



Teachers Mutual Bank Limited

Constitution

25 November 2017

Contents

1.1	DEFINITIONS	4
1.2	INTERPRETATION.....	5
1.3	TIME	5
1.4	REPLACEABLE RULES DO NOT APPLY.....	6
1.5	NOTICES.....	6
2.1	OBJECTS.....	8
2.2	CUSTOMERS.....	8
3.1	ADMISSION TO MEMBERSHIP	9
3.2	DELEGATION OF POWER TO ADMIT MEMBERS.....	9
3.3	JOINT MEMBERS.....	9
4.1	REMOVAL OF THE MEMBER'S NAME FROM THE REGISTER OF MEMBERS	11
4.2	MEMBER'S REQUEST FOR TERMINATION	11
4.3	TERMINATION BY THE BOARD	11
4.4	TERMINATION WHERE ACCOUNTS DORMANT	12
5.1	CLASSES OF SHARES.....	13
5.2	BOARD POWER TO ISSUE SHARES.....	13
5.3	RESTRICTION ON ISSUE OF MEMBER SHARES	13
5.4	ADDITIONAL SHARES.....	13
6.1	PAYMENT OF DIVIDENDS	15
6.2	DIFFERENTIAL DIVIDENDS	15
6.3	INTEREST ON DIVIDENDS.....	15
7.1	CALLING MEETINGS OF MEMBERS.....	16
7.2	ADJOURNING MEETINGS OF MEMBERS	16
7.3	PROCEEDINGS AT MEMBERS' MEETINGS.....	16
8.1	VOTING.....	18
8.2	VOTING ON A SHOW OF HANDS	18
8.3	VOTING ON A POLL.....	19
8.4	BODY CORPORATE REPRESENTATIVES.....	19
8.5	PROXIES	19
8.6	OBJECTIONS.....	20
9.1	NUMBER OF DIRECTORS	21
9.2	ELIGIBILITY TO BE A DIRECTOR	21
9.3A	APPOINTMENT BY MEMBERS - ELECTION.....	21
9.3B	APPOINTMENT BY BOARD - APPOINTED DIRECTORS.....	21
9.4	APPOINTMENT BY BOARD - CASUAL ELECTED DIRECTOR VACANCIES	21
9.5	TERM OF OFFICE.....	22
9.6	AUTOMATIC VACATION OF OFFICE	22
9.7	RESIGNATION	23
9.8	ALTERNATE DIRECTORS	23
10.1	POWERS AND DUTIES OF THE BOARD	25
10.2	NEGOTIABLE INSTRUMENTS	25
10.3	DELEGATION	25
11.1	CALLING AND CONDUCT OF BOARD MEETINGS	26
11.2	QUORUM OF THE BOARD	26
11.3	CHAIR OF BOARD	26
11.4	PASSING OF DIRECTORS' RESOLUTIONS	27
11.5	CIRCULATING RESOLUTIONS	27
11.6	COMMITTEES OF DIRECTORS	27
12.1	DIRECTOR NOT IN BREACH IF ACTS IN MATTERS RELATING TO DIRECTOR'S INTERESTS.....	28
12.2	DIRECTOR NOT IN BREACH IF DOES NOT ACT IN MATTERS RELATING TO DIRECTOR'S INTERESTS	28
12.3	EXECUTION OF INSTRUMENTS.....	29
13.1	REMUNERATION OF DIRECTORS	30
13.2	TRAVELLING EXPENSES AND INSURANCE	30
13.3	INDEMNITIES FOR OFFICERS AND FORMER OFFICERS.....	30

14.1	SEAL.....	31
14.2	SECRETARY	31
14.3	RESIGNATION OF SECRETARY	31
15.1	MEMBERS COMMITTEE AND NUMBER OF COMMITTEE MEMBERS.....	32
15.2	ELIGIBILITY TO BE A MEMBER OF THE COMMITTEE	32
15.3	APPOINTMENT TO THE COMMITTEE	32
15.4	TERM OF OFFICE.....	32
15.5	ROLE AND DUTIES OF THE COMMITTEE.....	32
15.6	MEMBERS COMMITTEE MEETINGS.....	33
15.7	CONFLICT OF INTEREST AND CONFIDENTIALITY	33
15.8	EXPENSES	33
A2-1	COMMON BOND – NATURAL PERSON.....	35
	<i>Category 35</i>	
	<i>Description.....</i>	35
	<i>Employment.....</i>	35
	<i>Family 36</i>	
	<i>Approved Persons</i>	36
	<i>Continuing Membership</i>	36
	<i>Transferring Members</i>	36
A2-2	COMMON BOND – BODY CORPORATE	36
	<i>Category 36</i>	
	<i>Description.....</i>	36
	<i>Employer 36</i>	
	<i>Trustee 36</i>	
	<i>Approved Body Corporate</i>	36
	<i>Continuing</i>	36
	<i>Transferring Members</i>	36
A2-3	INTERPRETATION.....	36
A3-1	SUBSCRIPTION PRICE	37
A3-2	RIGHTS, OBLIGATIONS AND RESTRICTIONS ATTACHING TO MEMBER SHARES	37
A3-3	VOTING RIGHTS.....	37
A3-4	DISTRIBUTION ON WINDING-UP	37
A3-5	REDEMPTION OF MEMBER SHARES.....	38
A3-6	TRANSFER OF MEMBER SHARES.....	38
A4-1	TIME LIMITS FOR SPEAKERS.....	39
A4-2	AMENDMENT	39
A4-3	SPEAKERS	39
A4-4	MOTIONS TO BE IN WRITING.....	39
A4-5	CLOSURE OF DEBATE	39
A5-1	HOLDING OF ELECTION.....	40
A5-2	APPOINTMENT OF RETURNING OFFICERS	40
A5-3	ELECTORAL ROLL.....	40
A5-4	NOMINATIONS	40
A5-5	DECLARATION BY CANDIDATE	40
A5-6	REJECTION OF NOMINATION	41
A5-7	APPOINTMENT OF SCRUTINEER.....	41
A5-8	BALLOT PAPERS	42
A5-9	POSTAL VOTE	42
A5-10	CLOSURE OF THE BALLOT.....	43
A5-11	PROCEDURES AFTER CLOSE OF THE BALLOT	43
A5-12	VOTING SYSTEM	44
A5-13	NOMINATIONS COMMITTEE	44
A5-14	ELECTRONIC VOTING	45
A5-15	VOTE COUNTING	46

Constitution

Division 1. - Introductory Matters

1.1 Definitions

In this Constitution, unless the context requires otherwise:

ADI means a body corporate that **APRA** has authorised to conduct banking business in Australia under the Banking Act 1959 (Cth)

APRA means the Australian Prudential Regulation Authority

board means the board of **directors**

common bond refers to the common bond of membership set out in Appendix 2

company means Teachers Mutual Bank Limited ABN 30 087 650 459

deposit means the placement of money in an account that the company conducts in the ordinary course of its banking business

director means a director for the time being of the company

electronic voting system means a system approved by the board which enables members to submit their vote by electronic means

financial accommodation means:

- (a) an advance;
- (b) money paid for, on behalf of or at the request of a person (other than by drawing on the person's **deposit** account with the **company**);
- (c) a forbearance to require payment of money owing on any account; and
- (d) a transaction that, in substance, effects a loan or is regarded by the parties to the transaction as a loan,

that the **company** provides or enters into in the ordinary course of its banking business

fit and proper policy means a written policy adopted by the board relating to the fitness and propriety of directors, senior managers and auditors of the company, complying with prudential standard CPS 520 or any other prudential standard or provision of law which is from time to time applicable

general meeting means a general meeting of **the members**

material personal interest has the same meaning as in Part 2D.1 of the Corporations Act 2001

member means a person whose name the **company** has entered for the time being in the Register of Members it keeps under the Corporations Act 2001

member share means a share as described in Appendix 3 Division 1

nominations committee means the committee appointed by the board in accordance with Appendix 5

secretary means a secretary for the time being of the **company**

subscription price means the amount payable by a person on subscription for a **member share**

1.2 Interpretation

- (1) In this Constitution, unless the context requires otherwise:
- (a) the singular includes the plural and vice versa;
 - (b) where an expression is defined in this Constitution, any other grammatical form of the expression has a corresponding meaning;
 - (c) words and expressions defined in the Corporations Act 2001 have the same meaning in this Constitution;
 - (d) headings are for purposes of convenience only and do not affect the interpretation of this Constitution;
 - (e) a reference to a statute or regulation includes all amendments, consolidations or replacements of the statute or regulation;
 - (f) a reference to this Constitution or another instrument includes all amendments or replacements of the Constitution or the other instrument; and
 - (g) a reference to a statutory or other body that ceases to exist or the powers and functions of which are transferred to another body includes a reference to the body;
 - (i) that replaces it; or
 - (ii) to which substantially all the powers and functions relevant to this Constitution are transferred.
- (2) The notes to this Constitution are for purposes of convenience only and do not affect the interpretation of this Constitution. The notes do not form part of this Constitution and may be removed or modified without the company complying with the Corporations Act 2001 requirements that apply to removal or modification of constitutional provisions.

1.3 Time

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

1.4 Replaceable Rules do not Apply

The replaceable rules in the Corporations Act 2001 do not apply.

1.5 Notices

- (1) This Rule applies to all notices and documents that the Corporations Act 2001 or this Constitution requires a party to this Constitution to send to another party to this Constitution.
- (2) In this Rule, business day means a day that is not:
 - (a) a Saturday or Sunday; or
 - (b) a public holiday or bank holiday in the place where the notice is received.
- (3) A person giving a notice must do so in writing and must address it to the recipient at the following respective addresses:
 - (a) if to the company – at its registered office or such other address as the company specifies to members from time-to-time; and
 - (b) if to a member – at the member's address appearing on the register of members from time-to-time.

Note: Subrule 3.3(3) deals with sending notices to joint members.

- (4) A person may deliver a notice or other document to another person in any of the ways set out in column 2 of this table. The other person receives the notice at the time set out in column 3:

Delivery Method	Time Person Receives Notice
1 Hand delivering the notice personally	The other person receives the notice: <ol style="list-style-type: none">(i) if hand delivered before 4.00 pm on a business day - on that business day(ii) if hand delivered after 4.00 pm on a business day - on the next business day(iii) if hand delivered on a day other than a business day - on the next business day
2 Sending the notice by pre-paid post	The other person receives the notice on the third business day after posting unless it is actually delivered earlier
3 Sending the notice by facsimile transmission	The other person receives the notice: <ol style="list-style-type: none">(i) if sent before 5.00 pm on a business day - on that business day(ii) if sent after 5.00 pm on a business day - on the next business day(iii) if sent on a day other than a business day - on the next business day <p>This rule does not apply where the person sending the facsimile has evidence that the transmission was unsuccessful</p>
4 Sending the notice by electronic means	The other person receives the notice: <ol style="list-style-type: none">(i) if sent before 5.00 pm on an a business - on that business day(ii) if sent after 5.00 pm on a business day - on the next business day(iii) if sent on a day other that a business day - on the next business day

This rule does not apply where the person sending the notice by electronic means has evidence that the notice did not reach the other person's electronic address

Division 2. - Objects and Limit on Powers

2.1 Objects

The company has the objects set out in Appendix 1.

2.2 Customers

The company may only provide financial accommodation to members, ADIs or bodies that do not have the power to acquire, or that the law prohibits from acquiring, the company's shares but may accept deposits from both members and non-members.

Division 3. - Membership

3.1 Admission to Membership

- (1) Subject to any other rule allowing admission of members, the company may admit a person as a member only if:
 - (a) the person makes a written application in a form the company requires;
 - (b) the person provides evidence, satisfactory to the company, that the person is eligible to be a member under the common bond;
 - (c) the person applies for a member share; and
 - (d) the person pays the subscription price for the member share.
- (2) The board has an absolute discretion in exercising the company's power to admit members without any obligation to give a reason for not admitting a person as a member.
- (3) When the company admits a person as a member, the company must:
 - (a) issue the member share to the person;
 - (b) enter the person's particulars in the register of members as required by the Corporations Act 2001;
 - (c) give the person notice that it has admitted the person as a member.

3.2 Delegation of Power to Admit Members

The board may delegate its power to admit members to officers of the company. The delegation must not include authority to further delegate the power to admit members.

3.3 Joint Members

- (1) the company may admit 2 or more persons eligible for admission under Subrule 3.1(1) as a joint member of the company.
- (2) The persons constituting the joint member may determine the order in which their names appear in the register of members. If the persons constituting the joint member do not do so, the company may determine the order in which their names appear in the register of members.
- (3) The person named first in the register of members is the primary joint member. The company may duly send any notice, certificate or other document to the joint member by sending it to the primary joint member. Only the primary joint member is entitled to vote on behalf of the joint member.
- (4) At any time, the joint member may give the company a notice requiring the company to change the primary joint member or otherwise change the order in which their names appear in the register of members. Each person constituting the joint member must sign the notice. The company must change the register of members as soon as practicable after receiving the notice.

- (5) Any person constituting a joint member may give an effective receipt for any distribution on winding-up or return of capital in relation to the joint member's shares.
- (6) The company may accept deposits from, or provide financial accommodation to, the joint member or to any person constituting the joint member.
- (7) The persons constituting a joint member are jointly and individually liable for any liability that the joint member may have in relation to the joint member's shares.

Division 4. - Termination of Membership

4.1 Removal of the Member's Name from the Register of Members

The company can remove the member's name from the register of members if:

- (a) the company redeems the member's member share under Rule 4.2, Rule 4.3 or Rule 4.4.
- (b) the member is an individual - the member dies
- (c) the member is a body corporate - the member is deregistered or dissolved.

Note: Rule 2.2 restricts the company from accepting further deposits from, or providing further financial accommodation to, persons who cease to be members.

