
AUSTRALIAN SECURITIES and
INVESTMENT COMMISSION
CORPORATIONS ACT 2001



TRANSPORT FRIENDLY SOCIETY LIMITED

ACN 052 046 625

CONSTITUTION

Amended
29 May 2008

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1. INTERPRETATION

1.1 Defined Terms

In these Clauses unless the context otherwise requires:

ASIC means the Australian Securities and Investments Commission;

Alternate Director means an Alternate Director appointed pursuant to Clause 11.11;

Board means the Board of Directors of the Company;

Call includes an amount payable on allotment on any fixed date or by instalments in relation to the nominal value of a share;

Chairperson means any person elected in accordance with these Clauses to perform any of the duties of a Chairperson of the Board;

Constitution means the Constitution of the Company as amended from time to time;

Court means the Supreme Court or a Judge of the Supreme Court of this State;

Corporations Act means the Corporations Act 2001 (Cth);

Management Fund means the fund of the Company consisting of the assets and liabilities of the Company;

Managing Director means the person appointed by the Board to perform duties as Managing Director of the Company;

Member means a person who is a Member of the Company under Clause 6.1;

Prescribed Rate means the penalty interest rate prescribed for the relevant quarter in accordance with section 2(1) of the Penalty Interest Rates Act 1983 (Victoria) or if no rate is prescribed, then 14 per cent per annum.

Register of Members means the register of Members kept by the Company under the Corporations Act;

Register of Shareholders means the register of Shareholders kept by the Company under the Corporations Act;

Registered Office means the registered office from time to time of the Company;

Secretary means any person appointed by the Board to perform any of the duties of a Secretary of the Company;

Shareholder means a person who holds shares in the Company.

Company means the Company whose name appears in Clause 2(1); and

State means a State or Territory of Australia.

1.1A **Interpretation**

In these Clauses unless the context otherwise requires:

- (1) Words importing the singular number include the plural number and vice versa.
- (2) Words importing the masculine gender include the feminine gender.
- (3) A reference to a statute regulation, proclamation, ordinance or by-law or a provision of any of them includes all statutes, regulations, proclamations, ordinances, by-laws or provisions varying, consolidating or replacing them, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute.
- (4) Headings and explanatory notes are for convenience only and do not affect the meaning of this Constitution.
- (5) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.

1.2 **Corporations Act**

- (1) Definitions in the Corporations Act apply to words used in this Constitution (which may or may not be capitalised) that are not defined in Clause 1.1.
- (2) If any part of this Constitution is inconsistent with the Corporations Act, the provisions of the Corporations Act will prevail.
- (3) This Constitution shall apply to the Company and no replaceable rules contained in the Act shall apply to the Company except insofar as they are repeated in this Constitution.

1.3 **Constitution Binding on Members**

The Constitution of the Company has effect as a contract between the Members and between each Member and the Company.

2. NAME

- (1) The name of the Company is Transport Friendly Society Ltd. A.C.N. 052 046 625
- (2) The Company may only use a name other than its registered name as permitted by the Corporations Act.

3. REGISTERED OFFICE

The registered office of the Company is at 487 Swan Street, Richmond, Victoria 3121 or such place as the Board may determine and as may be registered with the ASIC from time to time.

4. OBJECTS

4.1 The primary objects of the Company are:

- (a) to provide health and welfare benefits, services and facilities for Members or their dependants, including but not limited to hospital, medical, dental, pharmaceutical, optical, physiotherapy and speech therapy benefits, services and facilities;
- (b) to provide benefits, services and facilities for the relief and maintenance of Members, their dependants and other members of the community, in the case of birth, death, sickness, disability, accident, retirement, old age and unemployment;
- (c) to provide benefits, services and facilities for the education of Members or their dependants;
- (d) to provide financial and investment benefits, services and facilities for Members or their dependants including, but not limited to, benefits, services and facilities relating to annuities, life insurance and superannuation;
- (e) to sell or supply medical requisites and therapeutic goods and dispense or sell medicines to members of the public.

5. POWERS

- (1) The Company has the legal capacity of a natural person. Without limiting its powers, the Company has power to:
 - (a) acquire shares in an association by purchase or otherwise;
 - (b) hold a subsidiary;
 - (c) carry on a pharmacy practice and employ a pharmacist who is registered under the pharmacy law of this State; and
 - (d) do anything that it is authorised to do by the Corporations Act or this Constitution.

- (2) The Company may exercise its powers without any limitation save that-
 - (a) its powers must be exercised in furtherance of the Company's objects; and
 - (b) the exercise of its powers is subject to the Corporations Act and this Constitution.

5A. NO DISTRIBUTION OF PROFITS TO MEMBERS

- (1) The income and property of the Company howsoever and whensoever derived shall be applied solely towards the promotion of the objects of the Company as set forth in Clause 4.
- (2) No portion of any income and property shall be paid or transferred or distributed directly or indirectly by way of dividend, bonus or otherwise by way of profit to a Member or former Member or to any person claiming through a Member or former Member.
- (3) This Clause shall not prevent the payment in good faith to any Member or other persons of:
 - (i) remuneration in return for services rendered to the Company;
 - (ii) reasonable and proper rent for premises let by any Member to the Company;
 - (iii) interest at a rate not exceeding the rate fixed by the Board on money borrowed from or lawfully due to any Member; or
 - (iv) reasonable out-of-pocket expenses properly incurred by a Member employed under the authority of the Board.

6. MEMBERSHIP

6.1 Members of the Company

The Members of the Company are:

- (a) those persons who were Members as at the date of adoption of this Constitution;
- (b) those persons admitted to Membership in accordance with Clause 6.2; and
- (c) those persons who became Members as a consequence of any merger, amalgamation or takeover who have not ceased to be Members.

6.2 Admission to Membership

A person becomes a Member upon:

- (a) that person's application under Clause 6.3 being approved under Clause 6.4.
- (b) those persons who were Members at the date of adoption of this Constitution shall be taken to have given the undertaking required in Clause 6.2 but only for the purpose of determining whether the person is a Member of the Company. .

6.3 Application for Membership

A person who wishes to become a Member under Clause 6.2 (a) must complete and lodge with the Company, at the Registered Office or any branch office or agency of the Company, an application in the form approved from time to time by the Board.

6.4 Approval of Application

- (1) Subject to the Corporations Act, the Board or its delegate may approve applications for Membership in accordance with the procedures adopted by the Board.
- (2) On approval of an application for Membership, the Board or its delegate approving the application must immediately:
 - (a) allocate to the person applying for Membership a Membership number; and
 - (b) enter in the Register of Members the name of the applicant and such other particulars as are prescribed by the Corporations Act.

6.5 Rights and Liabilities of Members

Members (in their capacity as Members) have the rights and liabilities as provided under the Corporations Act, including:

- (a) the right to receive notice of and to attend General Meetings of the Company and to receive copies of any reports required to be provided to Members under the Corporations Act or other law; and
- (b) the right to vote at a General Meeting of the Company to the extent and in the manner specified in Clauses 14 and 15; and
- (c) the liabilities specified in Clause 19 in respect of a winding up of the Company.

6.6 Minors

The Company may admit a minor to Membership of the Company.

6.7 Delegation

- (1) The Board may delegate to any Committee of the Board or to any Officer or Officers of the Company the power, subject to this Constitution, to accept applications for Membership.
- (2) Delegation under this Clause may be made concurrently to any number of Officers of the Company and does not exclude the right of the Board to consider and to approve or reject any application for Membership.

6.8 Application Fees

Except as expressly provided in this Constitution:

- (a) a Member is not required to make any payment prior to exercising the Member's rights of Membership; and
- (b) no application fees or admission fees are payable for admission to Membership.

6.9 Death of a Member

- (1) Subject to the Corporations Act the estate of a deceased person:
 - (a) remains liable to the Company for the amount of any unpaid monies due to the Company by the deceased person; and
 - (b) retains any entitlements due from the Company.
- (2) The Company may make certain payments out of an amount held by the Company for a deceased person in accordance with the provisions of the Corporations Act.

