an instantaneous means of communication for the meeting;
 - (c) Notice of the meeting may be given on the telephone or other electronic means;
 - (d) each participant in the meeting is deemed for the purposes of this Constitution to be present at the meeting;
 - (e) each participant in the meeting must be able to hear, and be heard by, each of the other participants of the meeting; and
 - (f) at the commencement of the meeting each person must announce his presence to all other participants in the meeting.
- 10.2.3 If the Secretary of the Company is not present at a Telecommunications Meeting, the Board must nominate a Director to take minutes of the meeting.

- 10.2.4 A participant may not leave a Telecommunications Meeting by disconnecting his communication device unless they have previously notified the chairperson of the meeting.
- 10.2.5 A participant is conclusively presumed to have been present and to have formed part of a quorum at all times during a Telecommunications Meeting unless that person has previously notified the chairperson of the meeting of leaving the meeting.
- 10.2.6 A minute of the proceedings of a Telecommunications Meeting is sufficient evidence of the proceedings, and of the observance of all necessary formalities, if the minute is certified correct by the chairperson of the meeting.

10.3 Postal Ballots

- 10.3.1 The President, taking into account the national spread of Members throughout Australia, may direct that voting for:

- (a) the election of the Directors; or
- (b) Constitutional change,

may be conducted by a postal ballot.

- 10.3.2 A postal ballot will provide for:

- (a) A minimum 30 day return of the ballot papers;
- (b) the issue of the ballot paper to be made by a person appointed by the Board;
- (c) the ballot to be able to be identified as the ballot of an Ordinary Member;
- (d) the keeping of all ballots by the Secretary for a period of 60 days after the declaration of the ballot; and
- (e) the declaration of the ballot outcome by the Company Secretary.

11. **APPOINTMENT AND REMOVAL OF DIRECTORS**

11.1 Number of Directors

- 11.1.1 The number of the Directors must not be less than three or greater than nine.
- 11.1.2 No more than six of the Directors shall be elected by the Members in accordance with clause 11.3.
- 11.1.3 Up to three Directors may be appointed by the Board in accordance with clause 11.4.

11.2 Initial Directors

- 11.2.1 The Directors of the Company at the date of adoption of this Constitution were the Initial Directors.

11.3 Elected Directors

- 11.3.1 Directors shall be elected at an Annual General Meeting, excepting where Clause 10.3.1 (a) applies, and will hold office for a term of three years from the conclusion of

the meeting at which they are elected or the AGM subsequent to their election under Clause 3.2.1 (a).

- 11.3.2 At least 45 days prior to the proposed date of each Annual General Meeting, the Company Secretary will call on the Ordinary Members to give nominations for Director positions. Nominations must be received no less than 28 days prior to the Annual General Meeting at which the nomination will be voted on.
- 11.3.3 An Ordinary Member may nominate one person for each Director position up for election at an Annual General Meeting.
- 11.3.4 Where the President determines that an election for one or more Directors should occur by postal ballot [Refer Clause 10.3.1 (a)], at least 30 days prior to a postal ballot being called, the Company Secretary will call on Ordinary Members to give nominations for Director positions. Nominations must be received no less than 7 days prior to the ballot being called.
- 11.3.5 Where a postal ballot has been called for one or more Directors, an Ordinary Member may nominate one person for any or all positions.
- 11.3.6 A nomination must:
- (a) be in the form required by the Board;
 - (b) signed by the nominator and nominee; and
 - (c) may consist of two forms, each signed by one of the nominator and nominee, so long as both documents clearly indicate the names of both parties.
- 11.3.7 Election of each Director will be determined by an exhaustive ballot in accordance with the procedure to be described in the By-Laws.

11.4 Appointed Directors

- 11.4.1 In addition to the Elected Directors, the Board may appoint up to three Appointed Directors because of their special business acumen and/or technical skills.
- 11.4.2 Subject to clause 11.5, an Appointed Director holds office for a term of two years from their date of appointment, and may serve no more than three consecutive terms.

