

**CONSTITUTION
OF
QUEENSLAND TEACHERS' UNION HEALTH
FUND LIMITED**

ACN 085 150 376

Approved 30 April 2013

Amended 23 June 2015

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1. INTERPRETATION

1.1 In this Constitution:

- (a) "Benefit Fund" means a health benefit fund administered by the Company under the provisions of the Private Health Insurance Legislation;
- (b) "Benefit Fund Rules" means the rules governing any of the Benefit Funds;
- (c) "Board" means the Board of Directors of the Company;
- (d) "Chairman" means the Chairman appointed in accordance with this Constitution;
- (e) "Clause" means a provision of this Constitution;
- (f) "Company" means Queensland Teachers' Union Health Fund Limited;
- (g) "Constitution" means this Constitution of the Company;
- (h) "Law" means the Corporations Act 2001 (Cth) and the Corporations Regulations 2001 (Cth);
- (i) "Member" means a Member of the Company;
- (j) "Policy Holder" means a person who pays contributions to at least one Benefit Fund in accordance with the Benefit Fund Rules for the conduct of the applicable Benefit Fund(s). A Policy Holder is taken to be a financial Policy Holder for the purposes of this Constitution if that Policy Holder's Benefit Fund membership record has not been terminated;
- (k) "Private Health Insurance Legislation" means the Private Health Insurance Act 2007 (Cth) as well as all enactments amending or consolidating that statute, any enactments substituted for that statute, enactments in addition to that statute, and any subordinate legislation including rules and standards of a regulatory authority;
- (l) "QIEU" means Queensland Independent Education Union of Employees;
- (m) "QTU" means Queensland Teachers' Union of Employees;
- (n) "Secretary" means any person appointed to perform the duties of a secretary of the Company;

- (o) "Standing Orders" means the standing orders (if any) approved by the Directors from time to time in accordance with Clause 19; and
 - (p) "Union" means QIEU or QTU.
- 1.2 A reference to the male or female gender includes the other. A reference to a statute, subordinate legislation or statutory instrument includes any amendment or replacement of that statute, legislation or statutory instrument.
- 1.3 To the extent of any inconsistency, this Constitution prevails over the replaceable rules contained in the Law.
- 1.4 Except so far as the contrary intention appears in this Constitution:
- (a) an expression has, in a provision of this Constitution that deals with a matter dealt with by a particular provision of the Law, the same meaning as in that provision of the Law; and
 - (b) this Constitution must be read as subject to any requirement under the Private Health Insurance Legislation and any other act regulating or affecting the regulation of the Benefit Funds.

2. THE COMPANY

- 2.1 The object of the Company is to:
- (a) conduct a health insurance business as a private health insurer under the Private Health Insurance Legislation; and
 - (b) carry on any other activity or business complementary or ancillary to the object stated in paragraph (a).
- 2.2 The Company has both within and outside Australia the legal capacity of a natural person and, without limiting that, the following further powers as set out in Section 124 of the Law:
- (a) to issue debentures of the Company;
 - (b) to arrange for the Company to be registered or recognised as a body corporate in any place outside Australia; and
 - (c) to do any other act that it is authorized to do by any other law (including a law of a foreign country).

3. COMPANY MEMBERSHIP

- 3.1 No person will be admitted to Membership of the Company unless he or she agrees to be bound by this Constitution.
- 3.2 The Board may, at any time and from time to time, make provision for:
- (a) the procedures to be followed by persons nominated for Membership of the Company to attain Membership; and
 - (b) the rights, duties and liabilities (if any) of such Members.
- 3.3 The following persons are eligible for Membership of the Company:

- (a) the original subscribers to the Constitution upon incorporation of the Company;
 - (b) Financial Policy Holders to at least one Benefit Fund who are also financial Members of the QTU and QIEU;
 - (c) QTU;
 - (d) QIEU;
 - (e) any other union approved by resolution of the Members.
- 3.4 Each Member undertakes to contribute to the assets of the Company to a maximum of \$1.00 if the Company is wound up while he or she is a Member or within one year after he or she ceases to be a Member, for the payment of the liabilities of the Company contracted before he or she ceased to be a Member.