6.10 Bankruptcy or Winding Up of Member

The rights and liabilities of Members made bankrupt or wound up will be as provided in the laws relating to bankruptcy and insolvency and the Corporations Act.

6.11 Termination of Membership

- (1) A person will cease to be a Member:
 - (a) where the person is expelled in accordance with this Constitution;
 - (b) where any contract of Membership is rescinded on the ground of misrepresentation or mistake;
 - (c) where the person becomes bankrupt and the proper officer disclaims in accordance with the provisions of any bankruptcy law;
 - (d) where the person dies; or
 - (e) where the person resigns from Membership.

6.12 Fees Fines and Forfeiture

- (1) A Member will be liable to pay the fees levied by the Board from time to time. The Company will provide details of any fees payable by Members by general notification to Members on a regular basis, and upon request by a Member.
- (2) Except as provided by the Corporations Act, no fine or forfeiture is to be imposed on a Member.

6.13 Expulsion of Members

- (1) A Member may be expelled from the Company by a unanimous resolution of the Board if:
 - (a) the Member has failed to discharge his or her obligations to the Company whether prescribed by this Constitution or arising out of any contract; or
 - (b) the Member has been guilty of conduct detrimental to the Company.
- (2) The Board may not resolve to expel a Member until it has given the Member:
 - (a) 14 days' notice in writing specifying the intention to propose the resolution, the grounds of the resolution and the time and place of the meeting at which the resolution of the Board will be proposed; and
 - (b) an opportunity of being heard at such meeting of the Board in accordance with sub-Clause (3).
- (3) At the meeting of the Board, the Member is entitled:
 - (a) to be present with or without the Member's legal representative; and
 - (b) to be heard, either in person or through the Member's legal representative.

6A SHARE CAPITAL**6A.1 Approval of Members**

No shares may be issued without the approval of the Members in General Meeting, by ordinary resolution, on or before the issue of those shares.

6A.2 Allotment of Shares

The Board may allot, place under offer or option or otherwise dispose of shares in the Company to any persons, on any terms and conditions as the Board thinks fit, subject to this Constitution, the Corporations Act and the rights previously conferred upon the holders of any shares or class of shares for the purposes of raising capital.

6A.3 Conditions of Issue of Shares

The Board may at any time assign any special, preferential, deferred, qualified or restricted rights, privileges, powers or advantages to all or any of the original unissued shares or attach to them any disabilities or conditions as the Board think fit subject to this Constitution, the Corporations Act and the rights previously conferred upon the holders of any shares or class of shares.

6A.4 Redeemable Preference Shares

The Company may issue preference shares that are, or at the option of the Company are, liable to be redeemed, subject to the Corporations Act.

6A.5 Calls on Shares

The Board may on the issue of shares differentiate between the Shareholders as to the amounts of Calls to be made and the times of payment, with the sanction of a special resolution.

6A.6 Brokerage

The Company may pay brokerage or commission to any person in accordance with the Corporations Act for subscribing or agreeing to subscribe for shares or debentures in the Company or procuring or agreeing to procure subscriptions for shares or debentures in the Company. Brokerage and commission may be paid by cash, by the allotment of fully or partly paid shares or partly by the payment of cash and partly by the allotment of fully or partly paid shares, but must not exceed ten per centum of the issue price of the shares or debentures.

6A.7 Interest Out of Capital

When shares are issued for the purpose of raising money to defray the expenses of providing or constructing any works or buildings that cannot be made profitable for a long period, the Company may pay interest on that share capital in accordance with the Corporations Act.

6A.8 Jointly Held Shares

The joint holders of a share are jointly and severally liable for the payment of Calls due in relation to that share. For all other purposes including delivery of a certificate and service of notices, the joint holder first named on the Register of Shareholders is deemed to be the sole owner of that share.

6A.9 Trusts and Partial Interests not Recognised

The Company may treat the registered Shareholder as the owner having an absolute right to the entirety of the share. The Company will not recognise, even with express notice, a person holding a share upon trust or any equitable, contingent, future or partial interest in any share.

6B INCREASE IN CAPITAL**6B.1 Allotment of New Shares**

The Company may by ordinary resolution increase its share capital by any amount by the allotment of new shares.

6B.2 Conditions of Issue of New Shares

New shares may have special, preferential, deferred, qualified or restricted rights, privileges, powers or advantages assigned to them or restrictions or conditions attached to them as determined by the Company by ordinary resolution on or before the issue of those shares, subject to the Corporations Act and to any rights previously conferred on the holders of any shares or class of shares.

6B.3 New Shares as Original Shares

Capital raised by the creation and allotment of new shares is deemed to be part of the original capital and is subject to this Constitution in all respects unless this Constitution provides otherwise.

6C REDUCTION OF CAPITAL

The Company may reduce its capital in any way permitted by law.

6D OTHER ALTERATION OF CAPITAL

The Company may, by ordinary resolution but subject to the Corporations Act:

- (a) consolidate and divide all or any of its shares into shares of a larger nominal value than its existing shares;
- (b) sub-divide its shares or any of them into shares of a smaller nominal value but so that the proportion between the amount paid and the amount, if any, unpaid on each reduced share is the same as it was with the original share. The Company may also determine that any of the shares resulting from the sub-division have some special or preferential rights or some disabilities or conditions as between the shares resulting from the sub-division; and
- (c) cancel shares which have not then been taken or agreed to be taken by any person or which have been forfeited and reduce the amount of its share capital by the amount of the cancelled shares.

6E VARIATION OF CLASS RIGHTS**6E.1 Variation**

If the share capital is divided into different classes of shares, the rights, privileges, disabilities and conditions attached to any class may be varied or abrogated only in accordance with the Corporations Act and this Clause.

6E.2 Consent Required

No rights, privileges, disabilities or conditions attached to any class of shares can be varied or abrogated without the written consent of the holders of at least three quarters of the issued shares of that class or without the sanction of a special resolution passed at a General Meeting of the holders of the shares of that class. The clauses dealing with General Meetings apply so far as they are capable to General Meetings of classes of Shareholders except that a quorum will be constituted by one person who holds, or two persons who between them hold or represent by proxy one-third of the issued shares of the relevant class and any holder of shares of the relevant class may demand a poll.

6E.3 Restrictions on Variation

The rights conferred on the holders of the shares of a class are not deemed to be varied by the creation or issue of further shares ranking equally with the first mentioned shares unless expressly provided by the terms of issue of those first mentioned shares or unless required by the Corporations Act.

6F CERTIFICATES**6F.1 Right to Certificate**

Every Shareholder is entitled without payment to receive a certificate under the seal of the Company in accordance with the Corporations Act for the shares registered in the name of that Shareholder. Delivery of a certificate to one joint holder is sufficient delivery to all joint holders of that share.

6F.2 Lost, Destroyed and Damaged Certificates

If the share certificate or other document of title is lost or destroyed, the Company may issue a duplicate certificate in its place upon the conditions set out in the Corporations Act. If a share certificate is worn out or damaged, then upon its production to the Company, the Board may order it to be cancelled and may issue a duplicate certificate in its place.

6G CALLS**6G.1 Board may make Calls**

The Board may make Calls upon a Shareholder for money unpaid on their shares, on account of the nominal value of the shares subject to the terms on which the shares were issued. The Board must give at least 14 clear days' written notice of the Call and the notice must specify the time or times and the place for payment. The Board may allow Calls to be paid by instalments and they may revoke or postpone a Call. They may differentiate between the holders as to the amount of Calls to be paid and the times of payment.

6G.2 Responsibility of Members

Each Member must pay the amount of the Call in accordance with the notice. Joint holders of a share are jointly and severally liable to pay Calls regarding that share.

6G.3 Time of Call

A Call is deemed to have been made when the resolution of the Board authorising the Call was placed.