11.5 Director Vacancies

- 11.5.1 The Board may, at any time, appoint any person to be a Director:
- (a) to fill a casual vacancy if a Director ceases to be a Director for any reason; or
 - (b) as an Additional Director, so long as the total number of Directors does not exceed the number determined in accordance with this Constitution.
- 11.5.2 Any Director appointed to fill a casual vacancy will hold office for the balance of the term of the Director whom he replaces, provided that the appointment is ratified by the Members at the next General Meeting.

11.5.3 Any Director appointed in addition to the existing Directors as an Appointed Director will hold office until the conclusion of the second Annual General Meeting after his appointment.

11.5.4 In the event of vacancies so that the number of remaining Directors is less than the minimum number required by this Constitution, the Board may act only for the purpose of increasing the number of Directors to at least the minimum number required or convening a General Meeting.

11.6 Resignation of Director

Any Director may retire from office upon giving written Notice to the Board of his intention to do so.

11.7 Removal of Directors

Subject to this Constitution and the Corporations Act, the Company may by ordinary resolution remove any Director prior to the expiration of his term of office. Any vacancy so caused may be filled by the Board as a casual vacancy.

12. **REMUNERATION OF DIRECTORS**

12.1 Payment of Directors

The Directors may receive remuneration for their services in such amount and in such manner approved by the Board, provided that the Company may determine otherwise in General Meeting. The Board shall notify the Members of the details of the remuneration, including:

- (a) amounts;
- (b) to whom it is being paid; and
- (c) for what purpose,

within 30 days of the approval.

12.2 Reimbursement of Expenses

The Directors will be paid all travelling and other expenses properly incurred by them in respect of:

- (a) Board meetings;
- (b) General Meetings;
- (c) committee meetings; or
- (d) otherwise in connection with the business of the Company.

12.3 Payment for Extra Services

Any Director who:

- (a) performs extra services;

- (b) makes any special exertions;
 - (c) undertakes any executive or other work,
- for the Company beyond his ordinary duties, or
- (d) travels or resides away from home for any of the purposes of the Company,
- may, subject to the Corporations Act, be remunerated either by a fixed sum or a salary as determined by the Board.

13. POWERS AND DUTIES OF DIRECTORS

13.1 General Business Management

Unless specifically provided for in the Corporations Act or this Constitution, the business of the Company is managed by the Board, who may:

- (a) pay all expenses incurred in promoting and forming the Company; and
- (b) exercise all powers of the Company.

13.2 By-laws

13.2.1 The Board will make, amend and revoke By-laws and Policies:

- (a) for the purpose of giving effect to the Objects;
- (b) for the discipline of Members;
- (c) providing for an Appeals Tribunal which must be independent of any party appearing before it on the matter subject of the appeal in question;
- (d) for the manner of election of Directors at General Meeting; and
- (e) such other matters needed for the good management of the Company.

13.2.2 Each By-Law will be valid and binding on the Members except where it is:

- (a) revoked or amended by the Board;
- (b) revoked or amended by the Members in General Meeting;
- (c) in breach of the Corporations Act; or
- (d) inconsistent with this Constitution.

13.3 Discipline of Members

13.3.1 Where a Member:

- (a) deliberately or recklessly breaches this Constitution or any By Law;
- (b) deliberately or recklessly breaches any agreement with the Company; or
- (c) neglects or knowingly jeopardises the interests of the Company or acts in a way which is unworthy of the Company;

then such Member is:

- (i) subject to 13.3.2, liable to suspension from Membership or such other sanction (including a fine) as the Board in its absolute discretion determines; and
- (ii) liable to expulsion from Membership as determined by Special Resolution.