4.2 Member's Request for Termination

- (1) A member may request termination of membership but only upon withdrawing all deposits and repaying all financial accommodation.
- (2) If a member makes a request under Subrule (1), the company must redeem the member's member share as soon as practicable after receiving the request. However, the company may defer redeeming the member's member share until the board is satisfied that the member has withdrawn all deposits and repaid all financial accommodation.

4.3 Termination by the Board

- (1) The company may redeem a member's member share if:
 - (a) the member fails to discharge the member's obligations to the company;
 - (b) the member is guilty of conduct that the board reasonably considers to be detrimental to the company; or
 - (c) the member obtains membership by misrepresentation or mistake.
- (2) In the event of a dispute, the member shall have access to the Financial Ombudsman Service or appropriate like body specified within the Mutual Banking Code of Practice.
- (3) On redeeming the member share, the company may pay the amount payable on redemption of the member share to the member by either:
 - (a) sending a cheque to the member's address as set out in the register of members; or
 - (b) crediting any of the member's accounts with the company.at the time the member share is redeemed.

4.4 Termination Where Accounts Dormant

(1) This rule does not apply to a retirement savings account to the extent that the Retirement Savings Account Act 1997 (Cth) provides otherwise.

(2) The company may:

(a) determine that the member's deposit accounts are dormant; and

(b) redeem the member's member share.

by board resolution if the member has not initiated any transactions in relation to any deposit account in the 12 month period before the date of the resolution.

(3) The company must send notice of the proposed resolution under Subrule (2) to the member at the member's last known address as shown on the register of members at least 28 days before considering the proposed resolution.

(4) On redemption of the member share the company must pay the amount payable on redemption of the member share into the member's account.

(5) If the company redeems a person's member share under this rule, the person may require the company to reinstate the person's deposit accounts at any time before the company pays the money in the deposit account in accordance with the relevant unclaimed money legislation. If the person requires the company to reinstate the person's deposit accounts:

(a) the company must reinstate the person's deposit accounts as soon as practicable; and

(b) if the company has redeemed the member's member share - the company must issue a member share to the person and may debit the member's deposit account for the subscription amount.

Division 5. - Issue of Shares

5.1 Classes of Shares

The company may only issue member shares.

5.2 Board Power to Issue Shares

- (1) The board may exercise the company's power to issue member shares on an on-going basis.
- (2) The board has the power to issue additional classes of shares from time to time with the approval of the members.

5.3 Restriction on Issue of Member Shares

- (1) The company must not issue:
 - (a) options to subscribe for member shares;
 - (b) securities that may be converted to member shares; or
 - (c) securities with pre-emptive rights to member shares.
- (2) The company may only issue member shares on the basis that the person pays the full subscription price in cash on issue.
- (3) The company may only issue 1 member share to any person.

5.4 Additional Shares

- (1) All shares issued by the company other than member shares are additional shares.
- (2) Subject to this Constitution, an additional share must not confer the right to vote.
- (3) Additional shares may confer the right to vote, at meetings of the holders of additional shares, on questions affecting the continuing existence of the company.
- (4) An additional share may confer the right to participate in the company's profits through payment of dividends.
- (5) An additional share may confer a right to participate in surplus when the company is wound up but only to the extent of:
 - (a) repayment of capital paid on the additional shares; and
 - (b) payment of arrears of cumulative dividends.

- (6) The right to participate in profits and surplus conferred by additional shares may be preferred, equal or deferred to the rights conferred by the member shares.
- (7) An additional share may confer on the holder of the additional share a right to redeem or, subject to this Constitution, to transfer the additional share.
- (8) Accumulation of securities issued by the company must be restricted so that no person, or group of associated persons, may exercise a significant degree of influence over the affairs of the company.

Division 6. - Dividends

6.1 Payment of Dividends

(1) The board may determine that the company pay a dividend on shares to which a right to participate in dividends attaches and may determine:

- (a) the amount of the dividend; and
- (b) the time for payment of the dividend; and
- (c) the method of payment of the dividend.

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

(2) If the terms of issue for a share require the Annual General Meeting's approval of any payment of a dividend on the share, the board's determination under Sub-Rule(1) is effective only if the Annual General Meeting approves the dividend before the time for payment of the dividend arrives. The Annual General Meeting may not vary the board's determination.

6.2 Differential Dividends

Subject to the terms on which shares in a class are issued, the board may determine dividends to different members in a class that differ:

- (a) in amount; and
- (b) in the method of payment (whether cash, securities, assets or any combination of them).

6.3 Interest on Dividends

Interest is not payable on a dividend.

Division 7. - Holding Members' Meetings

7.1 Calling Meetings of Members

The board may call a members' meeting.

7.2 Adjourning Meetings of Members

- (1) The chair of a members' meeting at which a quorum is present:
 - (a) may adjourn the meeting with the consent of the meeting by ordinary resolution; and
 - (b) must adjourn the meeting if directed by ordinary resolution.
- (2) The company must give notice of an adjourned members' meeting if the adjournment is for 21 days or more.
- (3) The only business that an adjourned members' meeting may deal with is business unfinished at the members' meeting that was adjourned.

7.3 Proceedings at Members' Meetings

- (1) The quorum for a members' meeting is 25 members present in person.
- (2) If a quorum is not present within 30 minutes after the time for the members' meeting set out in the notice of meeting, the meeting is adjourned to the date, time and place the board specifies. If the board does not specify 1 or more of those things, the meeting is adjourned to:
 - (a) if the date is not specified - the same day in the next week;
 - (b) if the time is not specified - the same time; and
 - (c) if the place is not specified - the same place.

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

- (3) The chair of members' meetings is:
 - (a) the chair of meetings of the board; or
 - (b) if the chair of meetings of the board is not present or declines to act for the meeting (or part of it) - the deputy chair of meetings of the board.

If the chair or deputy chair of meetings of the board is not available within 30 minutes of the appointed start of the meeting, or declines to act, the members must elect an individual present to chair the meeting.

- (4) The standing orders in Appendix 4 apply to the conduct of debate at members' meetings.

Division 8. - Voting at Members' Meetings

8.1 Voting

- (1) A resolution put to the vote at a members' meeting must be decided on a show of hands unless a poll is demanded.
- (2) If the company has an Electronic Voting System which permits members to vote at or prior to a meeting by electronic means on a show of hands or a poll, a vote cast by a member by electronic means is taken to have been cast on the show of hands or poll and is to be counted accordingly.
- (3) If a member has voted on a resolution by electronic means prior to a meeting the member may not cast another vote on the resolution at the meeting.
- (4) Before a members' meeting votes by a show of hands on a resolution, the chair must inform the meeting if any votes have been received by electronic means prior to the meeting and, if so:
 - (a) how many valid votes by electronic means the company has received prior to the meeting; and
 - (b) how the votes received by electronic means prior to the meeting have voted on the resolution.
- (5) Before a members' meeting votes by poll on a resolution, the chair must inform the meeting:
 - (a) If any proxy votes have been received and, if so :
 - (i) how many proxy documents the company has received that validly appoint a person present at the meeting as proxy;
 - (ii) how many of these proxy documents direct the proxies how to vote on the resolution; and
 - (iii) how the proxies are directed to vote on the resolution.
 - (b) If any votes have been received by electronic means prior to the meeting and, if so:
 - (i) how many valid votes by electronic means the company has received prior to the meeting; and
 - (ii) how the votes received by electronic means prior to the meeting have voted on the resolution.
- (6) The members' meeting passes an ordinary resolution only if more than half the total number of votes cast on the resolution are in favour of it.
- (7) The chair does not have a casting vote in addition to his or her deliberative vote.