6G.4 Interest on Overdue Calls

If a Call is not paid by the due date, the holder of the share on which the Call has not been paid is liable to pay interest on the Call at the Prescribed Rate, or lesser rate as the Board determine from the due date until the date of payment. The Board may waive payment of all or part of the interest.

6G.5 Money Payable by Allotment Deemed Calls

Any money which, according to the terms of issue of a share, becomes payable on allotment or on a fixed date or by instalments on account of the nominal value of the share, is for the purposes of this Constitution deemed to be a Call duly made and notified and payable on the date on which the amount became payable.

6G.6 Payment of Calls in Advance

The Board may receive from any Shareholder willing to pay all or part of the money unpaid upon any of the shares held by that Shareholder beyond the amount called up, either as a loan repayable or as a payment in advance of Calls. The Board may authorise the payment by the Company of interest, as the Board determine, on the amount of money paid in advance which exceeded the Call then made and due.

6G.7 Evidence of Liability for Calls

In an action to recover money due in respect of a Call, it is sufficient to prove that:

- (a) the name of the Shareholder sued is entered in the Register as the holder or one of the holders of the shares in respect of which the debt accrued;
- (b) the resolution making the Call is duly recorded in the minute book;
- (c) notice of the Call was given to the Shareholder sued in accordance with this Constitution; and
- (d) the payment was a term of the conditions on which the shares were allotted.

6H FORFEITURE OF SHARES**6H.1 Notice Requiring Payment**

If a Shareholder fails to pay a Call or instalment of a Call by the due date, the Board may, while any part of the Call is overdue and unpaid, serve a written notice on the Shareholder demanding payment of the Call together with interest accrued and all expenses incurred by the Company as a result of non-payment. The notice must specify a further day (at least 14 days after the date of giving notice) on or before which the Call, interest and expenses, if any, must be paid. It must also specify the place where payment is to be made. The notice must state that, if payment is not made by the specified date at the appointed place, the shares, in respect of which the money is payable, may be forfeited.

6H.2 Forfeiture

If the requirements of the notice are not complied with, the shares in respect of which the notice has been given may be forfeited by a resolution of the Board before payment has been made. The forfeiture includes all interest and other moneys payable regarding the forfeited shares and not actually paid before forfeiture.

6H.3 Notice of Forfeiture

Notice that a share has been forfeited must be given to the Shareholder in whose name the share stood immediately before the forfeiture. An entry of the forfeiture and the date must immediately be made in the Register of Shareholders. No forfeiture is invalid because of failure to give notice or make the entry.

6H.4 Dealing with Forfeited Shares

A forfeited share is deemed to be the property of the Company and the Board may sell, re-allot or otherwise deal with it as they think fit. Forfeited shares may be re-allotted with or without any money paid by the former holder being credited as paid up.

6H.5 Annulment of Forfeiture

At any time before a sale or disposition, the forfeiture may be annulled on any terms which the Board think fit.

6H.6 Liability of Former Shareholder

A person whose shares have been forfeited ceases to be a Shareholder in respect of those shares but remains liable to pay and must immediately pay to the Company all moneys which at the time of forfeiture were payable by that person to the Company in respect of those shares together with interest at the Prescribed Rate and expenses until payment of all moneys in respect of the shares is made. The Board may enforce payment of these moneys as they think fit.

6H.7 Disposition of Forfeited Share

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition and the Board may appoint a person to execute a transfer of the shares sold. The person to whom the share is sold, re-allotted or disposed of will, upon registration, be the holder of that share. That person is not liable to pay any Calls, interest or other moneys owing in respect of that share before the purchase or allotment. That person holds good title which is not affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

6I LIEN**6I.1 Company's Lien**

Subject to the Corporations Act, the Company has a first and paramount lien on every share registered in the name of a Shareholder (whether solely or jointly with others) for all money (whether presently payable or not) the subject of a Call or otherwise payable in respect of that share and interest and expenses.

6I.2 Exemptions

The Board may declare any share to be wholly or partially exempt from this clause as the Board determine. If the Company registers a transfer of a share on which it has a lien without giving the transferee notice of its claim that share is freed and discharged from the lien.

6I.3 Enforcement of Lien

The Board may sell any shares on which the Company has a lien in any manner which they think fit. Before selling the shares, the Board must give the relevant Shareholder at least 14 days' written notice demanding payment of the overdue amount in respect of which the lien exists.

6I.4 Transfer and Title

To give effect to the sale of shares sold pursuant to the Company's lien, the Board may authorise a person to execute an appropriate instrument of transfer of the shares. The purchaser will be registered as shareholder and is not required to see to the application of the purchase money. The purchaser's title is not affected by any irregularity or invalidity in the proceedings regarding the sale.

6I.5 Proceeds of Sale

The proceeds of sale of the share under this clause must be applied towards payment to the Company of the amount which is payable and overdue. The residue, if any, is payable to the person or persons entitled to the shares at the date of the sale.

6J TAXATION LIEN**6J.1 Shareholder's Obligation to Repay**

If the Company is obliged to pay an amount to a government or taxing authority in respect of shares registered in the name of a Shareholder (whether solely or jointly) or in respect of any moneys payable to the Shareholder or the Shareholder's estate regarding that share, that Shareholder must repay the Company the amount paid to the government or taxing authority plus interest at the Prescribed Rate from the date of payment to the date of repayment.

6J.2 Company's Lien

The Company has a lien on all shares registered in the name of the Shareholder and on all moneys payable to that Shareholder in respect of the amount paid to the government or taxing authority plus interest.

6J.3 Indemnity

The Shareholder whose shares are the subject of the liability fully indemnifies the Company.

6J.4 Debt Due

The Company may recover the amount plus interest on any unpaid part of it as a debt due from the Shareholder.

6J.5 Refusal to Register Transfer

The Company may refuse to register a transfer of shares to or from the Shareholder until the whole of that amount and interest is repaid to the Company.

6K TRANSFER OF SHARES**6K.1 Right to Transfer**

Shareholders may transfer all or any of the shares registered in their names in accordance with this Constitution. The transferor remains the holder of the shares until the name of the transferee is entered in the Register of Shareholders.

6K.2 Form of Transfer

The instrument of transfer of a share must be in writing, in the standard form or other form approved by the Board and must be signed by or on behalf of the transferor and the transferee.

6K.3 Corporate Shareholder

If the Shareholder is a corporation, the instrument of transfer must be executed under the common seal of the corporation duly or otherwise in accordance with its constitution.

6K.4 Registration of Transfer

Every instrument of transfer must be duly stamped and lodged for registration at the Registered Office accompanied by the relevant share certificate (or proof of its loss or destruction satisfactory to the Board) and any other proof of the transferor's title as required by the Board.

6K.5 Board Discretion

The Board may refuse to register any transfer and are not obliged to give reasons for the refusal. If the Board refuse to register an instrument of transfer, notice of the refusal must be given to the transferee within two months from the date the transfer was lodged in the Registered Office.

6K.6 Retaining Instruments of Transfer

Instruments of transfer that are registered must be retained by the Company for the minimum period required by law or longer if the Board determine. An instrument of transfer that the Board refuse to register must be returned if requested to the person who lodged it unless there has been fraud or alleged fraud.

6K.7 Closing the Register of Shareholders

The Register of Shareholders may be closed as the Board think fit, subject to the Corporations Act, for no more than 30 days in any calendar year.

6L TRANSMISSION OF SHARES**6L.1 Title on Death of Shareholder**

On the death of a Shareholder the only persons recognised by the Company as entitled to the deceased Shareholder's interest in the shares are the executors or administrators of the deceased Shareholder or if the deceased Shareholder was a joint holder, the survivor or survivors. This clause does not release the estate of a deceased joint holder from liability regarding jointly held shares.

6L.2 Transmission

Any person entitled to shares as executor or administrator of a deceased Shareholder, or as guardian of an infant Shareholder or as representative of a committee of a Shareholder of unsound mind may be registered as a Shareholder or may execute a transfer of those shares (subject to the restrictions on the right to transfer contained in this Constitution) upon producing sufficient evidence of title as the Board determine.