4. POLICY HOLDERS

- 4.1 Any Benefit Fund established by the Company must restrict its membership to all or some of the groups of people defined as the restricted access group in the Benefit Fund Rules, the eligibility for membership to be determined at the time the prospective member applies to join the Benefit Fund:
- 4.2 The Company is prohibited from issuing a complying health insurance product (as defined in the Private Health Insurance Legislation), to any person who does not belong to the restricted access group defined in Clause 4.1.
- 4.3 The Company is prohibited from ceasing to insure a person for the reason only that the person has ceased to belong to the restricted access group defined in Clause 4.1.

5. TERMINATION OF COMPANY MEMBERSHIP

- 5.1 Any Member (other than a union, including a union approved pursuant to Clause 3.3(e) who ceases to be a member of a Benefit Fund ceases to be a Member.
- 5.2 In addition to termination of Membership under Clause 5.1, the Membership of any Member may be terminated by a special resolution of Members of the Company provided that:
- (a) the notice of the meeting of Members to terminate the Membership must state the reason for the termination;
 - (b) the Company must notify the Member whose Membership is to be terminated that he or she may provide an explanation or response orally to, or in writing to be distributed to, the Members attending the meeting.
- 5.3 The Member whose Membership is to be terminated must elect whether to respond in writing or orally by notice to the Secretary delivered not less than 24 hours prior to the meeting. The response must not, except

with the consent of the Chairman, exceed 1000 words in length (if written) or 15 minutes (if oral).

5.4 A Member may at any time by giving notice in writing to the Secretary resign his or her Membership of the Company but will continue to be liable for:

- (a) all monies due by him or her to the Company; and
- (b) any sum not exceeding \$1.00 for which he or she is liable as a Member under Clause 3.4

6. TRANSFER PROHIBITED

6.1 The rights and privileges of a Member:

- (a) may not be transferred; and
- (b) cease upon that person ceasing to be a Member, whether by death, retirement from the Company, or the Company's termination of that person's Membership, or otherwise.

7. GENERAL MEETINGS

7.1 Any three Directors of the Board may convene a general meeting at any time and the Board must convene a general meeting on the request in writing from Members with at least 5% of the votes that may be cast at the general meeting who are entitled to vote at the general meeting. The request from Members to convene a general meeting must state any resolution to be proposed at the meeting, be signed by the Members making the request and be given to the Company.

7.2 When a general meeting is requisitioned by the members, it must be convened within two months of the Directors receiving the requisition.

8. NOTICES OF MEETINGS

8.1 A notice of a general meeting must specify the place, the date and the time of the meeting and must state the general nature of the business to be transacted at the meeting.

8.2 At least 21 days written notice must be given of a meeting of the Company's members.

9. PROCEEDINGS AT GENERAL MEETINGS

9.1 No business must be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. A quorum of Members at a general meeting may include Members present in person, by proxy, attorney or representative.

9.2 Subject to Clause 9.6, at a general meeting, 10 Members constitutes a quorum.

9.3 The Directors may receive notice of, attend, and speak at, a general meeting.

- 9.4 Where a Director speaks at a general meeting in relation to a matter in which he or she has a personal interest that the Law requires to be disclosed at a Director's meeting, that Director must disclose his or her interest before speaking at the general meeting.
- 9.5 If a quorum is not present within half an hour from the time appointed for the commencement of that meeting:
- (a) where the meeting was convened upon the requisition of Members the meeting will be dissolved; or
 - (b) in any other case the meeting stands adjourned to such day, and at such time and place, as the Directors may determine or, if no determination is made by the Directors, to the same day in the next week at the same time and place.
- 9.6 If at the adjourned meeting 10 Members are not present within half an hour from the time appointed for the commencement of that meeting:
- (a) five Members constitute a quorum; and
 - (b) where five Members are not present, the meeting must be dissolved.
- 9.7 Except as provided by Clause 9.8, the Chairman will preside at every general meeting. The person presiding is responsible for the general conduct of the meeting.
- 9.8 Where a general meeting is held and the Chairman is not present within 15 minutes after the time appointed for the commencement of the meeting or is unwilling to act as Chairman, and there is no Deputy Chairman willing or able to act as Chairman, the Members present must elect one of their number ("the Presiding Member") to preside at that meeting.