8.2 Voting on a Show of Hands

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

8.3 Voting on a Poll

- (1) A poll cannot be demanded on any resolution concerning the election of a person to chair the members' meeting.
- (2) A poll on the question of an adjournment must be taken immediately. The chair may direct when and the manner in which any other poll must be taken.
- (3) The members' meeting may conduct other business even though a poll is demanded on a resolution.

8.4 Body Corporate Representatives

- (1) A member that appoints a body corporate representative must give the company:
 - (a) if the member appointed the representative by board resolution - a certified copy of the board resolution appointing the representative; and
 - (b) otherwise - a copy of the instrument appointing the representative,

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

- (2) In addition to the rights and powers a member's representative may exercise under the Corporations Act 2001, the representative may exercise the member's right to vote in a ballot to appoint directors by election.

8.5 Proxies

- (1) The board may determine the form of proxy document from time-to-time.
- (2) An appointment of a proxy is not invalid merely because it does not contain all the information required for a valid proxy appointment, so long as it contains:
 - (a) the member's name; and
 - (b) the proxy's name or the name of the office that the proxy holds.
- (3) A proxy does not have a right to vote on a show of hands.
- (4) Unless the company receives written notice of the matter before the meeting at which a proxy votes starts or resumes, the proxy's vote at the meeting will be valid if, before the proxy votes:
 - (a) the appointing member dies; or
 - (b) the member is mentally incapacitated;
 - (c) the member revokes the proxy's appointment;
 - (d) the member revokes the authority under which the proxy was appointed by a third party.

8.6 Objections

An objection to the qualification of a voter:

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

Division 9. - Directors - Appointment and Vacation of Office

9.1 Number of Directors

The company must have such number of directors being not less than 7 and not more than 10 as the board from time to time determines of which:

- (a) not more than 7 may be elected or appointed by members ("elected director"); and
- (b) not more than 4 may be appointed by the board ("appointed director").

9.2 Eligibility to be a Director

An individual is eligible to be a director if the person:

- (a) is a member;
- (b) is not disqualified or prevented by law from being a director;
- (c) has not had a personal representative or trustee appointed to administer the person's estate or property because of their mental incapacity; and
- (d) is not an employee of the company.

9.3a Appointment by Members - Election

A person may be appointed to be an elected director in accordance with the provisions of Appendix 5.

9.3b Appointment by Board - Appointed Directors

- (1) The board may at any time appoint a person as an appointed director if it resolves that the appointment would assist the company to comply with a prudential standard.
- (2) Any such appointment must specify the appointed director's term of office. An initial appointment must be for not more than 3 years and any reappointment must be for not more than 3 years.
- (3) The board may only appoint a person who is eligible to be a director under Rule 9.2.

9.4 Appointment by Board - Casual Elected Director Vacancies

- (1) The board may appoint a person to be an elected director:
 - (a) if an elected director's office becomes vacant other than because the elected director's term of office has ended; or
 - (b) if, for any other reason, the number of elected directors is less than the maximum under paragraph (a) of rule 9.1.

The board may only appoint a person who is eligible to be a director under Rule 9.2.

- (2) The term of office for a director appointed to fill a vacancy in paragraph (1)(a) ends at the end of the term of office of the elected director whose office has become vacant.
- (3) The term of office for a director appointed to fill a vacancy in paragraph (1)(b) ends at the end of the next AGM after the director's appointment.

9.5 Term of Office

- (1) Subject to the Corporations Act and the rotation provisions in this Rule, an elected director's term of office:
 - (a) starts at the end of the AGM at which the director's election is announced; and
 - (b) ends at the end of the third AGM after the AGM at which the director's election is announced.
- (2) If the number of directors that members appoint, is more than a third of the maximum number of elected directors on the board in Rule 9.1:
 - (a) the term of office for the third of the elected directors that receives the most votes at the election ends at the end of the third AGM after the AGM at which the directors' election is announced; and
 - (b) the term of office for the remainder ends at the end of earlier AGMs where less than a third of the elected directors are due to retire at those earlier AGMs.

Directors with less votes retire at earlier AGMs than those with more votes.

- (3) For purposes of Subrule (2):
 - (a) if the number of elected directors on the board is not divisible by 3 - round fractions up to the nearest whole number in determining how many directors there are in a third or in two thirds of the elected directors; and
 - (b) if 2 or more elected directors have the same number of votes - the order of retirement amongst them is determined by lot.

9.6 Automatic Vacation of Office

The office of a director automatically becomes vacant if the director:

- (a) dies;
- (b) ceases to be eligible to be a director under Rule 9.2;
- (c) is absent from 3 consecutive ordinary meetings of the board without leave; or
- (d) is 3 months in arrears in relation to money due to the company and has failed to make arrangements for payment satisfactory to the company.

Neither the board nor the general meeting may waive the operation of this Rule.

9.7 Resignation

- (1) A director may resign by giving the company notice of the director's resignation.
- (2) The director's office becomes vacant:
 - (a) if the notice of resignation specifies a date of resignation - on the date of resignation; or
 - (b) otherwise - on the date the company receives the notice of resignation.

9.8 Alternate Directors

- (1) In this rule, unless the context requires otherwise:

alternate means a person that a director appoints as his or her alternate director under Subrule (2); but only in the person's capacity as the alternate director.

Appointor means the director who appoints an alternate under Subrule(2);

- (2) A person is eligible to be an alternate for a director if the person:
 - (a) is eligible to be a director under Rule 9.2; and
 - (b) is not a director.
- (3) A director (but not an alternate) may give the company a notice appointing a person eligible under Subrule (2) to be his or her alternate. The notice must set out:
 - (a) the name of the person to be appointed as alternate;
 - (b) the term of the alternate's appointment (or that the appointment is for an indefinite term);
 - (c) whether or not the appointor requires the company to give notices of board meetings to the alternate;
 - (d) whether or not the alternate can sign circulating resolutions instead of the appointor.

The notice of appointment only takes effect if the board approves the alternate's appointment.

- (4) The alternate is not the appointor's agent, but a director of the company. The alternate has all the duties, powers and rights of the appointor as a director. Except to the extent that this rule provides otherwise, all references to directors in this constitution include references to the alternate.
- (5) The company only has to give notice of board meetings to the alternate if the appointor has given the company a notice requiring it to do so.