6L.3 Bankrupt Shareholders

Subject to the Bankruptcy Act 1966, a person entitled to the share of a bankrupt Shareholder may, upon production of evidence of entitlement to the satisfaction of the Board, elect to become the registered Shareholder and must notify the Board accordingly or may execute a transfer of the share.

6L.4 Board May Refuse Registration

The Board has the same right to refuse to register a person entitled under this Clause as if the person were transferee in an ordinary transfer.

7. APPLICATION AND INVESTMENT OF FUNDS

The Company may apply and manage its funds and make such investments in accordance with the objects of the Company as are approved by the Board and not in contravention of the Corporations Act.

8. FINANCIAL ACCOMMODATION**8.1 Application**

An application for financial accommodation must be in writing in such form and containing such details as may be required by the Board from time to time and must be accompanied by such payment as the Board requires.

8.2 Approval

The Board has an absolute discretion to approve or refuse to approve financial accommodation in full or in part or to impose conditions on any approval, without being obliged to give any reasons.

8.3 Delegation of Power to Approve

- (1) The Board may delegate its power to any Officer or the holder of a named office or number of Officers or offices jointly, to approve or reject applications for financial accommodation.
- (2) The delegation is to be evidenced by a resolution of the Board and a copy of that resolution must be given to each delegate.
- (3) The Board must establish a policy for the delegation of the power to approve or reject applications for financial accommodation and the limits, if any, within which Officers may exercise any delegated power.

8.4 Policies and Procedures

The Board must establish policies and procedures subject to the Corporations Act, for the granting of financial accommodation.

8.5 Financial Accommodation to Directors and Officers

The Company must not provide financial accommodation to:

- (a) an Officer of the Company; or
- (b) a Director; or
- (c) an associate of a Director,

except in accordance with the Corporations Act.

9. ELECTION, APPOINTMENT, REMOVAL AND REMUNERATION OF DIRECTORS

9.1 Number of Directors

- (1) There will be no more than seven (7) Directors.
- (2) The Company may, by special resolution passed in General Meeting, increase or decrease the number of Directors.

9.2 Qualification of Directors

A person is not eligible to be a Director of the Company if the person:

- (a) is a minor; or
- (b) is not a Member with at least three (3) years continuous Membership prior to the date of closure of nominations; or
- (c) is an employee of the Company; other than a Managing Director, if appointed under Clause 12.2; or
- (d) was an employee of or contractor to the Company or any subsidiary Company within three (3) year immediately prior to the date of closure of nominations date for an election;
- (e) is an insolvent under administration within the meaning of Section 9 of the Corporations Act; or
- (f) is prohibited from being a Director of a Body Corporate by the Corporations Act for a reason other than the person's age; or
- (g) has been convicted in the last 10 years:
 - (i) of an indictable offence in relation to the promotion, formation or management of a Body Corporate; or
 - (ii) of an offence involving fraud or dishonesty; or
 - (iii) of any prescribed offence under the Corporations Act.
- (h) has held office as a Director of the Company for an aggregate term of twelve years. (This Clause applies to Directors elected for the first time after the adoption of this Amendment.)

9.3 Office of Directors

Subject to the Corporations Act, the Directors of the Company will be elected and will hold and vacate office and retire or be removed from office as prescribed by this Constitution.

9.4 Casual Vacancy

- (1) For the purposes of this Clause a casual vacancy is a vacancy occurring as a result of the application of Clause 9.8 (1).
- (2) The Directors may appoint any person as a Director to fill a casual vacancy. That person does not need to be a Member of Transport Health fund.
- (3) The term of office of a Director so appointed will end at the end of the next Annual General Meeting of the Company after the appointment.
- (4) The Appointee may stand for election without meeting the requirements of Clause 9.2, providing the Appointee becomes a Member of Transport Health fund prior to the next Annual General Meeting after appointment.

9.5 Election of Directors

9.5.1 Holding of Election

- (a) An election of Directors will be held where the number of candidates is greater than the number of positions to be filled.
- (b) The election of Directors will be conducted by Postal Ballot only.
- (c) When the number of the candidates is equal to or less than the number of positions to be filled, no election will be held and the candidates will be deemed to have been elected.
- (d) A Member shall have one vote only.

9.5.2 Appointment of Returning Officers

The Board must appoint a Returning Officer who may appoint assistant Returning Officers, none of whom can be a Director, employee of the Company or a person who intends to accept a nomination for the office of Director.

9.5.3 Electoral Roll

- (1) The Secretary must prepare and give the Returning Officer a list of Members eligible to vote on the election of Directors, being those persons who are, at the time of giving the notice under Clause 13.3(2), Members of the Company.
- (2) For the purposes of sub-Clause (1), a Member entitled under Clause 14.9 to vote on the day of the Annual General Meeting is eligible to vote on the election of Directors.

9.5.4 Eligibility

- (1) A person is eligible for election to the office of Director if they satisfy the general eligibility requirements in Clause 9.2 and:
 - (a) the person is in office as a Director immediately before that meeting and Clause 9.6 applies to that person (in which case a nomination is not required); or
 - (b) the person has been nominated by the Directors for election at that meeting; or
 - (c) the following nomination procedure is complied with:
 - (i) at least forty (40) days prior to the AGM (or the previous Business Day if 40 days prior falls on a non business day), a Member shall lodge with the Secretary a notice signed by two (2) Members (one of whom may be the Member giving the notice) stating their intention to nominate a Member ("**nominee**") for election ("**nomination**"); and
 - (ii) at the same time as giving the notice under Sub-clause (c)(i), the Nominee Member shall give to the Secretary declarations in such form as the Board may require, stating the following:
 - (A) a notice signed by the nominee stating his or her consent to the nomination; and
 - (B) a declaration by the nominee as to his or her eligibility for election under Clause 9.2, and

- (C) a declaration by the nominee as to whether or not he or she:
- has any interest in a contract or a proposed contract, with the Company; and/or
 - holds an office or has an interest in property, whereby, whether directly or indirectly, duties or interests may be created that could conflict with a Director's duties or interests as a Director of the Company.
- (D) Any other details which the Board may require.

9.5.5 Declaration by Candidate

The nomination and declaration of each candidate will be made available for perusal by Members at the Registered Office upon closure of nominations.

9.5.6 Rejection of Nomination

- (1) The Returning Officer must scrutinise nominations immediately upon receipt and reject a nomination where it appears to the Returning Officer that the candidate is not eligible under Clause 9.2, or where a declaration has not been provided or has not been provided in the form required by the Board.
- (2) Upon rejecting a nomination, the Returning Officer is to notify immediately the candidate, the candidate's proposers and the Board.

9.5.7 Appointment of Scrutineer

- (1) A candidate may appoint a Scrutineer and the Board may appoint a maximum of three Scrutineers, none of whom is a candidate or an employee of the Company.
- (2) The duties and responsibilities of Scrutineers are to:
 - (a) observe the sorting, counting and recording of ballot papers; and
 - (b) ensure that the votes of unrejected ballot papers are correctly credited to the appropriate candidates; and
 - (c) raise any query with the Returning Officer regarding any of the ballot papers.
 - (d) in the event of a dispute between the Returning Officer and a scrutineer, the rules as applied by the Commonwealth Electoral Commission in the conduct of a Commonwealth Government election will apply.