13.3.2 Under clause 13.3.1 the Board may only suspend a Member for either:

- (a) a period of no more than six months; or
- (b) until the Member rectifies the breach or conduct in question;

provided that if the Member has not rectified the breach or conduct in question within six months, the Board will refer the issue to the Members in General Meeting who may determine by Special Resolution to extend the period of suspension.

13.3.3 Any fine imposed on a Member under clause 13.3.1(i) will first be paid by deduction from any monies payable by the Company to that Member.

13.3.4 Any Member aggrieved of a decision of the Board under 13.3.1 may appeal to the Appeals Tribunal. Any such appeal:

- (a) must be in writing and received by the Board within 14 days of the day on which the Member was advised in writing of the Board's decision;
- (b) operates as a stay on the operation of any sanction imposed by the Board pending the determination of the Appeals Tribunal; and
- (c) must be conducted in accordance with the relevant By-Laws.

13.4 Validity of Decisions

13.4.1 No amendment to the Constitution can invalidate any prior act of the Board, or a Director acting on their own, that would have been valid if that amendment to the Constitution had not been made.

13.4.2 No resolution passed by the Company can invalidate any prior act of the Board, or a Director acting on their own, that would have been valid if that resolution had not been passed.

13.5 Borrowing Powers

Without limiting the generality of clause 13.1, the Board may exercise all the powers of the Company to:

- (a) borrow money;
- (b) charge any property or business of the Company;
- (c) issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person,

provided that any such action is consistent with the Objects.

13.6 Negotiable Instruments

All cheques, promissory notes, bankers drafts, bills of exchange and other negotiable instruments, and all receipts for money paid to the Company may be signed, drawn, accepted, endorsed or otherwise executed, as the case may be:

- (a) by any two Directors; or
- (b) in such other manner as the Board determines from time to time.

13.7 Appointment of Attorney

13.7.1 The Board may appoint any person to be the attorney of the Company:

- (a) for the purposes;
 - (b) with the powers, authorities and discretions (being powers, authorities and discretions vested in or exercisable by the Board);
 - (c) for the period; and
 - (d) subject to the conditions,
- they think fit.

13.7.2 Any power of attorney may contain those provisions for the protection and convenience of persons dealing with the attorney that the Board thinks fit.

14. **PROCEEDINGS OF DIRECTORS**

14.1 Board Meetings

14.1.1 The Directors, who are members of the Board, may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

14.1.2 Minutes of any Board meeting must be kept and they must state the method of meeting and the persons present.

14.1.3 The Members, at AGM, will determine the composition of the Board.

14.2 Convening of Meeting

14.2.1 The President may convene a Board meeting at any time.

14.2.2 The Secretary must convene a Board meeting on the requisition of a Director.

14.3 Notice of Board Meeting

14.3.1 Notice of every Board meeting must be given to every Director except those who:

- (a) have been given special leave of absence; or
- (b) are absent from Australia and have not left a telephone or facsimile number or other address at which he may be given notice.

14.3.2 Any notice of a Board meeting may be given orally (including by telephone) or by

14.4 Quorum

The number of Directors whose presence is necessary to constitute a quorum at a Board meeting is 50% of the total number of current Directors.

14.5 President

14.5.1 The President will be elected by the Directors from amongst their number at the first Board meeting after the former President ceases to hold office.

14.5.2 The President will hold office for the lesser of:

- (a) three years from the conclusion of the meeting at which he was elected a Director; and
- (b) the period from the date of election as President to the date the President ceases to be a Director.

14.5.3 The President will chair all meetings of the Board, provided that if the President is not present within 10 minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present must appoint one of their number to be chairperson of the meeting.

14.6 Voting

14.6.1 Unless this Constitution specifically provides otherwise, questions arising at a Board meeting are decided by a majority of votes of Directors present and voting and any such decision is for all purposes deemed a decision of the Board.

14.6.2 In case of an equality of votes the chairman of the meeting may have a casting vote.

14.7 Telecommunications Meeting of the Board

The Board may meet by means of a Telecommunications Meeting on the same basis as set out in clause 10.2, except that the provisions of this clause 14 will apply, especially with regards to quorums and voting.

