

Constitution

of

Marrie Gold Pty. Ltd.

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SAMPLE

Overview

This is the Constitution of Marrie Gold Pty. Ltd.

The company is a proprietary company limited by shares. The liability of its members is limited to any amount owing on their shares.

- This Constitution only allows the company to pursue charitable purposes, including by acting as trustee of one or more charitable trusts which are also established for charitable purposes.
- This Constitution prohibits distribution of the company's income or property to its members and prohibits paying fees to its directors.
- This Constitution requires directors to approve any payments (other than fees, which are prohibited) made to them.
- The company is not allowed to engage in an activity that would require a disclosure document to be lodged under Chapter 6D of the *Corporations Act*. This does not apply to an offer to existing members of the company or to employees of the company or a subsidiary company.

The Constitution sets out the basis on which the company is to be managed. Nothing in the Constitution is intended to derogate from the *Corporations Act*. That Act imposes numerous obligations on the company which are not reproduced in this Constitution. It prevails over anything in this Constitution to the extent that they are inconsistent. This Constitution replaces the replaceable rules in the *Corporations Act*. Words used in the Constitution that have a meaning in the *Corporations Act* have the same meaning in this Constitution.

A Management of the company

Company's powers

- 1 The company has all the powers of a natural person and a body corporate. That includes powers expressly or impliedly conferred by the *Corporations Act* or by law, except that it is not permitted to distribute the company's assets, income or property to its members.

Company's purpose

- 2 The sole purpose of the company is to pursue charitable purposes. These charitable purposes include (but are not limited to) acting as the trustee of one or more trusts which are established to pursue charitable purposes. From time to time, the Board of Directors may by unanimous resolution determine any specific charitable purposes of the company.

Company managed by the Board

- 3 The Board of Directors manages the company. The initial directors are named in the Schedule. A director is not required to own shares in the company.

Directors to appoint company secretary

- 4 The directors may appoint one or more company secretaries in accordance with the *Corporations Act* on the conditions they think fit. The directors may remove a company secretary from office. Unless the directors decide otherwise, the company secretary is also the company's public officer.

Directors to appoint public officer

- 5 The directors must appoint a public officer in accordance with Australian tax law on the conditions they think fit. The directors may remove a public officer from office.

Powers of directors

- 6 Through the Board, the directors have the power and duty to manage and control the business and affairs of the company. They may exercise all the company's powers, except those that are required to be exercised by the company in general meeting.

Directors may confer powers on a person

- 7 The directors may confer on a person (including a director) the power to do specified things on behalf of the company, whether by power of attorney or not. They may confer on that person a power of sub-delegation.
- 8 If they do this, then that action does not exclude its exercise by the directors themselves.

Number of directors

- 9 Subject to clause 10, there must be at least one director of the company and not more than 10.
- 10 The company may change the number of directors above one by passing a resolution at a general meeting of the company. If the number of directors falls below the minimum set by the company in accordance with this clause, the remaining directors for the time being must not take any action as directors other than to:
- appoint additional directors to meet the minimum; or
 - convene a general meeting of the company.

Appointment and removal of directors

- 11 The company or the directors may appoint a director, remove a director, or do both, by passing a resolution to that effect.
- The directors may appoint a director either to fill a casual vacancy or to add to their number. A director appointed by the directors ceases to be a director on the later of:
- 6 months after the date of his or her appointment; and
 - the next meeting of members (at which their appointment must be confirmed by a majority of members present and entitled to vote).

Retirement of directors

- 12 A director may retire from office by giving written notice to the company at its registered office. The resignation is effective at the time stated in the notice, provided it is after the time the notice was given. If not, the notice is effective immediately it is given.

Office of director becomes vacant

- 13 A director automatically ceases to be a director if the director:
- is prohibited from being a director or ceases to be a director or is removed from being a director by the *Corporations Act* or by an order made under it;
 - becomes insolvent or makes a composition or arrangement with his or her creditors or a class of them;
 - becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under any law relating to mental health;
 - is absent from meetings of directors for 6 consecutive months without special leave from the directors, and the directors consequently declare his or her office vacant; or
 - fails to pay a call on his or her shares in the company for at least a month after the call was made – or a longer period allowed by the directors.

Alternate directors

- 14 A director may appoint a person to act in his or her place as an alternate for any period the director thinks fit. The appointment must be in writing and must first be approved by a majority of the other directors. The managing director may not appoint an alternate managing director. An alternate does not have to own shares in the company. An alternate may be an alternate for more than one director.

Powers of alternate directors

- 15 In the absence of the appointing director, his or her alternate has all the rights, and may exercise all the powers of, the director (including voting at meetings) on the same conditions as the appointing director. The exercise of rights and powers has the same effect as if the appointing director had exercised them. However, the alternate director is not the appointing director's agent and is personally responsible to the company for his or her conduct.

Notice of meetings

- 16 An alternate is entitled to receive notices of meetings of directors if the appointing director requests it.

Resignation of alternate director

- 17 An alternate may resign by giving the company written notice at its registered office. The resignation takes effect immediately when the notice is given.

Termination or suspension of appointment of alternate director

- 18 An appointing director may immediately terminate the appointment of his or her alternate, or suspend the appointment, by giving the company written notice at the registered office.
- The other directors may immediately terminate the appointment of an alternate, or suspend that appointment, by passing a resolution at a meeting of directors after giving the appointing director reasonable written notice.
- The appointment of an alternate terminates automatically if the appointing director ceases to be a director, or if anything happens in respect of the alternate which, if it happened to the appointing director, would result in that director ceasing to hold office.