10. INVITATION/EXCLUSION OF MEETING ATTENDEES

- 10.1 The person presiding at a meeting may refuse entry to a person seeking entry to a meeting if that person is not a Director, Member, or Secretary of the Company or is not otherwise entitled to attend the meeting.
- 10.2 The person presiding at a meeting may evict a person who is in attendance at a meeting if that person:
- (a) is not a Director, Member, or Secretary of the Company or is not otherwise entitled to attend; or
 - (b) is unreasonably disruptive to the conduct of the business of the meeting.
- 10.3 The person presiding at a meeting may permit a person to attend a meeting even if that person is not a Member of the Company, however that person will not be entitled to vote. That person may only speak at the meeting if permitted or invited to do so by the person presiding.

11. ADJOURNMENT OF MEETING

- 11.1 The person presiding may, with the consent of any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place, but no business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 11.2 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- 11.3 Except as provided by Clause 11.3, it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

12. VOTING AT MEETINGS

- 12.1 At any general meeting, a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
 - (a) by the person presiding;
 - (b) by at least three Members present in person at the meeting; or
 - (c) Members with at least 5% of the votes that may be cast on the resolution on a poll.
- 12.2 Unless a poll is so demanded, a declaration by the person presiding that a resolution has on a show of hands been carried (or carried unanimously, or by a particular majority), or lost, and an entry to that effect made in the book containing the minutes of the proceedings of the Company, is conclusive evidence of the number or proportion of the votes recorded in favour of or against the resolution.
- 12.3 The demand for a poll may be withdrawn.
- 12.4 If a poll is duly demanded, it must be taken in such manner and (subject to Clause 12.5) either at once, or after an interval or adjournment or otherwise as the person presiding directs, and the result of the poll will be the resolution of the meeting at which the poll was demanded.
- 12.5 A poll demanded for the election of a Presiding Member (as the case may be), or on a question of the adjournment of a meeting, must be taken immediately.
- 12.6 Subject to Clause 12.7, in the case of an equality of votes whether on a show of hands or on a poll, the person presiding at the meeting at which the show of hands takes place or at which the poll is demanded does not have a casting vote, and the resolution will be taken to have been rejected.
- 12.7 In the case of an equality of votes for the election of a Director, the person presiding must:
 - (a) place into a container pieces of paper on which the names of the persons with equal votes are written; and

- (b) randomly draw one of the pieces of paper referred to in (a) from the container;
and the person whose name is randomly drawn is deemed to be elected.
- 12.8 A Member may vote in person or by proxy, attorney or representative and every Member present in person or by proxy, attorney or representative has one vote whether on a show of hands or on a poll.
- 12.9 A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental health may vote, by the Member's committee or trustee or by such other person who has the management of his or her estate, and any such committee, trustee or other person may vote by proxy or attorney.
- 12.10 A Member may only appoint one proxy. A proxy, attorney or representative need not be a Member.
- 12.11 An instrument appointing a proxy must:
 - (a) be in writing under the hand of the appointor or of the appointor's attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised; and
 - (b) contain:
 - (i) the Member's name and address;
 - (ii) the Company's name;
 - (iii) the proxy's name or the name of the office held by the proxy; and
 - (iv) the meetings at which the proxy may be used.
- 12.12 An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
- 12.13 An instrument appointing a proxy must be in a form that is approved by the Board from time to time and otherwise complies with the Law in force from time to time and with this Constitution.
- 12.14 An instrument appointing a proxy is not valid unless the instrument, and the original (or a copy duly certified by a duly qualified legal practitioner) of the power of attorney or other authority under which the instrument is signed, is deposited, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, at the registered office of the Company or at such other place as is specified for that purpose in the notice convening the meeting. Where the time to lodge falls on a day which is not a business day in the place where the registered office of the Company is located, this Clause requires the deposit of the document at the same time on the next business day.

- 12.15 For the purpose of Clause 12.14, a document is taken to be “deposited at the registered office of the Company” if a legible, true copy of a document is received on a facsimile machine located at the registered office of the Company (or such other location as is specified in the proxy form and/or notice of meeting) within the time referred to in Clause 12.14.
- 12.16 A vote given in accordance with the terms of an instrument of proxy or of a power of attorney is valid despite:
- (a) the previous death or unsoundness of mind of the principal; or
 - (b) the revocation of the instrument (or of the authority under which the instrument was executed) or of the power;
- if no intimation in writing of any of those events has been received by the Company at the registered office by two business days prior to the date of a proposed meeting at which the instrument is used or the power is exercised.
- 12.17 An objection may be raised to the qualification of a voter only at the meeting or adjourned meeting at which the vote objected to is given or tendered.
- 12.18 Any such objection must be referred to the person presiding at the meeting, whose decision will be final.
- 12.19 A vote that is not disallowed pursuant to such an objection is valid for all purposes.
- 12.20 A Member which is a union (including a union approved under Clause 3.3(e)) may appoint a representative by notice signed by the General Secretary or other authorised officer of the union to the Secretary. The representative may attend meetings and vote on behalf of the union.