9.5.8 Ballot Papers

- (1) After nominations have closed under Clause 9.5.4 and before notice of the meeting is required to be given under Clause 13.3, the Returning Officer is to prepare ballot papers for the election.
- (2) The order in which the candidates appear on the ballot paper is to be determined by the Returning Officer by lot.
- (3) The Returning Officer must cause some authenticating mark to appear on each ballot paper prior to their distribution to Members.
- (4) The Returning Officer must send to each Member on the list referred to in Clause 9.5.3, a ballot paper, a ballot paper envelope and a reply paid envelope with instructions:-
 - (a) How to cast a valid vote on the ballot paper;
 - (b) To place the ballot paper inside the ‘ballot paper envelope’ and complete the information on the outside of that envelope – name, address, Membership number and signature; and
 - (c) To place the sealed ‘ballot paper envelope’ inside the reply paid envelope and mail it to the Returning Officer.
- (5) Members must ensure that their ballot paper is received by the Returning Officer by no later than 4.30pm, two (2) clear Business Days before the day of the Annual General Meeting. In calculating the time in accordance with the foregoing provisions of this sub-Clause, both the day on which the Receiving Officer receives a ballot paper and the day of the Annual General Meeting are excluded so that for example, where the Annual General Meeting is proposed to be held on Wednesday, ballot papers must be received by 4.30pm on the immediately preceding Friday. Any ballot paper not received in time will not be included in the ballot.
- (6) On the receipt of each ballot paper in accordance with Sub-Clause (5), the Returning Officer is to mark the Member’s name off the electoral roll provided under Clause 9.5.3.
- (7) All Ballot papers received will be kept secure by the Returning Officer until the closure of the ballot.

9.5.9 Closure of the Ballot

The ballot closes at the time specified by the Returning Officer as detailed in Clause 9.5.8(5).

9.5.10 Procedures After Closure of the Ballot

- (1) Immediately after the close of the ballot, the Returning Officer must deal with the ballots as follows:
 - (a) cause the ballot papers to be scrutinised under the Returning Officer's supervision and reject such ballot papers as he or she finds to be informal;
 - (b) count the votes in accordance with Clause 9.5.11;
 - (c) prepare and sign a declaration of the ballot as to:
 - (i) the number of ballot papers received;
 - (ii) the number of formal votes;
 - (iii) the number of informal votes;
 - (iv) the number of votes cast for each candidate; and
 - (v) the names of those persons elected;
 - (d) deliver the declaration to the Chairperson of the meeting
- (2) A ballot paper is informal if:
 - (a) it is not authenticated by the authenticating mark of the Returning Officer; or
 - (b) it has no vote indicated on it or it does not indicate the Member's preference for a candidate/s; or
 - (c) it and/or the 'ballot paper envelope' are otherwise not completed in accordance with the instructions stated in Clause 9.5.8(4); or
- (3) The Returning Officer must preserve the ballot papers for at least three months after the declaration of the ballot.
- (4) No election will be voided on account of any error or omission of the Returning Officer which did not affect the results of the election.

9.5.11 Voting System

- (1) On any ballot conducted in accordance with Clause 9, the persons receiving the highest number of votes in accordance with the numbers of vacancies to be filled are elected Directors.
- (2) In the case of an equality of votes, the person to be elected must be decided by lot.

9.6 Retirement by Rotation

- (1) At each Annual General Meeting one-third of the Directors or, if their number is not a multiple of three (3), then the number nearest to but not less than one-third must retire from office.
- (2) The elected Directors to retire under sub-Clause (1) at an Annual General Meeting are those Directors who have been longest in office since their last election.
- (3) Directors elected on the same day may agree among themselves or determine by lot which of them must retire.

9.7 Maximum Term of Office

The term of office of an elected Director will end at the end of the third Annual General Meeting of the Company after the Director's election.

9.8 Vacation of Office

- (1) The office of a Director immediately becomes vacant if the Director:
 - (a) dies; or
 - (b) becomes a person who under Clause 9.2 is not eligible to be a Director; or
 - (c) is three (3) months in arrears for an amount payable to the Company and has failed to make arrangements for payment satisfactory to the Company; or
 - (d) is absent from three (3) consecutive ordinary meetings of the Board without its leave; or
 - (e) resigns by written notice given to the Board; or
 - (f) is removed from office by ordinary resolution at a General Meeting of the Company.
- (2) The office of a Director immediately becomes vacant when the Director completes a term of office.

9.9 Removal of Directors

- (1) Written notice of a proposed ordinary resolution to remove a Director from office, specifying the proposed resolution and the day and time of the General Meeting at which it is to be proposed, must be given to each Member who is entitled to vote on the resolution at least seven (7) days before the meeting either personally or by sending it by post to the Member. Notice of the proposed resolution may not be given by advertisement published in a newspaper.
- (2) The Company must also give a copy of the notice referred to in sub-Clause (1) to the Director.

9.10 Remuneration of Directors

- (1) The Company in General Meeting must approve an aggregate maximum amount of remuneration payable to all Directors (other than the remuneration of an employee Director in respect of his or her employment) which is to include remuneration for attendance at committee meetings.
- (2) The Directors may determine how the sum for their remuneration is to be apportioned among them (excluding the remuneration of any employee Director in respect of his or her employment) and how and when it is to be paid.
- (3) The remuneration of Directors accrues from Board Meeting to Board Meeting.
- (4) If a Director, being willing, is called on to perform extra services or to make any special exertions in connection with the business of the Company, the Company may remunerate that Director payment of a fixed sum determined by the Board and that remuneration may be either in addition to or in substitution for that Director's share in the remuneration provided for in Clause 9.10(1).
- (5) In addition to remuneration, the Directors may be paid all reasonable expenses incurred by them in connection with the business of the Company.

10. POWERS AND DUTIES OF DIRECTORS, OFFICERS AND AGENTS**10.1 Directors to Manage Company**

The business of the Company is managed by the Board who may exercise all powers of the Company that the Constitution and the Corporations Act do not require to be exercised by the Company in General Meeting.

10.2 Indemnity

- (1) Every Officer of the Company is to be indemnified out of the property of the Company against any liability for costs and expenses which the Officer may incur when acting as an Officer, in regard to the defence of any civil or criminal proceedings in which judgment is given in the Officer's favour or in which the Officer is acquitted.
- (2) In this Clause "Officer" includes a person duly authorised by the Company to manage the operation of any agency of the Company, whether or not that person is an employee of the Company, and "proceedings" includes proceedings in which relief under the Corporations Act is granted to an Officer by the Court.
- (3) The Company will maintain an insurance policy for the benefit of each Director, which insures the Director against liability for acts or omissions of the Director in the capacity of, or former capacity as a Director of the Company, during the period which the Director holds office as a Director of the Company and for a period of seven years thereafter.

11. PROCEEDINGS OF DIRECTORS

11.1 Convening of Meetings

- (1) Two (2) Directors may at any time, and the Secretary must on the requisition of two Directors, convene a Board meeting.
- (2) Except as specified in sub-Clause (3), forty-eight (48) hours notice must be given to each Director of all meetings.
- (3) Meetings may be convened upon less than forty-eight (48) hours notice where:
 - (a) the Chairperson determines that there are exceptional circumstances; or
 - (b) a majority of Directors authorise the Secretary to convene a meeting on shorter notice.
- (4) Board meetings must be held at intervals of not longer than three (3) months.

11.2 Notice of Meeting

It is not necessary to give notice of a Board meeting to a Director whom the Secretary, when giving notice to the other Directors, reasonably believes to be outside Australia, and will not be returning before the date of the Board meeting.

11.3 Meetings by Telephone

- (1) Board meetings may be held by the Directors communicating with each other by any technological means by which they are able simultaneously to hear each other and to participate in discussion.
- (2) The Directors need not all be physically present in the same place for a Board meeting. A Director who participates in a Board meeting held in accordance with this Clause is deemed to be present and entitled to vote at the meeting.

11.4 Meeting Procedures

Subject to Clause 11.1 the Board may meet, adjourn and regulate its meetings as it thinks fit.

11.5 Quorum

- (1) The number of Directors whose presence is necessary to constitute a quorum is four (4).
- (2) If, within 30 minutes of the time appointed for a meeting of the Board, a quorum is not present the meeting will stand adjourned to the same day in the next week at the same time and place.

11.6 Decision of Questions

Subject to this Constitution, questions arising at a Board meeting are to be decided by a majority of votes of the Directors present and voting.

11.7 Casting Vote

In the case of an equality of votes, the Chairperson of a Board meeting has a casting vote in addition to his or her deliberative vote.