Appointment of managing director

- 19 The directors may appoint one of them to be the company's managing director for the period and on the terms (including terms as to salary and fees) they think fit. If the managing director is unable to act in that office, the directors may appoint a person to act temporarily as managing director.

Resignation etc of managing director

- 20 The clauses in this Constitution that apply in relation to the resignation, disqualification and removal of a director apply to the managing director with any necessary

qualifications. The directors may remove the managing director from office, but only in accordance with any contract of employment the company has with that person.

Managing director ceasing to hold office

21 The managing director automatically ceases to hold office when he or she ceases to be a director.

Powers of managing director

22 The managing director has the powers entrusted to him or her by the directors. The directors may withdraw or vary any power entrusted to the managing director. The entrusting of a power to the managing director does not exclude its exercise by the directors themselves.

Remuneration of directors

23 The directors are not entitled to be paid directors' fees.

Expenses

24 Directors are entitled to be paid or reimbursed for all travelling and other expenses they properly incur in relation to exercising their powers and performing their duties in relation to:

- a meeting of directors;
- a meeting of a committee of directors;
- a general meeting of the company; or
- the business or affairs of the company.

25 The Directors must approve all payments the company makes to any of them.

Conflict of interests

26 A director is entitled to hold another office with the company, or to be remunerated for other work (including professional work) by the company, despite being a director. This does not apply in relation to the office or work of auditor.

A director is not disqualified from office by reason of entering into a contract or arrangement with the company or having an interest in a contract or arrangement with the company, nor is any such contract or arrangement void or liable to be avoided.

A director does not have to account to the company for any profit arising from a contract or arrangement with the company merely because of being a director and having a fiduciary duty to the company.

Disclosure of an interest

27 A director must disclose an interest in any contract or arrangement with the company as required by the *Corporations Act*.

General notice of an interest

28 A director may give a general notice to the company at its registered office that he or she is an officer or member of a specified corporation or firm, or has an interest in it in some other way. The notice must set out the nature and extent of the director's interest. The notice is effective on all subsequent occasions as a disclosure of the director's interest in a matter involving the company and that corporation or firm, but only if the director's interest at the time of first consideration of the matter is no greater than as stated in the general notice.

Effect of disclosure by a director

- 29 If a director complies with the law and this Constitution in relation to disclosing an interest:
- the director may vote on whether the company enters into the contract or arrangement;
 - the contract or arrangement may be entered into;
 - the director may participate in the execution of the contract; and
 - the director may vote on matters involving the contract.

B Meetings of directors

Directors may regulate meetings

30 The directors may regulate their meetings in the way they think fit.

Holding meetings

31 A director may convene a meeting of directors at any time. The company secretary must convene a meeting if requested by a director to do so. The convenor convenes a meeting by giving written or oral notice of it to all directors. The convenor does not have to give notice of a meeting to a director whom the convenor reasonably believes to be outside Australia.

Failure to give notice

32 The resolutions passed at a meeting of directors for which notice was not given to all directors, and actions taken to implement those resolutions, are nonetheless valid if each director who was not given notice later agrees to waive the receipt of that notice.

Quorum

33 No business may be transacted at any time during a meeting of directors unless a quorum is present. Until the directors decide otherwise, the quorum for a meeting of directors is any 2 directors or 50% of directors, whichever is the greater. If there is only one director, the quorum is that director. The quorum must be present throughout a

meeting. An alternate director who is not also a director may be counted in the quorum if the appointing director is not present.

Chair

34 The directors may elect one of them to be chair for a specified period. If a meeting of directors is held and no chair has been appointed, or the usual chair is not present within 30 minutes after the scheduled starting time or is unwilling to chair the meeting, the directors present must elect one of them to chair that meeting.

Meetings of directors in different places

35 A meeting of directors may be convened at different venues, provided the technology used gives the directors at each venue a reasonable opportunity to participate in the meeting. The meeting is held at the place where the largest number of participating directors is present. If that place cannot be identified, the meeting is held where the chair is present.

If there is a failure in the technology which deprives any director of a reasonable opportunity of participating in the meeting, the chair must adjourn the meeting until the failure is rectified. If the failure is not rectified within one hour, the chair must adjourn the meeting to a date and time when the chair believes all directors will be able to participate.

Departure from a meeting of directors in different places

36 A director who wishes to leave a meeting of directors being held even though all directors are not in the same place must obtain the express consent of the chair. A director who fails to do so is conclusively presumed present throughout the meeting for the purposes of the quorum for that meeting.

Voting and resolutions at a meeting

37 At a meeting of directors:

- each director who is present has one vote;
- an alternate director who is also a director has one vote as director and one vote for each appointing director who is absent from the meeting and by whom he or she has been appointed as an alternate.

A resolution is passed at a meeting of directors if a majority of the votes cast is in favour of it. If there is only one director, he or she may pass a resolution in the way provided for by section 248B of the *Corporations Act*.

Resolutions by circular

38 The directors may pass a resolution without holding a meeting in accordance with this clause. The resolution must be signed by all directors entitled to vote on it and must state that they are in favour of it. The resolution is valid from the time the last director signs it and is taken to have been passed at that time. Different directors may sign different

documents provided they are identical. All original signed counterparts of this resolution must be retained in the company's books.