13. MINUTES

- 13.1 The Company must keep minutes of each meeting of the Company and of each meeting of the Directors and committees of the Board in accordance with the Law.

14. APPOINTMENT OF DIRECTORS

- 14.1 The number of Directors, inclusive of the Chairman, must (subject to Clause 14.18) be 10.
- 14.2 Subject to this Constitution, a Director need not be a Member or a Policy Holder.
- 14.3 The Directors must be appointed subject to Clause 14.17 and in accordance with the following rules:
- (a) One Director must be the General Secretary of QTU or his or her nominee;
 - (b) Three Directors, who are financial members of QTU, Members, and Policy Holders, must be elected by the Members;

- (c) Two Directors, who are financial members of QIEU, Members, and Policy Holders must be elected by the Members; and
 - (d) Four Directors, who are not members of QTU or QIEU or are not employees of QTU, QIEU, or the Company, must be elected by the Members.
- 14.4 The Board may recommend a candidate to Members for election. In considering any recommendation the Board must take account of the mix of qualifications and experience of current Directors and candidates that will serve the Company's best interests.
- 14.5 Any Member or a Director may nominate another person as a candidate for the position of Director and must lodge the nomination form (in the form approved by the Directors) and the nominee's acceptance of the nomination with the returning officer before the date specified by the Directors for the close of nominations. A nominee must indicate his or her willingness to stand as a candidate and to serve if elected.
- 14.6 In any election of Directors if there are more candidates than vacant positions, the candidates with the most votes will be appointed to the vacant positions. The Directors must appoint a returning officer for any election of Directors and in the absence of an appointment the Secretary will serve as the returning officer. The Directors may adopt Standing Orders with respect to elections of Directors that are not inconsistent with this Constitution.
- 14.7 When a ballot is required, at least two scrutineers must be appointed by the meeting to count votes.
- 14.8 Following declaration of the election, the meeting may move for the destruction of the ballot papers.
- 14.9 There must be a Chairman, who must be:
 - (a) a person eligible for appointment as a Director; and
 - (b) appointed by a majority of the Board.
- 14.10 There may be a Deputy Chairman, who must be:
 - (a) a person eligible for appointment as a Director; and
 - (b) appointed by a majority of the Board.
- 14.11 The Board will determine the terms upon which the Chairman and the Deputy Chairman are appointed.
- 14.12 Subject to Clause 14.17 (e), a Director, including the Chairman, holds office for a period of three years except where a shorter period is necessary to facilitate the retirement of one third of the Directors each year.
- 14.13 One third of the Directors, other than the General Secretary of QTU or his or her nominee, must retire each year at the conclusion of the Annual General Meeting.

- 14.14 Unless otherwise agreed, the Directors to retire in accordance with clause 14.13 will be determined by the length each Director has held office since they were last elected, so that those longest in service must retire first.
- 14.15 If two or more Directors have been in office an equal length of time, the Directors who must retire will be determined by lot.
- 14.16 A Director who is due to retire is eligible for re-election.
- 14.17 The Directors may appoint any person to be a Director at any time to fill a casual vacancy but:
- (a) the total number of Directors must not at any time exceed the number fixed in accordance with this Constitution;
 - (b) a Director appointed to fill a casual vacancy of a Director referred to in Clause 14.3(b) or Clause 14.3(c) must be a member of the same Union as the former Director and must be appointed by the Board from a list of eligible Member applicants who have nominated in writing following advertisement in the official publications of either QTU or QIEU, whichever is the organisation to which the former Director belonged. If no person nominates for the position after advertising, the Board may appoint any Member who is a member of the same Union as the former Director;
 - (c) where the casual vacancy is in respect of a Director appointed by the General Secretary of the QTU under Clause 14.3(a), the replacement Director must be, or must be nominated by, the General Secretary of the QTU under Clause 14.3(a);
 - (d) a Director appointed to fill a vacancy of a Director referred to in Clause 14.3(d) must be eligible for appointment as a Director under that Clause; and
 - (e) A Director appointed to fill a vacancy of a Director referred to in Clause 14.3(b) or Clause 14.3(c) or Clause 14.3(d) holds office until the next Annual General Meeting when they may stand for election for the balance of the term of the Director whom he or she replaced.
- 14.18 Any casual vacancy that may arise must be filled within three months of that vacancy arising.