14.8 Circulated Resolutions

14.8.1 If all the Directors:

- (a) entitled to vote on a matter at a Board meeting; and
- (b) at that time present in Australia; or
- (c) who are absent from Australia but have left a facsimile number or electronic or other address at which he may be given notice,

have signed a document containing a statement that they are in favour of a resolution of the Board in terms set out in the document, a resolution in those terms is deemed to have been passed at a Board meeting.

14.8.2 The time and date of passing of a resolution made under this clause 14.8 is deemed to be the time and date at which the document was signed by the last Director eligible to sign the document under clause 14.8.1.

- 14.8.3 Two or more separate documents containing statements in identical terms, each of which is signed by at least one Director, are deemed to collectively constitute a single document for the purposes of this clause.
- 14.8.4 A document pursuant to this clause 14.8 bearing a signature of a Director who is not able to vote on the matter has no effect on the validity of the document, and does not invalidate the resolution.
- 14.8.5 Every resolution passed under this clause 14.8 must be entered in the minutes of the Board meetings as soon as practicable.
- 14.8.6 A facsimile, telex, cable, telegram, electronic mail or similar means of communication addressed to, or received by, the Company, and purporting to be signed by a Director, is deemed to be a document in writing signed by that Director.

14.9 Validation of Acts of Directors

Everything done:

- (a) at a Board meeting;
- (b) at a Committee meeting;
- (c) by the Appeals Tribunal; or
- (d) by a person acting as a Director,

is valid even if it is discovered later that there was some defect in the appointment, election or qualification of any of the Directors or that any of them were disqualified or had vacated office

15. **DIRECTORS' INTERESTS**

15.1 Existence of Interest

A Director may, subject to this clause 15 and to the extent permitted by the Corporations Act:

- (a) hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with the office of Director;
- (b) enter into contracts or arrangements or have dealings with the Company either as vendor, purchaser, mortgagee or otherwise; or
- (c) be interested in any contract, operation, undertaking or business entered into undertaken or assisted by the Company or in which the Company is or may be interested.

15.2 Disqualifying Interests

15.2.1 Despite clause 15.1, a person who:

- (a) is an employee of a company with which the Company is seeking to or has entered into a business relationship via which said Director may profit financially

may not hold office as a Director saving that a Director who has declared such an interest and it has been accepted by the Board the declared interest will not be a disqualifying interest.

15.2.2 A Director disqualified under clause 15.2.1, is only so disqualified from holding the office of Director until the next Annual General Meeting following the date at which they became disqualified under this clause 15.2.

15.2.3 A Director who accepts a disqualifying position must notify the other Board of that fact immediately, and is deemed to have immediately resigned as a Director.

15.2.4 A person elected or appointed as a Director at the time of holding a disqualifying position under clause 15.2.1 must immediately resign from that disqualifying position. If they fail to do within a reasonable period of time, they are deemed to have resigned as a Director.

15.2.5 A Director is not:

- (a) disqualified from the office of Director; or
- (b) liable to account to the Company for any profit arising from the relationship or transaction by reason of being a Director, or of the fiduciary relationship between the Director and the Company,

because of entering into any relationship or transaction referred to in clause 12.

15.2.6 For the purposes of clause 12, Company includes any:

- (a) subsidiary of the Company; and
- (b) company in which the Company, or any subsidiary of the Company, is interested (including shareholding).

15.3 Disclosure of Interest

15.3.1 The nature of any Director's interest under clause 15.1 must be disclosed by them as follows:

- (a) If the interest exists at the time of the Board meeting at which the matter is considered: before the matter is considered; or
- (b) If the interest does not exist at the time of the Board meeting at which the matter is considered: at the first Board meeting after the Director becomes so interested.

15.3.2 A Director shall declare to the Board their interest in any matter in which any conflict of interest arises, either directly or in relation to their family, however derived.