11.8 Written Resolutions

If all the Directors who are eligible to vote on a resolution have signed a document containing a statement that they are in favour of a resolution in terms set out in the document, a resolution in those terms is deemed to have been passed at a Directors' meeting held on the day on which the document was last signed by a Director and should be minuted accordingly.

11.9 One Document

For the purposes of this Constitution, two (2) or more identical documents, each of which is signed by one (1) or more Directors, together constitute one (1) document signed by those Directors on the days on which they signed the separate documents. Any such document may be in the form of a facsimile transmission.

11.10 Execution

A Director may not attest the affixing of the seal to any document relating to any contract or arrangement or proposed contract or arrangement in which the Director has any interest.

11.11 Appointment and Entitlements of Alternate Directors

- (1) Subject to sub-Clause (2), a Director may appoint any person who is not already a Director or Alternate Director, but who is eligible to be a Director of the Company and who has consented in writing, as his or her alternate for a period determined by the Director.
- (2) Only a Director who is an employee of the Company may appoint an employee of the Company to be his or her Alternate Director.
- (3) An Alternate Director is entitled to notice of Board meetings. If the appointor is not present at a Board meeting, the Alternate Director is entitled to attend, be counted in a quorum and vote as a Director. Appointment as the Alternate Director of the Chairperson or the Deputy Chairperson does not confer on the Alternate Director the right to act as Chairperson or Deputy Chairperson.
- (4) An Alternate Director is an Officer of the Company and is not an agent of the appointor. Alternate Directors are not entitled to any remuneration from the Company.
- (5) The appointment of an Alternate Director may be revoked at any time by the appointor. An Alternate Director's appointment ends automatically when his or her appointor ceases to be a Director.
- (6) Any appointment or revocation of appointment of an Alternate Director under this Clause must be effected by written notice delivered to the Alternate Director and the Secretary.

11.12 Board with Vacancies

The Directors may act even if there are vacancies on the Board. If the number of Directors is not sufficient to constitute a quorum at a Board meeting, the Directors must only act to:

- (a) appoint a Director to fill a casual vacancy; or
- (b) convene a General Meeting.

11.13 Chairperson

- (1) The Directors must elect one of their number as Chairperson of their meetings and one other of their number as Deputy Chairperson and may determine the periods for which they are to hold office.
- (2) An employee of the Company is not eligible to be the Chairperson or the Deputy Chairperson.
- (3) If neither the Chairperson nor Deputy Chairperson is present within 30 minutes of the time appointed for a meeting or neither is willing to act, the Directors present must elect one of their number to chair that meeting only.
- (4) Where the Chairperson is not available to act as required by the Constitution the Deputy Chairperson may act in his or her place.
- (5) The Chairperson or the Deputy Chairperson may be removed from his or her position by resolution of the majority of the Board.

11.14 Directors' Committees

- (1) Subject to the Corporations Act, the Directors may delegate any of their powers to committees as they think fit and may from time to time revoke such delegation.
- (2) Any committee so formed must have at least one Director, and will in the exercise of the powers so delegated, conform to any policies and procedures that may from time to time be imposed upon it by the Directors.

11.15 Committee Meetings

The meetings and proceedings of any such committee will be governed by the provisions of this Constitution for regulating the meetings and proceedings of the Directors so far as the same are applicable (including the requirements as to the taking of minutes) and are not superseded by any policies or procedures made by the Directors under this Clause.

12. INTERNAL MANAGEMENT**12.1 Appointment of Attorneys and Agent**

- (1) Subject to the Corporations Act, the Board may from time to time by resolution or power of attorney under the common seal appoint any person to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those exercisable by the Board under this Constitution) and for such period and subject to such conditions as the Board thinks fit.
- (2) Any power of attorney may contain such provisions for the protection and convenience of persons dealing with an attorney as the Board thinks fit.

12.2 Managing Director

The Board may from time to time appoint an Employee Director to the office of Managing Director. Subject to the Corporations Act, the appointment may be for such period and on such terms as the Board thinks fit and, subject to the terms of any agreement between the Company and the Managing Director, the Board may from time to time vary those terms and remove or replace the Managing Director.

12.3 Vacation of Office of Managing Director

The Managing Director ceases to be Managing Director if he or she ceases to be an employee of the Company or ceases to hold the office of Director.

12.4 Remuneration

The remuneration of a Managing Director is to be fixed by the Board from time to time and may be by way of fixed salary or commission or by participation in profits of the Company or by way of the provision of other benefits determined by the Board or by any or all of those means, but must not be by way of commission on or percentage of operating revenue of the Company.

12.5 Power of Managing Director

The Board may from time to time entrust to and confer on a Managing Director such powers, with such restrictions, as the Board thinks fit and may from time to time revoke, alter or vary any of the powers conferred on a Managing Director. The Managing Director is at all times subject to the control of the Board.

12.6 Managers Agents and Service Providers

Subject to the Corporations Act, the Board may from time to time under such contractual arrangements as it sees fit, engage managers, agents and service providers to perform such functions and services as the Board deems appropriate.

12.7 Appointment of Officers

The power to appoint Officers (other than Directors) of the Company and to determine the amount of their remuneration and their powers and duties, and the power to remove Officers is vested in the Board. The Board may delegate this authority by notice in writing to the Managing Director, upon terms and conditions as it sees fit.

12.8 Insurance

The Board must ensure that the Company has an appropriate contract of insurance against any defalcation by any Officers authorised to deal with the Company's money or negotiable securities. No other security will be required of any Officer having the receipt or charge of any money belonging to the Company.

13. GENERAL MEETINGS**13.1 Convening of General Meeting by Board**

The Board must convene General Meetings in accordance with the Corporations Act.

13.2 Convening of General Meeting Upon Requisition

General Meetings may be called on the request of or by Members in accordance with the Corporations Act.

13.3 Notice of General Meetings

- (1) At least 52 days prior to the intended date of the Annual General Meeting, the Board must cause to be displayed, in a conspicuous place at the Registered Office and each other office of the Company, a notice setting out the proposed date of the Annual General Meeting. For the purpose of the Constitution and the Corporations Act, this notification is not to be taken as the giving of notice of the Annual General Meeting (which is dealt with in Sub-clause (2)).
- (2) Written notice of all General Meetings including the Annual General Meeting must be given in accordance with the Corporations Act to each Member at least twenty-one (21) days before the date of the meeting or such shorter period of time as may be permitted by the Corporations Act.
- (3) A notice convening a General Meeting must specify the place, date and hour of the meeting and any special resolution to be dealt with at the meeting and such other requirements set out in the Corporations Act and otherwise required to be disclosed to Members.

13.4 Postponement or Cancellation of General Meeting

Subject to the Corporations Act, the Board may postpone or cancel any General Meeting whenever the Board thinks fit (other than a meeting convened as the result of a requisition under Clause 13.2). The Board must give reasonable notice of the postponement or cancellation to all persons entitled to receive notices from the Company.

13.5 Manner of Notice

- (1) Notice is required to be served in writing to all Members.
- (2) The failure by a Member to receive notice of a General Meeting required to be given to the Member by the Constitution or the Corporations Act does not invalidate the meeting.

13.6 Notice of Proposed Resolution

A Member wishing to submit a proposed resolution to a General Meeting must comply with the provisions of the Corporations Act.

14. PROCEEDINGS AT GENERAL MEETINGS

14.1 Quorum

- (1) No item of business may be dealt with at a General Meeting unless a quorum of Members is present when the meeting proceeds to business.
- (2) A quorum is constituted by ten (10) Members personally present at the meeting.
- (3) If a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting stands adjourned:
 - (a) either to the same day in the next week at the same time and place; or
 - (b) to such other day or place as the Board determines and so notifies Members.