15. REMOVAL OF DIRECTORS

- 15.1 The Company may by ordinary resolution remove any Director before the expiration of his or her office, and may by an ordinary resolution elect another person in his or her stead but:
- (a) a Director appointed to fill a vacancy of a Director referred to in Clause 14.3(b) or Clause 14.3(c) must be a member of the same Union as the former Director;
 - (b) where the vacancy is in respect of a Director appointed by the General Secretary of the QTU under Clause 14.3(a), the replacement Director must be, or must be nominated by, the

General Secretary of the QTU but in any case cannot be the Director who was removed by the ordinary resolution; and

- (c) a Director appointed to fill a vacancy of a Director referred to in Clause 14.3(d) must be eligible for appointment as a Director under that Clause.

- 15.2 The notice of the meeting at which the ordinary resolution is considered must specify the grounds for removal of the Director and the Director must be given the opportunity of responding to the grounds for removal orally or in writing to the Members. The Director must elect whether to respond in writing or orally by notice to the Secretary delivered at least 24 hours before the meeting. The response must not, except for the consent of the Chairman, exceed 1000 words in length (if written) or 15 minutes (if oral).

16. DIRECTOR REMUNERATION

- 16.1 Directors must be paid such remuneration as is from time to time determined by the Company in general meeting and:
 - (a) as between Directors, the amount paid to each will be determined by the Board; and
 - (b) any such remuneration will be deemed to accrue from day to day.
- 16.2 The Directors may also be paid all reasonable travelling and other expenses properly incurred by them in attending and returning from meetings of the Directors, any meeting of a committee of the Directors, general meetings of the Company, or otherwise in connection with the business of the Company.

17. VACANCY

- 17.1 In addition to the circumstances in which the office of a Director becomes vacant by virtue of the Law, the office of a Director becomes vacant if the Director:
 - (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - (b) resigns his or her office by notice in writing to the Company;
 - (c) is absent, without a resolution of the Board approving the absence, from three consecutive meetings of the Board, unless excused by a resolution of the Board passed within thirty days of the date of the last of the three consecutive meetings;
 - (d) without the consent of the Company in general meeting, holds any other office of profit under the Company except for a temporary appointment as Chief Executive Officer for a period not exceeding six months;

- (e) has a direct or indirect material interest in any contract or proposed contract with the Company and fails to declare the nature of his or her interest as required by the Law;
 - (f) being a Director appointed pursuant to Clause 14.3(b) or 14.3(c) ceases to be a Member;
 - (g) being a Director appointed pursuant to Clause 14.3(b) or 14.3(c), ceases to be a financial member of QTU or QIEU, respectively; or
 - (h) being a Director appointed pursuant to Clause 14.3(d) ceases to meet the requirements for appointment under that Clause.
- 17.2 Where there is a dispute as to whether or not a Director has ceased to be a financial member of the relevant Union, a letter from the General Secretary or acting General Secretary of the Union to the Company will be accepted by the Company as conclusive evidence of the membership status of the Director in the relevant Union.

18. POWERS AND DUTIES OF DIRECTORS

- 18.1 Subject to law and to any other provision of this Constitution, the business of the Company must be managed by the Directors, who may pay all expenses incurred in promoting and forming the Company, and may exercise all such powers of the Company as are not, by the Law or by this Constitution, required to be exercised by the Company in general meeting.
- 18.2 Without limiting the generality of Clause 18.1, the Directors may exercise all the powers of the Company to:
- (a) borrow money;
 - (b) charge any property or business of the Company; and
 - (c) to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.
- 18.3 The Directors must not sell the main undertaking of the Company.
- 18.4 The Directors may appoint a Chief Executive Officer, who must not also be appointed as a Director. The Chief Executive Officer may attend, but not vote at, Board meetings unless the Board directs that the Chief Executive Officer is not to attend a particular Board meeting or part of a meeting.
- 18.5 The Directors may delegate any of their powers (including the power to delegate) to the Chief Executive Officer.
- 18.6 The Chief Executive must exercise the powers delegated him or her in accordance with any directions of the Directors.
- 18.7 The proper exercise of a delegated power by the Chief Executive Officer is as effective as if the Directors exercised the power.
- 18.8 The Directors may revoke or vary the appointment of the Chief Executive Officer or any power delegated to the Chief Executive Officer.