Note: See Rule 11.1 in relation to notice of board meetings.

- (6) The alternate:
 - (a) may be present and may vote on a matter even though the appointor has a material personal interest in the matter; and

- (b) does not breach his or her duties to the company by reason of any matter considered or voted on at a meeting at which the alternate was absent because the appointor was present.

Note: See Rule 11.2 in relation to a quorum at a board meeting. See rule 11.4 in relation to voting on resolutions at board meetings. See rule 12.2 in relation to directors not being present or voting on matters in relation to which they have a material personal interest.

(7) The reference to 'all directors' in Rule 11.5 refers to:

- (a) if the appointor notifies the company that the alternate can sign circulating resolutions instead of the appointor - the alternate and other directors but not the appointor.

- (b) otherwise - the appointor and other directors but not the alternate.

(8) The company must not provide remuneration to the alternate (in his or her capacity as alternate) except out of remuneration that it has allocated to the appointor. The alternate has no right to remuneration against the company. This does not affect any right to remuneration that the alternate may have against the appointor.

Note: See Rule 13.1 in relation to remuneration of directors.

(9) The alternate's office automatically becomes vacant if:

- (a) the appointor revokes the alternate's appointment; or

- (b) the appointor's office as a director becomes vacant (except where the appointor's term as a director ends at the end of an AGM under Rule 9.5 and the members re-elect the appointor as a director at that AGM).

The alternate's office may also become vacant in the circumstances set out in Rule 9.6 and Rule 9.7.

Division 10. - Directors' Powers

10.1 Powers and Duties of the Board

The board:

- (a) manages the company's business; and
- (b) may exercise all the powers of the company except any powers that the Corporations Act 2001 or this Constitution expressly allocates to the general meeting.

10.2 Negotiable Instruments

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

10.3 Delegation

- (1) The board may delegate any of its powers to any committee or any other person or persons, subject to Rule 3.2.
- (2) The board must establish policies for the guidance of delegates in the exercise of any powers so delegated.
- (3) Without limiting its powers, the board may appoint a person to be the company's attorney for purposes, with powers (being the board's powers), for the period and on terms the board determines. In particular, the power of attorney may include terms protecting persons dealing with the attorney, as the board determines.

Division 11. - Directors' Meetings

11.1 Calling and Conduct of Board Meetings

- (1) The board may meet, adjourn and otherwise regulate its meetings as it thinks fit.
- (2) A meeting of the board may be convened:
 - (a) by the chair;
 - (b) by any two directors; or
 - (c) by the secretary upon the authority of the chair or any two directors.
- (3) 48 hours' notice must be given of all meetings, except where:
 - (a) the chair determines there are exceptional circumstances; or
 - (b) a majority of directors authorise the secretary to convene a meeting on shorter notice.

11.2 Quorum of the Board

- (1) The number of directors whose presence is necessary to constitute a quorum is four or a number not less than half the total number of directors, whichever is the greater.
- (2) If, within 30 minutes of the time appointed for a meeting of the board, a quorum is not present the meeting shall stand adjourned to the same day in the next week at the same time and place.
- (3) If at any time the number of directors is less than the quorum, the board may meet only for the purpose of filling any casual vacancies or for calling a general meeting of the company; and
- (4) the board may conduct business by circulating resolution under Rule 11.5.

11.3 Chair of Board

- (1) The directors shall elect one of their number as chair of their meetings and one other of their number as deputy chair and may determine the periods for which they are to hold office.
- (2) If neither the chair nor deputy chair is present within 5 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 until such time as the chair of the board being in attendance is willing to so act.
- (3) Where the chair is not available to act as required by these rules the deputy chair may act in his or her place.
- (4) The chair may be removed from the position of chair by resolution of the majority of the board.

11.4 Passing of Directors' Resolutions

- (1) Questions arising at a meeting of the board are decided by a majority of votes of directors present and voting.
- (2) In the case of an equality of votes, the chair has a casting vote in addition to his or her deliberative vote.

11.5 Circulating Resolutions

- (1) The board may pass a resolution without a board meeting if all of the directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.
- (2) Separate copies of a document may be used for signing by different directors if the wording of the resolution and statement is identical in each copy.
- (3) The resolution is passed when the last director signs.

11.6 Committees of Directors

- (1) The board may establish one or more committees consisting of such number of directors as the board thinks fit.
- (2) The members of a committee may appoint one of their number as chair of their meetings.
- (3) Subject to any restrictions that the board imposes, a committee may meet, adjourn and otherwise regulate its meetings as it thinks fit.
- (4) Questions arising at a meeting of a committee are to be determined by a majority of votes of those present and voting.
- (5) The chair does not have a casting vote in addition to his or her deliberative vote.

Division 12. - Conflicts of Interest

12.1 Director Not in Breach if Acts in Matters Relating to Director's Interests

- (1) This Rule applies if:
 - (a) a director has an interest or duty in relation to a matter that is not a material personal interest; or
 - (b) if a director with a material personal interest in relation to the company's affairs:
 - (i) complies with the requirements of the Corporations Act 2001 in relation to disclosure of the nature and extent of the interest and its relation to the company's affairs before acting in a matter that relates to the interest; and
 - (ii) may be present and vote on the matter under the Corporations Act 2001.
- (2) The director is not in breach of his or her duties to the company merely because he or she acts in matters that relate to the director's interest.
- (3) The director may vote on matters that relate to the director's interest.
- (4) In relation to any transactions that relate to the director's interest:
 - (a) the transactions may proceed;
 - (b) the company cannot avoid the transactions merely because of the director's interest; and
 - (c) the director may retain benefits under the transactions despite the director's interest.

12.2 Director Not in Breach if Does Not Act in Matters Relating to Director's Interests

- (1) This Rule applies if a director with a material personal interest in relation to a matter:
 - (a) complies with the requirements of the Corporations Act 2001 in relation to disclosure of the nature and extent of the interest and its relation to the company's affairs; but
 - (b) must not be present and vote on the matter under the Corporations Act 2001.
- (2) The director is not in breach of duty to the company merely because he or she does not act in relation to the matter.
- (3) The board may vote on matters that relate to the director's interest in the director's absence.
- (4) In relation to any transactions that relate to the director's interest:
 - (a) the transactions may proceed;
 - (b) the company cannot avoid the transactions merely because of the director's interest; and
 - (c) the director may retain benefits under the transactions despite the director's interest.

12.3 Execution of Instruments

A director may participate in the execution of an instrument for the company, regardless of any interest or duty that the director may have:

- (a) whether or not the director has complied with the requirements of the Corporations Act 2001 in relation to disclosure of the nature and extent of the interest and its relation to the company's affairs; and
- (b) whether or not the director may be present and vote in relation to the execution of the instrument under the Corporations Act 2001.

Division 13. - Remuneration, Indemnity and Insurance

13.1 Remuneration of Directors

- (1) The company in general meeting must determine any remuneration of directors.
- (2) In the absence of apportionment determined by the meeting, the directors may determine how the sum of their remuneration is to be apportioned among them and how and when it is to be paid.
- (3) The directors' remuneration accrues daily from the day that the general meeting approves the remuneration to the day that the general meeting next determines the directors' remuneration.