Minutes of meetings

- 39 The directors must keep and sign minutes of meetings in accordance with the *Corporations Act* which record all attendees, apologies, orders, resolutions and proceedings of meetings of directors.

Committees of directors

- 40 The directors may delegate any of their powers to a committee of directors they specify. The directors may revoke a delegation. A committee must comply with any conditions on the exercise of its powers that the directors set. A power properly exercised by a committee is exercised by the directors. The clauses that apply in relation to the proceedings of a meeting of directors apply in relation to meetings of a committee of directors (except a committee of one).

Minutes of meetings of committees

- 41 The rules applying to the minutes of meetings of directors and their signing apply, with any necessary changes, to the minutes of meetings of a committee. If a committee consists of only one director, a minute signed by that director recording a decision by him or her as that committee is a minute of that committee.

Validation of acts of directors

- 42 Any act done at a meeting of directors or of a committee of directors, or by any person acting as director, or by a person claiming to act under a power of attorney executed by the company, is valid even if it is later discovered that there was a defect in the person's appointment or continuance in office, or that the person was disqualified from voting or not entitled to vote.

Execution of documents

- 43 In addition to any other way in which the company may execute a document, it may do so by 2 directors signing it, or by one director and a secretary of the company signing it. If there is only one director who is also the sole company secretary, the company may execute a document by that person signing it. If there is only one director and no company secretary, the company may execute a document by that director signing it. Execution under a common seal is not required.

Company seal

- 44 The directors may adopt a company seal, provide for its safe-keeping and adopt rules for its use.

C General meetings of the company

Convening a general meeting

45 A director may convene a general meeting of the company at any time. A member or members may only call for or convene a meeting in accordance with the *Corporations Act*. A meeting may be convened at different venues, provided the technology used gives the members at each venue a reasonable opportunity to participate in the meeting. The meeting is held at the place where the largest number of members is present. If that place cannot be identified, the meeting is held where the chair is present.

If there is a failure in the technology which deprives any member of a reasonable opportunity of participating in the meeting, the chair must adjourn the meeting until the failure is rectified. If the failure is not rectified within one hour, the chair must adjourn the meeting to a date and time when the chair believes all members will be able to participate.

Notice of meetings

46 Unless consent is given for shorter notice in accordance with the *Corporations Act*, at least 21 days' notice must be given of a general meeting to those persons entitled to notice under the *Corporations Act*. The notice must specify the information required by the *Corporations Act*.

An accidental failure to give notice to a person, or the non-receipt by that person of the notice, does not affect the validity of the proceedings at the meeting or any resolution passed at it.

Cancellation

47 The directors may cancel a general meeting convened by them. If a general meeting is convened by, or on the call of, a member or members, the directors may only cancel the meeting if they have received from that member or members a signed notice withdrawing their request for the meeting.

Adjournment

48 The directors may postpone a general meeting or change a venue at which it is to be held. The only business that may be transacted at an adjourned meeting is the business stated in the notice concerning the original meeting.

- If a meeting is cancelled or adjourned, the directors must try to notify in writing each person entitled to receive notice of the fact of its cancellation or adjournment.
- In the case of an adjournment, the notice must state the new time and venue for the meeting.
- An accidental failure to give notice to a person, or the non-receipt by that person of the notice, does not affect the validity of the cancellation or adjournment of the meeting.

Quorum

49 No business may be transacted at any time during a general meeting unless a quorum is present. The quorum for a general meeting is 2 members who are present in person or by proxy, representative or attorney and who are entitled to vote. If a proxy, representative or attorney is appointed by more than one member, unless that person is also a member that person may be counted only once for the purpose of calculating the quorum. If that person is also a member, then that person may be counted twice. If the company has only one member, that person is the quorum.

49.1 *In the case of a meeting convened or called for by a member or members, if a quorum is not present within 30 minutes after the time appointed for a general meeting to be held, the meeting is automatically abandoned.*

49.2 *In the case of a meeting convened by the directors (other than on a member's or members' call), if a quorum is not present within 30 minutes after the time appointed for a general meeting to be held, it automatically stands adjourned to the same day of the following week at the time and venue the directors notify to the members in writing. If a quorum is not present within 30 minutes after the time appointed for the adjourned meeting, the meeting is automatically abandoned.*

Chair

50 The chair of meetings of directors is also the chair of a general meeting. If there is no chair, or the chair is unwilling to act as chair, or the chair is not present within 30 minutes after the time appointed for the general meeting to be held, the directors may choose another director to be chair of the meeting. If the directors fail to do so, or all directors present decline to be chair, the members who are present may choose one of them to be chair of the meeting.

Chair's rulings final

51 The chair's rulings on any matter relating to the order of business, procedure and conduct of the general meeting are final. No motion of dissent from a ruling will be accepted.

Adjournment

52 On the request or on the decision of a majority of members present and entitled to vote, the chair must adjourn a general meeting, or any business, motion, resolution, question, debate, discussion or poll. The adjournment may be until later in the meeting or to an adjourned meeting in accordance with the decision or request and does not affect the conduct of any other business that remains to be conducted at the meeting.

Adjourned meetings

53 No notice has to be given of an adjourned meeting or the business to be transacted at it unless the adjournment is for at least 30 days. In that case, the notice requirements relating to the original meeting apply. No business may be transacted at an adjourned

meeting except the business from the meeting adjourned. A resolution passed at an adjourned meeting is passed on the day of that adjourned meeting.