14.2 Chairperson

- (1) The Chairperson or, in the Chairperson's absence, the Deputy Chairperson of Board meetings, will be the Chairperson at every General Meeting.
- (2) If:
 - (a) there is no Chairperson or Deputy Chairperson; or
 - (b) neither the Chairperson nor the Deputy Chairperson is present within 10 minutes after the time appointed for holding the meeting; or
 - (c) neither the Chairperson nor the Deputy Chairperson is willing to act as Chairperson of the meeting;the Members may elect one of the Directors present as Chairperson. If no Director is present or is willing to take the chair, the Members may elect one of the Members present as Chairperson.
- (3) If there is a dispute at a General Meeting about a question of procedure, the Chairperson may determine the question.

14.3 Adjournment of a General Meeting

- (1) A duly constituted meeting may consent, or direct the Chairperson, to adjourn the meeting in which case no business is to be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) Except when a meeting is adjourned for more than 21 days, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting subject to the Corporations Act.
- (3) A notice of adjournment for a meeting adjourned for more than 21 days is to be given to Members at least 14 days before the date of the adjourned meeting and must specify the place, the date and the hour of the meeting, and state the general nature of the business left unfinished at the meeting from which the adjournment took place and otherwise comply with the Corporations Act.

14.4 Resolutions

- (1) In relation to a General Meeting, an ordinary resolution is a resolution passed by a majority of the Members who, being entitled to vote, are present, either personally or by proxy, at a General Meeting at which a motion for the passing of the resolution is moved, and vote on the resolution.
- (2) Subject to the provisions of the Corporations Act, in relation to a General Meeting, a special resolution is a resolution passed by a majority of not less than three-quarters of those Members who, being entitled to vote are present, either personally or by proxy, at a General Meeting at which a motion for the passing of the resolution is moved, and vote on the resolution.

14.5 Passing of Resolutions

- (1) A resolution put to the vote of a meeting will be decided on a show of hands unless a poll is demanded before or on the declaration of the result of the show of hands by:
 - (a) the Chairperson; or
 - (a) any five (5) or more Members present and who have the right to vote at the meeting.
- (2) Unless a poll is demanded:
 - (a) a declaration by the Chairperson that a resolution has been carried, carried by a specified majority, or lost; and
 - (b) an entry to that effect in the minutes of the meeting;are conclusive evidence of the fact without proof of the number or the proportion of the votes in favour of or against the resolution.
- (3) The demand for a poll may be withdrawn.

14.6 Taking a Poll

- (1) A poll will be taken when and in the manner that the Chairperson directs. The result of the poll will be the resolution of the meeting at which the poll was demanded.
- (2) The Chairperson may determine any dispute about the admission or rejection of a vote. The Chairperson's determination will be final and conclusive.
- (3) A poll demanded on the election of the Chairperson or a question of adjournment must be taken immediately. A poll demanded on any other question must be taken before the close of the meeting at a time to be fixed by the Chairperson, and the meeting may continue for the transaction of other business.

14.7 Casting Vote of Chairperson

The Chairperson will have a casting vote in addition to his or her deliberative vote on any question arising for determination by the Members

14.8 Offensive Material

A person may be refused admission to, or be required to leave and not return to, a meeting if the person:

- (a) refuses to permit examination of any article in the person's possession; or
- (b) is in possession of any:
 - (i) electronic or recording device;
 - (ii) placard or banner; or
 - (iii) other article;

which the Chairperson considers to be dangerous, offensive or liable to cause disruption.

14.9 Voting Rights

Subject to the Corporations Act, a Member is entitled to exercise only one vote on any question arising for determination by Members.

15. PROXIES**15.1 Proxy Voting**

- (1) A Member, may exercise a vote by proxy (granted to another person in accordance with the Corporations Act) on any question arising for determination by Members at a General Meeting
- (2) A proxy may specify the way in which the Member granting the proxy wishes the vote to be exercised.
- (3) A person who is not a Member may be appointed as proxy for a Member.
- (4) A person other than the Chairperson may not act as proxy for more than ten (10) Members, where the Members do not specify the way the vote is to be exercised.

15.2 Form and Validity of Proxy

- (1) A form of proxy is not valid unless:
 - (a) it is in the form approved by the Board; and
 - (b) it is signed by the Member; and
 - (c) it is delivered to the Secretary at the Registered Office by the time specified for the lodgement of proxies in the notice convening the meeting to which the proxy relates; and
 - (d) it includes each proposed resolution, notice of which has been given to Members.
- (2) A form of proxy need not be addressed to any person, but must clearly identify the person who may exercise it and the Member on whose behalf the proxy is to be exercised.
- (3) Subject to Sub-Clause (1), the proxy may be in general form or contain provisions for the Member giving the proxy to indicate how he or she intends to vote on any such proposed resolution.

15.3 Counting of Proxies

- (1) A vote recorded in a form of proxy will not be counted in relation to a proposed resolution:

- (i) where the proposed resolution has been amended from the floor of the meeting; or
 - (ii) where the Member's voting intention is unclear from the form of proxy; or
 - (iii) the form of proxy is not valid under Clause 15.2.
- (2) The Chairperson must determine if a vote recorded in a form of proxy is to be counted in relation to a proposed resolution.
 - (3) Forms of proxy must be kept for at least three (3) months after the meeting to which they relate and, thereafter, they may be destroyed.

15.4 **Proxy Forms to Accompany Notices of Meetings**

A form of proxy shall accompany each notice of meeting given to all Members.

16. **SEAL**

16.1 **Device**

The Company may have its registered name inscribed in legible letters upon a common seal.

16.2 **Custody**

The common seal must be kept at the Registered Office in such custody as the Board directs.

16.3 **Affixing of the Seal**

The common seal of the Company must not be affixed to any instrument except by authority of the Board. Two Directors, or a Director and the Secretary or a Director and such other person as the Board may appoint for the purpose must be present when the instrument is sealed and signed.

17. **AMENDMENT OF CONSTITUTION**

As specified in the Corporations Act, the Constitution may be amended only if the amendment has been approved by a special resolution of the Members under the Corporations Act.

18. **AUDIT**

18.1 **Appointment and Removal of Auditor**

- (1) The Company must, at its first Annual General Meeting (and subsequently, if there is a vacancy) appoint a qualified person or firm as Auditor for the Company, in accordance with the Corporations Act.
- (2) An Auditor appointed by the Company will hold office, is able to be removed, and has the powers and duties as specified in the Corporations Act.

18.2 Consent to Appointment

The Company must not appoint a person or firm as Auditor of the Company unless the person or firm has, before the appointment, consented by written notice given to the Company or to the Board to act as Auditor and has not withdrawn consent by written notice given to the Company or to the Board in the manner required under the Corporations Act.

18.3 Removal of Auditor

- (1) An Auditor may only be removed from office by special resolution at a General Meeting of the Company.
- (2) If notice of a special resolution to remove an Auditor is given, the Company must immediately send a copy of the notice to the Auditor and to the ASIC.
- (3) Within seven (7) days after receiving a copy of the notice, the Auditor may:
 - (a) make written representations of not more than a reasonable length to the Company; and
 - (b) request that before the meeting at which the resolution is to be considered, a copy of the representations be sent by the Company at its expense to every Member to whom notice of the meeting is sent.
- (4) Unless the ASIC on the application of the Company orders otherwise, the Company must send a copy of the representations in accordance with the Auditor's request, and the Auditor may, without prejudice to the right to be heard orally or, if a firm is the Auditor, to have a Member of the firm heard orally on its behalf, require that the representations be read out at the meeting.
- (5) If an Auditor is removed from office, the Company must immediately give to the ASIC written notice of the removal.

18.4 Resignation of Auditor

Subject to the Corporations Act, an Auditor's resignation from office takes effect

- (a) on the date (if any) specified for the purpose in the notice of resignation; or
- (b) on the date on which the ASIC gives its consent for the resignation; or
- (c) on the date (if any) fixed by the ASIC for the purpose-
whichever is later.

18.5 Auditor's Fees and Expenses

- (1) The Company must pay the Auditor's reasonable fees and expenses, including those incurred in giving any report required under Corporations Act.
- (2) The Board may fix the Auditor's reasonable fees without authorisation of a General Meeting.