13.2 Travelling Expenses and Insurance

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

- (a) the director's travelling and other expenses that they properly incur in connection with the company's business; and
- (b) subject to the Corporations Act 2001, insurance premiums for a contract that insures the director against liabilities that the director incurs as an officer of the company.

13.3 Indemnities for Officers and Former Officers

- (1) In this Rule indemnified person means an officer or agent, or former officer or agent, of the company.
- (2) To the extent that the Corporations Act 2001 permits:
 - (a) the company must indemnify an indemnified person against any liability that the indemnified person incurs in conducting the company's business or exercising the company's powers as an officer or agent of the company; and
 - (b) the company may indemnify, agree to indemnify or enter into (and pay premiums on) a contract of insurance in relation to an indemnified person or any other person.
- (3) The indemnity in paragraph (2)(a) applies in relation to an indemnified person for all incidents occurring during the period that person is an officer or agent of the company, even though a claim is made against the indemnified person after they have ceased to be an officer or agent of the company.

Division 14. - Administration

14.1 Seal

- (1) The board is to provide for the safe custody of the seal.
- (2) The seal is to be used only by the authority of the directors.
- (3) The board may authorise:
 - (a) 2 directors;
 - (b) a director and a secretary;
 - (c) an employee and a secretary; or
 - (d) two employees

to witness the affixing of the seal on a document of a class specified in the resolution.

14.2 Secretary

Subject to Rule 14.3, the board may determine a secretary's terms of appointment, powers, duties and remuneration. At any time, the board may vary or revoke a determination, or an appointment, whatever the terms of the appointment.

14.3 Resignation of Secretary

- (1) A secretary may resign by giving the company notice of the secretary's resignation.
- (2) The secretary's office becomes vacant:
 - (a) if the notice of resignation specifies a date of resignation – on the date of resignation; or
 - (b) otherwise – on the date the company receives the notice of resignation.

Division 15. - Members Committee

15.1 Members Committee and Number of Committee Members

The company will have a Members Committee made up of no more than eight elected members.

15.2 Eligibility to be a Member of the Committee

A person who is an adult member of the company and is not a director or employee of the company is eligible to be a member of the committee.

15.3 Appointment to the Committee

Members of the committee will be appointed in the same manners as directors in accordance with Appendix 5.

15.4 Term of Office

- (1) The committee members shall retire at each annual general meeting in rotation of four and four.
- (2) The first members of the committee will be the members of the supervisory committee in office immediately after the end of the AGM held in the year 2000.
- (3) The order for retirement by rotation of the first members of the committee will be that applying to the supervisory committee in place at that time.
- (4) The provisions of Rule 9.6, 9.7 and Appendix 5 shall apply, with the necessary changes, to this committee.

15.5 Role and Duties of the Committee

- (1) The role and duties of the committee will be determined from time to time by the board of directors in consultation with the committee and may amongst other functions:
 - (a) provide avenues for interested members to contribute to the improvement of services to members;
 - (b) act as a source of personnel for committees, taskforces and focus groups established by the board to provide advice to the board;
 - (c) act as a source of alternate directors;
 - (d) provide an avenue for board succession through participation in professional development and by exposure to board and company policies and procedures.
- (2) Additionally, the committee will prepare, in consultation with the board, a report on the committee's activities throughout the year for distribution to membership annually.

15.6 Members Committee Meetings

- (1) The committee members will determine the frequency and conduct of their meetings.
- (2) A record is to be kept of meetings including attendance, agendas, minutes and reports of the committee.

15.7 Conflict of Interest and Confidentiality

Members of the committee will be bound by requirements relating to conflicts of interest and confidentiality as apply to directors.

15.8 Expenses

Members of the committee may be paid all reasonable expenses incurred by them in connection with authorised duties of the committee.

Appendix 1 – Objects

The company has the following objects:

- (a) to raise funds from members by subscription, deposit or otherwise, as authorised by the Corporations Act 2001 and Banking Act 1959 (Cth);
- (b) to apply the funds in providing financial accommodation to members, subject to the Corporations Act 2001 and Banking Act 1959 (Cth);
- (c) to encourage savings amongst members;
- (d) to promote co-operative enterprise;
- (e) to provide programs and services to members to assist them to meet their financial, economic and social needs;
- (f) to promote, encourage and bring about human and social development among individual members and within the larger community within which members work or reside; and
- (g) to further the interests of members and the communities within which they work or live through co-operation with:
 - (i) other mutual banking institutions and co-operatives; and
 - (ii) associations of mutual banking institutions and co-operatives,locally and internationally.

Appendix 2 – Common Bond

A2-1 Common Bond – Natural Person

An individual is eligible to be a member under any one of the following categories:

	<i>Category</i>	<i>Description</i>
1	Employment	<ul style="list-style-type: none"> (a) A person who is a financial member of the Australian Education Union and is employed as a teacher, lecturer or instructor in Australia in: <ul style="list-style-type: none"> (i) a government school; (ii) a tertiary educational institution; or (iii) a government funded teaching service. (b) A person who was a financial member of the Australian Education Union up to the point of promotion but has ceased to be eligible for membership because of promotion within a government education department. (c) An employee or paid officer of: <ul style="list-style-type: none"> (i) the Australian Education Union; (ii) Teachers Federation Health Ltd.; (iii) the company or any of its subsidiaries; (iv) the Professional Teachers' Council NSW; (v) the NSW Teachers Federation; or (vi) the State School Teachers Union of Western Australia. (d) A person who is employed as a clerical assistant, teacher's aide or other ancillary staff member in any of the institutions referred to in (a) above and is a financial member of an appropriate industrial association. (e) A student in a teacher training course at any educational institution in Australia and is an associate or student member of the Australian Education Union. (f) A person who is employed as an education officer in a government department and is a financial member of the Australian Education Union (g) A retired person who was eligible under any other category prior to his or her retirement. (h) A person who is an employee of a government education department in Australia and is a financial member of their appropriate industrial association where one exists. (i) A person who is a member of Teachers Federation Health Ltd. (j) A person who is registered with the Teacher Registration Board of Western Australia and is a financial member of an appropriate industrial association where one exists.

2	Family	<p>A person is a spouse, parent, grandparent, child, stepchild, grandchild, brother or sister of a member or the parent, grandparent, child, stepchild, grandchild, brother or sister of the spouse of a member.</p> <p>For the purpose of this rule, spouse includes a person who lives with the member on a bona fide domestic basis although not legally married to the member and whether or not that person is the same gender as the member.</p> <p>A person is not eligible under this rule unless that person is a financial member of an appropriate industrial association where one exists.</p>
3	Approved Persons	A person approved by the board who has an affinity with the company, up to a limit of twenty percent of the total number of members admitted under the Employment and Family categories of this rule.
4	Continuing Membership	A person who is a member but has ceased to be eligible for membership in accordance with the categories of membership.
5	Transferring Members	The person was a member of another ADI that transferred its business and members to the company under the Financial Sector (Business Transfer and Group Restructure) Act 1999 (Cth).