Voting rights

54 Subject to any rights or restrictions attached at the relevant time to a class or classes of shares, each member of the company, or each member of a class of members, who is entitled to attend and vote may attend a meeting of the company, or of the class of members. An individual member may vote personally or by proxy or attorney. A corporation member may do so by a representative who is an individual. No person who is not a member of the company, or a member of the class of members, or a proxy or attorney of that member – or, in the case of a corporation member, a representative of that member – may vote at a meeting of members or of a class of members.

Votes

55 *On a show of hands*, each member present (including by proxy, representative or attorney) at a meeting of members or of a class of members who is entitled to vote has one vote.

On a poll, each member present at a meeting of members or of a class of members who is entitled to vote has one vote for every fully paid up share held.

Votes by joint holders

56 Any joint holder of shares may vote at a general meeting. However, if more than one vote is cast, the only one that will be counted is that of the joint holder whose name appears first on the member's register of the company.

Members not entitled to vote: minor or incapacity

57 A member who is a minor may vote by the person or body who has the management or guardianship of the member. A member under an incapacity can vote through the person legally entitled to manage their estate.

Members not entitled to vote: amount unpaid

58 A member is not entitled to be present or to vote at a general meeting unless all calls and other amounts payable at the time of the meeting in respect of shares held by the member have been paid in full.

Objection to vote

59 A challenge to a person's entitlement to vote at a general meeting or to the validity of a vote made at that meeting may only be raised at that meeting. If a vote is allowed by the chair, it is valid for all purposes.

Method of voting

- 60 A resolution at a general meeting is to be decided on a show of hands unless a poll is demanded by any of the following:
- the chair of the meeting;
 - at least 5 members present who are entitled to vote on the resolution;
 - by a member or members who represent at least 10% of the votes that may be cast on the resolution.

Chair to declare proxies before taking vote

- 61 Before taking a vote on a resolution at a general meeting, the chair must inform the meeting whether any proxy votes have been received and how any proxy votes are to be cast.

Declaration of result of a vote on a show of hands

- 62 A declaration by the chair of a general meeting of the result of a vote on a show of hands, and a subsequent entry into the minutes of that meeting confirming that result that is signed by the chair of that meeting or the next general meeting, is by itself conclusive evidence of the declared result.

When a poll may be demanded

- 63 A poll may be demanded before a vote on a resolution is taken, before the result of a vote on a show of hands is declared, or immediately after the result is declared.

Demand may be withdrawn

- 64 A demand for a poll may be withdrawn at any time before the poll is taken.

Taking of poll

- 65 If a poll is demanded, it must be taken in accordance with the directions of the chair. However, if the poll concerns the election of a chair or the adjournment of the meeting, it must be taken immediately. A delayed poll does not affect the transaction of other business. The result of the poll is the resolution of the meeting on that question.

Chair's votes

- 66 In addition to any deliberative vote or votes as a member, the chair of a meeting is not entitled to a casting vote in the case of an equality of votes on a show of hands or a poll.

Right of non-members to attend general meeting

- 67 The chair may invite any person who is not a member to attend and address a general meeting, including a director, auditor or company secretary.

Resolutions by circular

68 The members may pass a resolution by circular without holding a general meeting. The resolution must be signed by all members entitled to vote on it and must state that they are in favour of it. If there are joint holders of shares entitled to vote on the resolution, each must sign it. The resolution is valid from the time the last member signs it and is taken to have been passed at that time. Different members may sign different documents provided they are identical. Facsimile documents are acceptable. The resolution must be recorded in the minutes of the company's meetings. This does not apply to a resolution to remove an auditor under section 329 of the *Corporations Act*.

Resolutions by sole member

69 If the company has only one member, that member may pass a resolution of the company simply by recording it in the minutes of the company's meetings.

Proxies

70 A member who is entitled to cast 2 or more votes may appoint no more than 2 proxies. A proxy does not have to be a member of the company. If a member appoints 2 proxies, neither can vote on a show of hands. If the appointment does not specify what proportion of votes each is to be proxy for, each may exercise one half of the member's voting rights. A fraction of a vote is to be disregarded.

Appointment of proxy

71 A member may appoint a proxy or attorney. The member, the member's attorney or the corporation member's representative must sign the appointment. The appointment is valid if it contains the information which the *Corporations Act* requires it to contain. At the date of this Constitution, the *Corporations Act* required it to contain each of the following:

- the name and address of the member
- the name of the company
- the proxy's name or the name of the proxy's office
- the meetings at which the proxy is to be used.

An appointment is not invalid merely because it does not specify all this information.

An appointment may be a standing appointment.

An appointment for a meeting is valid for an adjournment of that meeting.

Form of proxy

72 The form set out in Schedule 2 may be used for the appointment of a proxy.

Revocation of appointment

73 A member who has appointed a proxy may revoke the appointment at any time by giving the company written notice. An appointment is not revoked by the member attending and

taking part in a general meeting. However, if the member votes on a resolution, the proxy or other person appointed to exercise a member's voting rights is unable to vote.

Lodgement of proxies

74 A proxy, power of attorney or other authority to exercise a member's voting rights at a general meeting is not to be treated as valid unless notice of it is received by the company at its registered office (or another place specified in the notice of meeting) at least 48 hours before the time the meeting (or adjourned meeting) at which it is to be exercised is due to commence. The proxy or power of attorney must be accompanied by the authority under which the proxy was signed or a certified copy of the power of attorney. Facsimile documents are acceptable.