18.6 Duties in Relation to the Auditor

- (1) The Board must take reasonable steps to ensure that the accounts and group accounts of the Company are audited as and when required by the Corporations Act.

- (2) The Board must ensure that:
 - (a) the Auditor has access at all reasonable times to:
 - (i) the accounting records;
 - (ii) other records and registers; and
 - (iii) such other documents, securities or certificates as the Corporations Act may specify or require the Auditor to inspect;
of the Company and of any entity which the Company, as a holding Company, controlled during the part of, or at the end of, any relevant financial year, even if the Company no longer controls the entity;
 - (b) each Officer of the Company and of any entity controlled by the Company as holding Company, gives the Auditor, as requested, and at the expense of the Company, information and explanations required for the audit.

18.7 Auditor's Powers in Relation to Meetings

The Auditor, or an agent authorised by the Auditor in writing:

- (a) is entitled to attend any General Meeting of the Company
- (b) is entitled to receive all notices of, and other communications relating to, any General Meeting that a Member is entitled to receive
- (c) is entitled to be heard at any General Meeting that he or she attends, on any part of the business of the meeting that concerns the Auditor in the capacity of Auditor; and
- (d) is entitled so to be heard even though:
 - (i) the Auditor retires at that meeting; or
 - (ii) a resolution to remove the Auditor from office is passed at that meeting.

18.8 Audit Committee

- (1) The Board must establish an Audit Committee.
- (2) The committee may comprise such Directors and Officers of the Company as the Board determines but the non-executive Directors must be in the majority.
- (3) The object of the committee is to monitor the credibility and objectivity of financial reporting to assist the Board to discharge its responsibilities.
- (4) The Board must determine a policy for the role, terms of reference, responsibilities and method of operation of the committee.

19. WINDING UP**19.1 Procedure**

- (1) The Company may be wound up in the manner provided in the Corporations Act.
- (2) If on the winding up or dissolution of the Company there remains after satisfaction of all of its debts and liabilities, any property whatsoever, the same shall be paid to a like organisation in Australia which has objects and a constitution containing a similar clause on the prohibition relating to the distribution of surpluses to a Member or a former Member or to any person claiming through a Member or a former Member. The said like organisation shall be appointed by a General Meeting of the Company to be held at or before the time of such dissolution and in default thereof by an application to the Supreme Court of Victoria. Without limiting the generality of the foregoing, no surplus property shall be paid to a Member or a former Member or to any person claiming through a Member or a former Member.

19.2 Liability of Member

Every Member shall undertake to contribute to the assets of the Company in the event of the Company being wound up during the time he or she is a Member or within one year afterwards for payment of any possible debts and liabilities of the Company contracted before the time at which he or she ceased to be a Member and of the costs, charges and expenses of such winding up as may be required but in no case to exceed One Dollar (\$1.00).

20. SIGNATORIES**20.1 Authorisation**

All cheques, drafts, bills of exchange, promissory notes and other negotiable instruments for and on behalf of the Company must be signed by such one or more persons as may be authorised from time to time by the Board.

20.2 Resolution of Board

The Board may by resolution determine either generally or in any particular case that signatures may be placed upon cheques relating to payments specifically approved for payment by the Board by means of printing or other mechanical process.

21. MISCELLANEOUS**21.1 Registers**

The Board must cause to be kept at the Registered Office the following registers:

- (a) a Register of Directors and Secretaries;
- (b) a Register of Members;
- (c) such other Registers as are prescribed by the Corporations Act.

21.2 Other Documents

The Board must cause to be kept available for inspection at all reasonable hours without fee:

- (a) at the Registered Office
 - (i) a copy of the last accounts of the Company, together with a copy of the report of the Auditor on those accounts; and
 - (ii) a copy of the last Director's report;and
- (b) at all offices of the Company, a copy of this Constitution.

21.3 Minutes

The Board must cause minutes of General Meetings, Board Meetings, Board Committee Meetings to be kept in books provided for the purpose and in particular the following information must be included in the minutes:

- (a) the names of all attendees at the meeting; and
- (b) all appointments of Officers and employees made by the Board; and
- (c) all resolutions and proceedings at all meetings of the Company of the Board and of Committees of the Board; and
- (d) all disclosures of interests made pursuant to the Corporations Act.
- (e) Minutes must be signed by the Chairperson of the meeting at which they are confirmed.

21.4 Inspection

Minutes of proceedings of each General Meeting of the Company will be available for inspection at the Registered Office by any Member without charge.

21.5 Copies

A Member may request the Company in writing to furnish him or her with a copy of any minutes of a General Meeting or, subject to the Corporations Act, a copy of any register or any part of a register. Where such request is made, the Company will send a copy to that person within seven (7) days after the Company receives a payment of a fee of not less than two dollars (\$2.00) plus GST, per page or part thereof, or higher amount as prescribed by the ASIC from time to time. Electronically stored information will be provided for a negotiated fee of not less than \$30 plus GST on compact disk (CD).

21.6 Custody of Securities

All books of account, securities, documents and papers of the Company other than such (if any) as the Board may direct to be kept elsewhere will be kept at the Registered Office in such manner and with such provision for their security as the Board directs.

21.7 Accounting Records

The Board will cause to be kept and prepared all accounting records required by the Corporations Act and must comply with all the requirements of the Corporations Act relating to accounts and reports of the Company and audits. The Company is not required by this Constitution to cause accounts to be audited more frequently than once in each financial year.

21.8 Financial Year

The financial year of the Company ends on 30th day of June each year.

22 NOTICE OF MEETINGS

Any notice in respect of any General Meeting, or proposed Special Resolution is required to be served in writing to all Members.

23. BANKING ACCOUNTS

The Board must cause to be opened accounts at an Australian Prudential Regulation Authority regulated Approved Deposit Taking Institution, in the name of the Company, into which all monies received must be paid as soon as possible after receipt.

24. DISPUTE RESOLUTION

- (1) The Board must appoint a person to settle disputes between the Company (including the Board and any Officer) and a Member, and establish procedures for the settlement of such disputes.
- (2) A dispute dealt with under, but not settled by, the procedures established pursuant to Sub-Clause (1) must be settled by arbitration in accordance with the Commercial Arbitration Act 1984 as amended from time to time.
- (3) Sub-Clauses (1) and (2) will not apply to any dispute as to the construction or effect of the Corporations Act or of any mortgage or of any contract contained in any document other than this Constitution.
- (4) For the purposes of this Clause, “Member” includes:
 - (a) any person aggrieved who has not for more than three (3) months ceased to be a Member; and
 - (b) any person claiming by or through a Member or by or through a person referred to in (a).

- (5) Sub-Clauses (1) and (2) apply only in circumstances where the Company does not have in place a procedure specific to the type of dispute that has arisen, which the Company has adopted to satisfy an industry code of conduct or legislative requirement.
- (6) Where a different dispute resolution procedure is in place as referred to in Sub-Clause (5), the Company will provide to a Member, on request, a written description of the procedure, and information as to how the Member may initiate the procedure.

Appendix 1

TIMETABLE FOR ELECTION OF DIRECTORS AND ANNUAL GENERAL MEETINGS

Days Before Annual General Meeting	Procedures for Election of Directors	Procedures for Annual General Meeting
Fifty Two (52)		Advance notification of Annual General Meeting (Clause 13.3.(1))
Forty (40)	Nominations close (Clause 9.5.4)	
Twenty-One (21)	Ballot papers sent to Members (Clause 9.5.8(4))	Notice of Annual General Meeting issued (Clause 13.3(2))
Forty-Eight (48) hours check	Closure of postal ballot (Clause 9.5.8(5))	
Nil (0)	Annual General Meeting	

AUSTRALIAN SECURITIES and
INVESTMENT COMMISSION
CORPORATIONS ACT 2001

**TRANSPORT FRIENDLY
SOCIETY LIMITED**

A.C.N. 052 046 625

CONSTITUTION

AS AMENDED
29 May 2008