15.3.3 Unless otherwise determined by the Board, any Director who has a conflict of interest in respect of a matter must:

- (a) absent himself from discussion of the matter, except to answer questions in respect of the nature of his interest and the conflict; and

(b) not vote in respect of the matter.

15.3.4 All determinable factors in respect of a conflict of interest by a Director must be immediately determined by the Board. If this is not possible, the matter shall be adjourned, or deferred, to the next Board meeting at which it must be determined.

15.3.5 The Secretary shall maintain a register of declared interests, specifying:

- (a) the Director to whom the interest relates;
- (b) the matter which the interest relates to; and
- (c) the nature of the interest, if disclosed.

16. INADVERTENT OMISSIONS

16.1 Omissions

Subject to clause 6.3, if some formality required by this Constitution is inadvertently omitted or is not carried out the omission does not invalidate any resolution, act, matter or thing which but for the omission would have been valid unless it is proved to the satisfaction of the Directors that the omission has directly prejudiced any Member financially.

16.2 Decision by Board

The decision of the Board is final and binding on all Members in respect of:

- (a) whether financial prejudice has been suffered by a Member in respect of any omission; and
- (b) what action, if any, should be taken in respect of any omission identified in 16.1 where a financial prejudice has been identified under 16.2(a).

17. COMPANY SECRETARY

17.1 Appointment of Company Secretary

There must be at least one Company Secretary who is to be appointed by the Board.

17.2 Suspension and removal of Company Secretary

The Board may suspend or remove a Company Secretary from that office.

17.3 Powers, duties and authorities of Company Secretary

Each Company Secretary:

- (a) holds office on the terms and conditions (including as to remuneration); and
- (b) with the powers, duties and authorities,
determined by the Board.

18. **MINUTES OF MEETING**

The Directors must ensure minutes of every Board and General meeting are made and kept. The minutes of meeting must be kept in accordance with the Corporations Act.

19. **ACCOUNTS**

19.1 Books of Account

The Directors will cause proper books of account to be kept, recording full, true and complete accounts of the affairs and transactions of the Company.

19.2 Location of Accounts

The books of account of the Company must be kept at:

- (a) the registered office of the Company; or
- (b) such place or places as the Board thinks fit,

and must be open to the inspection of the Directors during usual business hours.

19.3 Inspection of Accounts

Members have the right to inspect documents of the Company as provided under the Corporations Act.

19.4 Tabling of Accounts

To the extent required by the Corporations Act or a Members Direction, the Board shall present to the Company, at each Annual General Meeting:

- (a) a profit and loss account;
- (b) a balance sheet; and
- (c) an auditor's report, when so mandated by ASIC, in respect of the profit and loss report and balance sheet, in respect of the last completed Financial Year of the Company.

19.5 Appointment of Auditor

If required by the Corporations Act or a Members Direction, a properly qualified auditor or auditors shall be appointed by the Board in accordance with the Corporations Act.

20. **COMMITTEES**

20.1 Formation of Committees

20.1.1 The Board may form Committees and delegate any of their powers to them to the extent permitted by law.

20.1.2 The Board may appoint any persons they think fit (including Directors, individuals and consultants) to any Committee.

20.1.3 The Board may vary or revoke any appointment under 20.1.2.

20.1.4 A ll Committees so formed shall include detailed and appropriate 'Terms of Reference'.

20.2 Powers delegated to Committees

A Committee must exercise the powers delegated to it according to the terms of the delegation and any direction of the Board.

20.3 Committee Meetings

Committee meetings are governed by the provisions of this Constitution dealing with Board meetings, as far as they are capable of application.

20.4 Report to Board

Each Committee must report to the Board on all matters for which they are formed as and when reasonably required to do so by the Board.

21. **SEAL AND EXECUTION BY COMPANY**

21.1 Company Seal

The Company shall not have a Common Seal.