Rights of proxies etc

75 A proxy or other person appointed to exercise a member's voting rights has the same rights as the member to speak and vote at a general meeting. Those rights are suspended while the member is personally present at the meeting. The proxy or other person must vote on a resolution in accordance with any direction in the appointment.

- If there is no direction, and the person is separately entitled to vote on the resolution, the person may vote on it for the member as he or she thinks fit.
- If there is no direction, and the person is *not* separately entitled to vote on the resolution, he or she must abstain from voting on it.

A proxy or other person appointed to exercise a member's voting rights may demand or join in a demand for a poll.

Votes by proxy etc remain valid

76 A vote by proxy, power of attorney or other authority is valid despite any of the following:

- the death of the member or the member ceasing to have mental capacity;
- the bankruptcy or liquidation of the member;
- the revocation of the proxy, power of attorney or other authority;
- the transfer of the share in respect of which the vote was cast.

This does not apply if the company receives notice of the relevant fact at its registered office at least 48 hours before the commencement of the meeting (or adjourned meeting) at which the vote is to be cast.

Proxy of joint holders

77 The vote of a proxy appointed by all the joint holders of a share is to be counted to the exclusion of a vote by any other proxy of any of the joint holders.

Chair may require evidence

- 78 The chair of a general meeting may require a person acting as a proxy for a member to establish that he or she is the person named in the lodged proxy. If the person cannot do so, he or she may be excluded from voting as proxy for the member.

Meetings of members of a class of shares

- 79 The rules applying to general meetings of the company apply with any necessary modification to meetings of members holding a class of shares, unless a matter is dealt with specifically by the rules for meetings of class members.

D Shares in the company

Power to issue shares

- 80 The directors may issue shares in the company at any time. They must preserve any special rights conferred on holders of existing shares. The directors may issue shares on any conditions they think fit subject to the limitation on the company's powers set out in clause 1 and the *Corporations Act*.
- 81 The directors may issue or allot shares as fully paid or partly paid, or as payment for property acquired by, or services rendered to, the company. They may differentiate between holders, including holders of the same class of shares, in relation to amount of calls or the timing of calls that are to be paid.
- The directors may impose any conditions dealing with preferred, deferred, qualified, guaranteed and other special rights, privileges, conditions, restrictions or limitations in regard to voting or otherwise that they think fit.
- 82 The directors may grant options to call on the company to issue shares that they think fit.

Shares that may be issued

- 83 The shares issued by the directors must be of a class described in the Schedule or otherwise authorised by this Constitution.

Issue price

- 84 The directors determine the price of any shares they issue.

Variation of rights

- 85 The rights of holders of a class of shares to which special rights are attached are not varied or cancelled by the creation of additional shares ranking equally with the shares of that class. They may be cancelled or varied only by a special resolution of the company, and:
- a special resolution at a general meeting of the members holding shares in the relevant class of shares; or
 - with the written consent of members who hold at least 75% of the shares in that

class.

Variation or cancellation of shares

- 86 If the capital of the company is divided into different classes of shares, any rights attached to shares of any class may be varied or cancelled:
- with the written consent of the holders of 75% of the issued shares of that class; or
 - with the sanction of a special resolution of the holders of shares in that class passed at a separate general meeting.

In the latter case, the quorum for the meeting is members holding 25% of the issued shares of the relevant class. Any member holding shares of the class may demand a poll.

Commission and brokerage

- 87 The company may pay commission or brokerage as allowed by the *Corporations Act*. It may do so by paying cash, allotting shares, or both.

Share certificates

- 88 The company must issue share certificates to holders of shares. They must be in the form laid down by the directors and in accordance with any requirements in the *Corporations Act*. Each member is entitled to one share certificate, free of charge, for all the shares registered in his or her name. Joint holders of shares are entitled to only one certificate between them.

If a share certificate produced to the directors is worn out or defaced, the directors may order it to be cancelled. On cancellation, they may issue a replacement after being paid a fee set by them. If a share certificate is lost or destroyed, the directors must issue a replacement to the person entitled to the shares after being paid a fee set by the directors.

Calls on shares

- 89 Unless the terms of issue of a share provide otherwise, the directors may at any time make a call, including a call by instalments, in respect of an amount unpaid on the shares of members. A call is made when the directors pass a resolution making it.

Notice of a call

- 90 The company must give at least 14 days' written notice to each member who holds a share in respect of which a call is made. An accidental failure to give notice or the failure of a member to receive it does not affect the validity of the call. However, notice of a call is not required where the terms of issue of a share specifies the time an unpaid amount will fall due.

Liability for a call

- 91 After receiving notice of a call, a member must comply with it. Joint holders are jointly and severally liable.

Interest on unpaid calls

- 92 If a call is not paid on time, the member must pay interest at the daily rate that is equivalent to the annual rate set by the directors (if no rate has been set by them, the last Reserve Bank Official annual cash rate published in the Australian Financial Review) from that time until actual payment, plus any expenses incurred by the company because of the failure to pay. The interest is to be compounded daily. The directors may waive payment of any part of the interest.

Proceedings

- 93 If a call is not paid on time, the directors may proceed to recover the amount, plus any interest and expenses. The exercise of that right does not affect any right of the company to forfeit the relevant shares. In any proceedings, it is sufficient and conclusive to prove that:

- the defendant's name is entered in the member's register as a holder of the shares in respect of which the call was made;
- the resolution making the call is recorded in the company's minute book; and
- notice of the call was given to the member; or that the terms on which the shares were issued required payment at or after the relevant fixed or defined time.