A2-2 Common Bond – Body Corporate

A body corporate is eligible to be a member under any of the following categories:

<i>Category</i>		<i>Description</i>
1	Employer	The body corporate has an employee who is a member of the company pursuant to paragraph (a) or (c) of category 1 of Clause A2-1.
2	Trustee	The body corporate is a trustee of a trust of which a member is a beneficiary.
3	Approved Body Corporate	The body corporate has an affinity with the company and is approved by the board.
4	Continuing	The body corporate is a member but has ceased to be eligible to be a member in accordance with the above categories.
5	Transferring Members	The body corporate was a member of another ADI that transferred its business and members to the company under the Financial Sector (Business Transfer and Group Restructure) Act 1999 (Cth).

A2-3 Interpretation

- (1) Reference to the Australian Education Union includes any of its associated State or constituent bodies such as the NSW Teachers Federation.
- (2) Reference to any union, association or corporation includes its predecessors as well as its successors.

Appendix 3 – Shares

Division 1 – Member Shares

A3-1 Subscription Price

The subscription price for a member share is \$10.

A3-2 Rights, Obligations and Restrictions Attaching to Member Shares

(1) The following rights attach to each member share:

- (a) the right to vote on the terms set out in clause A3-3;
- (b) the right to redeem the member shares on the terms set out in clause A3-5.

Note: For the holder of a member share's entitlement to make deposits with, and receive financial accommodation from, the company, see Rule 2.2 and Subrule 3.1(3).

A3-3 Voting Rights

(1) Holders of member shares may vote:

- (a) at a members' meeting;
- (b) at a meeting of the class of holders of member shares; and
- (c) in a ballot to appoint directors by election.

(2) At a members meeting or a meeting of the class of holders of member shares:

- (a) on a show of hands – each member other than a minor has 1 vote; and
- (b) on a poll – each member other than a minor has 1 vote irrespective of the number of or capacity in which they hold member shares.

(3) A member who is a minor has no vote.

A3-4 Distribution on Winding-Up

(1) On a winding-up of the company the holder of a member share is entitled:

- (a) to payment of the subscription price for the member share when the member subscribed for the member share; and
- (b) if any assets remain after the payments in paragraph (a) – to any surplus assets of the company on an equal basis with other holders of member shares.

(2) The company may offset against the amount payable under this Clause:

- (a) any amount unpaid on the member share; and
- (b) any other amount payable by the member to the company.

A3-5 Redemption of Member Shares

- (1) The company may redeem a member share only if:
 - (i) the member has given the company notice requesting termination of the member's membership of the company under Rule 4.2;
 - (ii) the board has resolved to terminate the member's membership of the company under Rule 4.3; or
 - (iii) the board has determined that the member's deposit accounts with the company are dormant under Rule 4.4.
- (2) On redemption, the company must pay the member an amount equal to the subscription price for the member share when the member subscribed for the member share.
- (3) On redemption, the member shares are cancelled.
- (4) This Rule does not affect the terms on which member shares may be cancelled under a reduction of capital or a share buy-back under Corporations Act 2001 Part 2J.1.

A3-6 Transfer of Member Shares

A member may not transfer their member share.

Appendix 4 – Standing Orders

A4-1 Time Limits for Speakers

- (1) The mover of a motion may speak for no more than 10 minutes.
- (2) Subsequent speakers may speak for no more than 5 minutes.
- (3) The mover of the motion may reply for no more than 5 minutes.
- (4) The meeting is free to extend the time a speaker may speak.

A4-2 Amendment

- (1) On an amendment being proposed to an original motion, no second amendment may be considered until the first amendment has been dealt with.
- (2) An amendment, when carried, displaces the original motion and becomes the motion to which any further amendment may be moved.
- (3) If the amendment is not carried, then further amendments to the original motion may be considered, but only one amendment shall be submitted to the meeting for discussion at one time.

A4-3 Speakers

- (1) The mover of an original motion has a right of reply.
- (2) The mover of an amendment does not have a right of reply.
- (3) Otherwise, a member may speak only once on the same question except to raise a point of order or, with the consent of the chair of the meeting, to give an explanation.

A4-4 Motions to be in Writing

Every motion and every amendment to a motion must be submitted in writing as and when the chair of the meeting requests.

A4-5 Closure of Debate

- (1) Debate on a motion or an amendment may be brought to a close by a resolution 'that the question be now put'.
- (2) The motion 'that the question be now put' must be put to the meeting without debate.

Appendix 5 – Election of Directors

A5-1 Holding of Election

An election of directors of the company is to be held by ballot except where nominations equal or are less than the number of positions to be filled. If a ballot is not held, the nominees shall be declared to be duly appointed as member elected directors by the company secretary at the AGM.

A5-2 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.

A5-3 Electoral Roll

The secretary must prepare and give the returning office a list of members eligible to vote on the election of directors, made up to the day before nominations for the election close under rule A5-4.

A5-4 Nominations

- (1) The board must call for nominations at least 100 days prior to the annual general meeting.
- (2) Nominations close 78 days before the annual general meeting.
- (3) In order to be nominated, a candidate must:
 - (a) be eligible for election under Rule 9.2 (Eligibility to be a Director);
 - (b) be nominated by 2 members; and
 - (c) consent to the nomination.
- (4) A retiring director may stand for re-election without nomination but must be eligible for election under Rule 9.2 (Eligibility to be a Director).

A5-5 Declaration by Candidate

- (1) A candidate must furnish to the company a declaration in such form as the board may require:
 - (a) as to his or her eligibility for election under rule 9.2 (Eligibility to be a Director); and
 - (b) his or her date of birth.
- (2) Candidates may submit a black and white photograph, minimum passport size and background notes up to 120 words which will be posted to all members with their ballot papers.

A5-6 Rejection of Nomination

- (1) Each candidate must provide to the Nominations Committee all information and documentation as the Nominations Committee requires for it to determine if the candidate is fit and proper to become a director by reference to the Fit and Proper Policy.
- (2) Each candidate will be invited to attend before the Nominations Committee to be interviewed to determine if the candidate is fit and proper to become a director by reference to the Fit and Proper Policy.
- (3) Any candidate who fails to attend the interview with the Nominations Committee will have their nomination rejected by the returning officer under Rule A5-6 (5).
- (4) The Nominations Committee will provide the returning officer with a report setting out:
 - (a) the name of each candidate who failed to attend the interview with the Nominations Committee; and
 - (b) the name of each candidate who is fit and proper to become a director by reference to the Fit and Proper Policy.
- (5) The returning officer must reject the nomination of any candidate where:
 - (a) it appears to the returning officer that the candidate is not eligible under Rule 9.2 or because the nomination does not otherwise comply with the requirements of Rule A5-4 (3);
 - (b) a candidate is named in the Nominations Committee's report as having failed to attend the interview with the Nominations Committee; or
 - (c) a candidate is not named in the Nominations Committee's report as fit and proper to become a director by reference to the Fit and Proper Policy.
- (6) The returning officer shall advise each candidate, their proposers and the board whether the candidate's nomination has been accepted or rejected.
- (7) Only a candidate whose nomination has been accepted by the returning officer becomes a candidate for election.