21.2 Execution by Company

21.2.1 The execution of any instrument shall be made by any two Directors in accordance with the Corporations Act.

21.2.2 No Director who is interested in a contract, arrangement, dealing or other transaction may sign any instrument related to such contract, arrangement, dealing or other transaction on behalf of the Company.

22. **NOTICES**

22.1 Service of Notices

Unless otherwise specifically provided in this Constitution or the Corporations Act, a Notice may be given by the Company to any Member or Director by:

- (a) serving it personally;
- (b) sending it by pre-paid postal service;

- (c) facsimile transmission;
- (d) e-mail; or
- (e) other means of electronic communication approved by the Board,

at the current delivery address held in the Company's records for the Member or Director corresponding to the method of delivery used.

22.2 Timing of Service of Notice

- 22.2.1 If a Notice is sent by pre-paid postal service, it is deemed to be effectively served two business days after it has been posted, so long as it is properly addressed and prepaid with correct postage. A Notice sent to an overseas address must be forwarded by airmail.
- 22.2.2 If a Notice is sent by facsimile transmission, it is deemed to be effectively served on the next business day after its date of transmission so long as it is sent to the correct facsimile number and the transmitting facsimile machine reports that all pages have been successfully transmitted.
- 22.2.3 If Notice is sent by means of e-mail or other means of electronic communication approved by the Board, service is deemed to be effected on the next business day after the date of transmission unless the Board is advised that the transmission failed to send to the addressee.

23. **INDEMNITY AND INSURANCE**

23.1 Indemnity

Every person who is, or has been, a Director is entitled to be indemnified out of the property of the Company against:

- (a) every liability incurred by the person in that capacity (except a liability for legal costs); and
- (b) all legal costs incurred in defending or resisting (or otherwise in connection with) proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity, unless:
 - (1) the Company is forbidden by law to indemnify the person against the liability or legal costs; or
 - (2) an indemnity by the Company of the person against the liability or legal costs would, if given, be made void by law.

23.2 Insurance

The Company may pay or agree to pay, whether directly or through an interposed entity, a premium for a contract insuring a person who is, or has been, a Director, Company Secretary or chief executive officer against liability incurred by the person in that capacity, including a liability for legal costs, unless:

- (a) the Company is forbidden by law to pay or agree to pay the premium; or
- (b) the contract would, if the Company paid the premium, be made void by law.

23.3 Director Voting on Contract of Indemnity or Insurance

Despite anything in this Constitution, a Director is not precluded from:

- (a) voting; or
- (b) signing any instrument,

in respect of any contract or proposed contract of indemnity or insurance, merely because the contract indemnifies or insures (or would indemnify or insure) the Director against a liability incurred by the Director as an officer of the Company or of a related body corporate.

24. **WINDING UP**

24.1 Contributions of Members on winding up

24.1.1 Each Member must contribute to the Company's property if the Company is wound up while they are a Member or within one year after their membership ceases.

24.1.2 The contribution under clause 24.1.1 is for:

- (a) payment of the Company's debts and liabilities contracted before their membership ceased;
- (b) the costs of winding up; and
- (c) adjustment of the rights of the contributories among themselves,

and the level of contribution is not to exceed \$20.00 per membership.

24.1.3 Only those Members referred to in 24.1.1 must contribute to the Company's property if the Company is wound up.

24.2 Excess property on winding up

24.2.1 If, on the winding up or dissolution of the Company and after satisfaction of all its debts and liabilities, any property remains, then that property must be given or transferred to another body or bodies:

- (a) having objects similar to those of the Company; and
- (b) whose constitution prohibits (or each of whose constitutions prohibit) the distribution income and property among its members to an extent at least as great as is imposed under this Constitution.

24.2.2 The bodies to which the Company's property is to be given under 24.2.1 is to be determined by the Members at or before the time of dissolution or, failing that determination, by a judge with competent jurisdiction in the matter.