Nothing else has to be proved.

Prepayment of calls

- 94 The directors may accept payment of an amount unpaid on a share without a call having been made in respect of any part of it. The directors may authorise the company to pay interest on that amount to the member, at the rate set by the directors (if no rate has been set by them, the last Reserve Bank Official annual cash rate published in the Australian Financial Review), from the time it is paid until the time the amount would have become due under a call. The directors may at any time repay any part of a prepaid amount. They must give the member at least one month's notice of an intention to repay a prepaid amount.

Forfeiture of shares

- 95 If a member does not pay a call on time, the directors may serve a forfeiture notice on the member requiring payment of the relevant amount, plus interest and expenses. The notice must state:

- a date and time (no earlier than 14 days after the date the notice is served) on or before which payment of the outstanding amount is required, and the place where payment is to be made; and

- that if payment is not made as required, the shares will be liable to forfeiture.

If the member does not comply, the directors may forfeit the shares, including unpaid dividends declared in respect of them. The directors may at any time annul a forfeiture of shares.

Notice that forfeiture has taken place

96 If a share is forfeited, the directors must enter the forfeiture and its date in the member's register of the company. The company must give notice of the forfeiture to the member (or members) in whose name the share was registered. Failure to comply with this clause does not invalidate the forfeiture.

Consequences of forfeiture

97 A person whose shares have been forfeited ceases at the time of forfeiture to be a member in respect of those shares. He or she has no claim against the company in respect of the forfeited shares, but remains liable to pay the company the amount outstanding in respect of them at the date of forfeiture. If the directors think fit, the person must also pay interest on the outstanding amount, at the rate set by the directors (if no rate has been set by them, the last Reserve Bank Official annual cash rate published in the Australian Financial Review), from the time of call of the shares until the outstanding amount is paid. The directors are not under an obligation to enforce the person's obligations.

Evidence of forfeiture

98 A statement in writing by a director or the company secretary that a particular share has been forfeited on a particular date is conclusive evidence of that fact against any person claiming to be entitled to it.

Disposal of forfeited shares

99 The company may sell or dispose in some other way of a forfeited share as the directors think fit. On receipt of any consideration for the disposal, the company may transfer the share to the person to whom it was sold or disposed. That person is then to be registered as the holder of the share, but is not responsible for seeing to what is done with any consideration paid. Entitlement to the share is not affected by any irregularity or invalidity in the forfeiture and disposal procedure.

Balance belongs to former member

100 Any balance of the proceeds of sale after payment to the company of the amount outstanding for the share belongs to the person who last held the forfeited share.

Company has a lien on shares in respect of amounts payable

101 The company has a first and paramount lien on each share registered (solely or jointly) in the name of a member, and on the proceeds of sale of that share, for all money that is

outstanding on it, including an amount the company may be required to pay in respect of it. The lien extends to dividends declared and other entitlements in respect of the share. Unless the directors decide otherwise, the registration of a transfer of a share waives the company's existing lien in respect of it. The directors may exempt a share from the company's lien.

Company's indemnity and lien in respect of certain liabilities etc

102 If, under the law of Australia or any other jurisdiction, a liability is imposed on the company, or the company is required to make a payment in respect of any shares registered in the company's member's register or in respect of any dividends or other amounts which are or may become accrued or payable to a member in respect of those shares, then the company is entitled to be indemnified against that liability or requirement by the holder of those shares. In addition:

- The company has a lien on the shares and the dividends or other amounts for the amount of the liability or requirement, plus interest on that amount, at the rate set by the directors (if no rate has been set by them, the last Reserve Bank Official annual cash rate published in the Australian Financial Review), from the time the company pays the amount of the liability or requirement until the time the member indemnifies the company. The directors may waive payment of the interest.
- The company may deduct from any amount payable by it to the member the amount due by the member under the indemnity.

This does not affect any other right the company may have in respect of its payment of the liability or requirement. Nor does it affect any other provision of this Constitution relating to the prohibition on dividends.

Suspension of a member's rights

103 While the company holds a lien over shares in respect of an amount which has not been paid on time, the relevant member may not exercise any rights as a member in respect of those shares.

Enforcement of a lien

104 The company may enforce a lien in respect of an amount that has not been paid on time by selling the shares in the way the directors think fit. The company must give the member or other person entitled to the shares at least 14 days' written notice, stating the amount due and demanding payment of it.

Completion of sale under a lien

105 The directors may authorise a person to effect the transfer to the purchaser of shares which have been sold under the company's lien over them. The purchaser is entitled to be registered as the holder of the shares and is not responsible for seeing to what is done with the consideration paid. The purchaser's entitlement to the shares is not affected by any irregularity or invalidity in connection with the sale. The purchaser is not under any

obligation to pay any amount in respect of the shares except the purchase price and any other amount agreed with the company.

Proceeds of sale under lien

106 Proceeds received by the company from the sale of shares under a lien are to be applied towards payment of the amount in respect of which the lien existed and any expenses of the company in enforcing the lien. Any balance must be paid to the person entitled to the shares before they were sold under the lien. However, the company may retain any amount that has become payable since the sale in relation to something that occurred before the sale.