A5-7 Appointment of Scrutineer

- (1) A candidate may appoint a scrutineer at their own cost 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;
 - (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.

A5-8 Ballot Papers

(1) After nominations have closed under Rule A5-4 (Nominations), the returning officer is to prepare ballot papers for the election. The ballot paper must be in or to the following effect:

<p style="margin: 0;">Name of Company</p> <p style="margin: 0;">.....</p> <p style="margin: 0;">Election of director</p> <p style="margin: 0;">to fill vacancies on the board.</p> <p style="margin: 0; text-align: center;">Ballot Paper</p> <p style="margin: 0;">[] name of candidates,</p> <p style="margin: 0;">[] with surname first,</p> <p style="margin: 0;">[] will appear here.</p>

(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.

A5-9 Postal Vote

(1) The returning officer must send to each member who is eligible to vote on an election of directors at least 53 days before the annual general meeting:

- (a) a ballot paper;
- (b) an unsealed envelope, in this Rule referred to as the security envelope, with a perforated section attached bearing the following:

<p style="margin: 0; text-align: center;">Name of Member</p> <p style="margin: 0; text-align: center;">Member's Address</p> <p style="margin: 0; text-align: center;">Member's Signature</p>
--

(c) a "Reply Paid" envelope addressed to the returning officer.

(2) Ballot papers are to be posted to members at their addresses shown in the register of members.

(3) Any member exercising a right to vote must:

- (a) complete the ballot paper in accordance with these Rules;
- (b) place the ballot paper in the security envelope and sign the perforated section; and

- (c) return the security envelope with the perforated section intact to the returning officer in the "Reply Paid" envelope.
- (4) A member must ensure that his or her ballot paper is received by the returning officer by noon on the day fixed for the closing of the ballot.
- (5) Any ballot paper not received by the returning officer prior to the closing of the ballot is excluded from the ballot.
- (6) Any ballot paper received by the returning officer is to be kept in secured ballot boxes until the closure of the ballot.
- (7) A member who has not received a ballot paper or has spoiled it may send to the returning officer a declaration to that effect and the returning officer must:
 - (a) send a duplicate ballot paper to that member;
 - (b) mark the perforated section of the security envelope "Duplicate"; and
 - (c) keep a record of all duplicate ballot papers issued.

A5-10 Closure of the Ballot

- (1) The ballot closes 28 days before the annual general meeting, unless extended by the board of directors pursuant to Rule A5-10(2).
- (2) If, in the event of special and unforeseen circumstances, the board of directors is of the opinion that it would be appropriate to extend the date fixed for the closing of the ballot, the board, in its absolute discretion, may extend the date fixed for the closing of the ballot and shall notify the returning officer accordingly.

A5-11 Procedures After Close of the Ballot

- (1) As soon as practicable after the close of the ballot, the returning officer must deal with the ballots as follows:
 - (a) open all "Reply Paid" envelopes and extract security envelopes;
 - (b) for each security envelope mark the member's name as shown on the perforated section of the electoral roll;
 - (c) where a duplicate ballot paper has been issued and the original security envelope received, mark the original perforated section "rejected";
 - (d) if no perforated section is present or, if the perforated section has not been signed, or the signature is identified as not being the member's or there is insufficient detail to identify the member, mark the perforated section and the security envelope "rejected";
 - (e) detach the perforated section from the security envelope, ensuring that no security envelope could subsequently be identified with any particular member;
 - (f) when all the security envelopes have been so dealt with, cause all the security envelopes to be opened and the ballot papers to be taken out;

- (g) cause the ballot papers to be scrutinised under his or her supervision and reject such ballot papers as he or she finds to be informal under Rule A5-11(2);
 - (h) count the votes in accordance with Rule A5-12 (Voting System);
 - (i) prepare and sign a declaration of the ballot as to:
 - (i) the number of ballot papers lodged;
 - (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.
 - (j) deliver the statement to the company's secretary.
- (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.
- (3) The returning officer must preserve the ballot papers for a period of at least six months after the declaration of the ballot.
- (4) No election shall be voided on account of any error or omission of the returning officer which did not affect the results of the election.

A5-12 Voting System

- (1) On any ballot, 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.

A5-13 Nominations Committee

- (1) The board must establish and maintain a Nominations Committee.
- (2) The function of the Nominations Committee is to assess whether a person, including an existing director, is fit and proper under the terms of the Fit and Proper Policy to be appointed or elected as a director.
- (3) The Nominations Committee shall consist of not less than three persons as the board determines, provided:
 - (a) the majority of the members of the Nominations Committee must be independent; and
 - (b) none of the members of the Nominations Committee are employees of the company; and
 - (c) no director may be a member of the Nominations Committee if the director is nominated as a candidate for re-appointment or re-election.

- (4) The board may, at any time, and in its absolute discretion:
- (a) suspend or terminate the appointment of a person as a member of the Nominations Committee; and
 - (b) give directions to the Nominations Committee as to the procedures it is to follow.

A5-14 Electronic Voting

- (1) If the company has an Electronic Voting System which permits members to vote for the election of directors by electronic means, then the board may determine:
- (a) that the members may record their votes in the election by electronic means; and
 - (b) the manner in which members will be identified for the purposes of voting in the election.
- (2) If the board makes such a determination:
- (a) members may vote by post or by electronic means, but may only vote once.
 - (b) the information referred to in Rule A5-5(2) may be made available for access by members by electronic means.
 - (c) the returning officer shall provide an interactive copy of the ballot paper in a secure online system to facilitate voting by electronic means and make available to members all information reasonably necessary to facilitate voting by electronic means. Requirements for an authenticating mark of the returning officer on the ballot paper shall not apply, but the returning officer must ensure that a member cannot vote by electronic means more than once in the election.
 - (d) a member who votes by electronic means must ensure that his or her vote is submitted to the returning officer in accordance with any instructions given for voting by electronic means.
 - (e) in respect of any vote received by the returning officer by electronic means, the returning officer must ensure that the fact that the member has voted is recorded.
 - (f) the returning officer must cause all votes received by electronic means to be recorded in such a way that they cannot subsequently be identified with any particular member.
 - (g) if a member lodges both a vote by post and a vote by electronic means, then the returning officer must:
 - (i) if one of the votes is informal, accept the formal vote; and
 - (ii) if both votes are formal, accept the vote received first.
 - (h) the election procedures set out in the preceding Rules of Appendix 5 are deemed to be otherwise modified to the extent necessary to permit voting by electronic means.

A5-15 Vote Counting

Counting of votes may be undertaken manually, electronically or by using scanning technology and equipment or a combination of such methods.