Transfer of shares

107 A person may transfer shares to another person by a document in the usual or common form or in some other form approved by the directors, signed by both the transferor and the transferee. The transferor remains holder of the shares until the transfer is registered.

Registration of transfer

108 For a transfer to be registered, the following documents must be lodged at the company's registered office:

- the transfer itself, duly stamped;
- the share certificate (if there is one) or evidence satisfactory to the directors of its loss or destruction;
- any other information the directors require to establish the transferor's right to transfer the beneficial ownership in the shares.

No fee is payable in respect of a transfer.

Refusal to register

109 The directors may refuse to register a transfer for any reason they think fit. The company must give written notice to the person who lodged the transfer within 7 days after a refusal to register a transfer. Except in the case of suspected fraud, they must return the transfer to that person.

Suspension of transfers

110 The directors may suspend registration of transfers for a specified period at any time, provided the total period of suspension in a calendar year is no more than 30 days.

Transmission of shares on the death of a member

111 On the death of a member, a surviving joint holder or the personal representative of a deceased sole holder are the only persons who have any title to the deceased's shares.

The estate of a deceased holder remains liable for any liability in respect of the shares held, solely or jointly, at his or her death.

Election by a person entitled

112 The directors may require any person who becomes entitled to shares on the death or bankruptcy of a member or under any law relating to mental health to elect, by giving written notice to the company, either to become registered as the holder of the shares or to nominate another person in whose name the shares are to be registered and effecting a transfer to this person.

Entitlement before registration

113 A person entitled to be registered as the holder of shares is entitled to receive any dividend or other payment payable in respect of the relevant shares that the member would have been entitled to if he or she had not died. However, that person must first give the directors any information they properly require. The person is not entitled to any other rights until he or she becomes registered as the holder of the shares.

Incapacity etc of member

114 If a member becomes incapacitated or his or her person or assets becomes liable to be dealt with in any way under a law that relates to incapacity, the person who becomes legally entitled to manage the member's estate may exercise any rights that the member would have been able to exercise but for the incapacity. However, the person must first give the directors any information they properly require.

E Capital and profits of the company

Alteration of capital of the company

115 The company may alter its capital by passing a resolution to that effect in general meeting. It may do so in any of the following ways, provided it does not infringe clause 85:

- by converting any of its shares into larger or smaller numbers, in which case, any amount unpaid on them is to be divided equally among the replacement shares;
- by cancelling any shares which have been forfeited;
- by converting a class of shares into another class.

Proceeds of capital reduction or share buy back

116 If the company reduces or buys back its share capital then the company must retain the capital or proceeds of the buy back and apply them to the company's purpose.

Prohibition on dividends

117 The company must not distribute assets, income, profits or dividends to the members.

Reserving profits

118 The directors may at any time set aside an amount out of the profits of the company as a reserve. A reserve is to be applied, at the directors' discretion, to any of the purposes for which profits may properly be applied, including the running of the company and investment. Until that is done, the directors may use it for the company's benefit.

Carrying forward profits

119 The directors may carry forward any profits rather than reserving them.

Capitalising profits

120 The company must not capitalise any sum being the whole or a part of the amount for the time being standing to the credit of any reserve account or otherwise.

F Miscellaneous

Corporations Act

121 This Constitution will be read subject to any restrictions in the *Corporations Act*. To the extent of any inconsistency, the provisions of the *Corporations Act* which are not a Replaceable Rule (as that term is defined in section 135 of the *Corporations Act*) will prevail over this Constitution.

Display of name

122 The company must display its name prominently at every place at which the company carries on business and that is open to the public. It must display its name and ACN on the first page of all its public documents and negotiable instruments, except in cases (eg, cash register receipts) where that is not required by the *Corporations Act*.

Registered office

123 The directors must decide on the place of the company's registered office.

Records to be kept

124 The directors must keep proper financial records and accounts. They must distribute copies of financial reports and a directors' report in accordance with the *Corporations Act*. They must decide whether, to what extent, where, when and under what conditions the accounts and records of the company are to be available for inspection to members who are not directors. A member who is not a director is not entitled to inspect accounts and records except as decided by the directors or in accordance with the *Corporations Act*.

Register of members and charges

- 125 The company must keep a register of its members and a register of debenture holders (which includes any mortgages and charges) specifically affecting the company's property and must keep these registers up to date.

Confidential information

- 126 A member who is not a director is not entitled to require or receive from the directors or the company any information concerning the business, trading or customers of the company, or any trade secret, secret process, or other confidential information belonging to or used by the company.

Notices

- 127 The company may give a notice to a member in any of the following ways:
- by serving it on the member personally;
 - by posting it to the member or leaving it at the member's address shown in the member's register, or at a replacement address for giving notices supplied to it by the member;
 - by faxing it or sending it electronically to the fax number or electronic address supplied by the member to the company for the giving of notices; or
 - by notifying the member, using one of the above methods, that the notice (and any other meeting material) is available online and directing the member as to how it may access the notice and material.

Time of service

- 128 A notice is to be treated as received in accordance with the following:
- if it is sent by post in Australia:
 - using regular pre-paid post or registered post, 6 business day after pre-paid posting;
 - using priority pre-paid post or priority registered post, 4 business days after posting;
 - using express post, 2 business days after posting;
 - if it is sent by post to an address outside Australia, 10 business days after posting;
 - if it is faxed or sent electronically, on the business day after it is sent.
 - if the notice and materials are available online, then notice is only treated as received in accordance with the above, if the material is available online when the notice is received (and, if not so available, then from when it is available.)
The Company must use all reasonable endeavours to ensure it remains available until the meeting time.

Notice to a person entitled on the death etc of a member

129 The company may give a notice to a person who becomes entitled to shares on the death or bankruptcy of a member or under any law relating to mental health in accordance with the following:

- by serving it on the person personally;
- by posting it to the person at the address supplied to it by that person;
- by giving it in any other way in which it might have been given if the member had not died or become bankrupt or subject to any law relating to mental health.

Notice to joint holders

130 A notice to joint holders is given if the notice is given to the holder first named in the member's register as joint holder.

Notice of a general meeting

131 Notice of a general meeting must be given to each of the following:

- each member;
- each director;
- the auditor of the company;
- each person entitled to shares because of the death or bankruptcy of a member or under any law relating to mental health.

Persons not entitled to notice

132 A person who does not have an address in the member's register and who has not supplied an address or number for the giving of notices is not entitled to be given notice.

Winding up of the company

133 If the Company is wound up and the property of the Company is more than sufficient:

- 133.1** to pay all of the debts and liabilities of the Company; and
- 133.2** the costs, charges and expenses of the winding up,

the surplus assets must not be distributed to a Member or former Member unless that Member or former Member is a charity described in clause 135.

134 Instead, the surplus asset must be distributed to one or more charities:

- 134.1** with charitable purpose; and
- 134.2** the governing rules of which prohibits the distribution of its assets to its members to at least the same extent as this Constitution.

135 Choosing the charity or charities to which the Company will transfer this property must be done:

- 135.1** by a special resolution of the Members at or before the time of winding up; or

- 135.2 if no such special resolution is passed, by a Judge or Registrar of the Supreme Court or such other court of competent jurisdiction.

Remuneration in relation to winding up etc

- 136 No remuneration may be paid to a director or liquidator from the proceeds of the sale or realisation of the company's property or undertaking, except with the approval of the company in general meeting.

G Indemnity for officers etc

Indemnity

- 137 Each officer and former officer of the company (and, if the company approves it in general meeting, an employee, authorised agent, auditor or general adviser of the company) is entitled to an indemnity from the company against any liability, loss or expense incurred as an officer of the company (or in the other relevant capacity). However, this indemnity only applies if one of the following conditions is satisfied:

137.1 The liability, loss or expense is to another person (except the company or a related body corporate) and does not arise out of conduct involving a lack of good faith.

137.2 The liability is for costs and expenses incurred either:

- in defending civil or criminal proceedings in which judgment is given in favour of the person or the person is acquitted; or
- in connection with an application in relation to those proceedings in which the court grants relief to the person under the *Corporations Act*.

Payment for an insurance policy

- 138 To the extent permitted by the *Corporations Act*, the company may, at the directors' discretion, enter into and pay for a policy of insurance insuring an officer or former officer against any liability incurred as an officer or employee of the company. However, this does not apply in relation to either of the following liabilities:

- a liability arising out of conduct involving a wilful breach of duty in relation to the company
- a contravention of section 182 or 183 of the *Corporations Act*.

Interrelationship between indemnity and policy

- 139 An officer or former officer who is entitled to an indemnity under the insurance policy entered into by the company is not entitled to an indemnity from the company, except to the extent that the policy does not fully indemnify him or her.

Indemnity continues

- 140 An indemnity given by the company under clause 137 continues to apply after any change to or deletion of that clause, but only in relation to acts and omissions before the change or deletion.

SAMPLE

Definitions

Call includes an instalment of a call.

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

Dividend includes interim dividends and bonus issues.

Liability includes an immediate, future and possible liability.

Member present includes a member present by proxy or attorney – or, in the case of a corporation member, by a representative.

Officer means what it means in section 9 of the *Corporations Act*.

Person includes an entity or group that is not a legal entity.

Related body corporate means what it means in the *Corporations Act*.

Representative means a person authorised in accordance with section 250D of the *Corporations Act*.

Secretary includes an assistant and an acting secretary.

Writing includes writing in an electronic form.

SAMPLE

Schedule 1

Names and usual residential addresses of initial directors when this Constitution adopted

Name of director	Usual residential address of director
Parker James	56 George Street Parramatta, NSW, 2150

Classes of shares Ordinary shares and 'A' class shares.

Rights and restrictions attached to shares

Holders of classes of shares	Rights and restrictions
Ordinary	Right to receive notice of any general meeting of the company
	Voting rights as set out in clause 54
	No right to participate in distribution of surplus assets on winding up
'A'	No right to receive notice of any general meeting of the company
	No right to vote at any general meeting of the company
	No right to participate in distribution of surplus assets on winding up

Schedule 2

Proxy Form

Marrie Gold Pty. Ltd. ACN: 004 986 270

Meeting

Place	
Date	
Time	

I/We, *[insert name and address of member/members]*, am/are a member/members of *[insert company name and ACN]*. I appoint the following person/persons as my proxy/proxies to vote on my/our behalf at the specified meeting and any adjournment.

Name or office of proxy	Address

I/We appoint the following alternate person/persons to vote on my/our behalf at that meeting and any adjournment if a person I/we have appointed proxy is/are unable to act.

Name of proxy	Name of alternate	Address of alternate

[Include any instructions concerning voting in favour of or against particular resolutions]

Signature/signatures of member/members

[Insert name of member/members appointing proxy]