- 18.9 The Directors may appoint a person to act as Chief Executive Officer to fill a vacancy in the office or if the Chief Executive Officer is absent from duty or otherwise unable to perform the functions of the office.
- 18.10 The Directors from time to time shall determine the authority of persons to pay or commit to pay Company funds. All payments must be in accordance with the Directors' authority.

19. STANDING ORDERS, BY LAWS AND POLICIES

- 19.1 The Board shall have the power to formulate and adopt Standing Orders, by laws and/or policies for Membership, the conduct of meetings of Members and Directors, governance, delegations, conflicts of interest and such other matters, consistently with the Private Health Insurance Legislation and this Constitution, as it sees necessary from time to time.
- 19.2 Such Standing Orders, by laws and policies shall be binding on all Members and Directors, upon adoption by the Board at a properly convened meeting of the Board.

20. PROCEEDINGS OF DIRECTORS MEETINGS

- 20.1 The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit.
- 20.2 A Director may at any time, and a Secretary must on the requisition of a Director, convene a meeting of the Directors.
- 20.3 The Directors must meet as often each financial year as they consider necessary to perform their duties as Directors of the Company.
- 20.4 For the purpose of this Constitution, the contemporaneous linking together by telephone, radio, closed circuit television or other electronic means of audio or audio-visual communication or other means of communication of a number of Directors not less than the quorum, together with the Secretary, whether or not any one or more of the Directors is out of the Commonwealth of Australia, will be deemed to constitute a meeting of the Directors and all the provisions in this Constitution as to meetings of the Directors will apply to such meetings so long as all of the following conditions are met:
- (a) all the Directors for the time being entitled to receive notice of a meeting of the Directors (including any alternate for any Director) will be entitled to notice of a meeting by telephone or other means of communication and to be linked by telephone or such other means for the purposes of such meeting. Notice of any such meeting may be given on the telephone or other means of communication;
 - (b) each of the Directors taking part in the meeting by telephone or other means of communication and the Secretary must be able to hear each of the other Directors taking part at the commencement of the meeting;

- (c) at the commencement of the meeting each Director must acknowledge his or her presence for the purpose of a meeting of the Directors of the Company to all the other Directors taking part.
- 20.5 A Director may not leave the meeting by intentionally disconnecting his or her telephone or other means of communication unless he or she has previously obtained the express consent of the person presiding.
- 20.6 A Director whose connection to a meeting is unintentionally disconnected must:
 - (a) take reasonable steps to reconnect with the meeting as soon as possible after the disconnection; and
 - (b) notify the person presiding as soon as is reasonably practicable of the disconnection.
- 20.7 A Director will be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone or other means of communication unless he or she has previously obtained the express consent of the person presiding (as the case may be) to leave the meeting.
- 20.8 A minute of the proceedings at such meeting by telephone or other means of communication will be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as a correct minute by the person presiding.

21. DIRECTORS' RESOLUTIONS

- 21.1 Provided all Directors are given a copy of the document, if all the Directors have signed a document containing a statement that they are in favour of a resolution of the Directors in terms set out in the document, a resolution in those terms is taken to have been passed at a meeting of the Directors held on the day on which the document was signed and at the time at which the document was last signed by a Director or, if the Directors signed the document on different days, on the day on which and at the time at which, the document was last signed by a Director.
- 21.2 For the purposes of Clause 21.1, two or more separate documents containing statements in identical terms each of which is signed by one or more Directors will together be deemed to constitute one document containing a statement in those terms signed by those Directors on the respective days on which they signed the separate documents.
- 21.3 A reference in Clause 21.1 to all the Directors does not include a reference to a Director who at a meeting of Directors would not be entitled to vote on the resolution.

22. VOTING AT DIRECTORS MEETINGS

- 22.1 Each Director will have one vote at meetings of the Directors.
- 22.2 Subject to this Constitution, questions arising at a meeting of the Directors must be decided by a majority of votes of Directors present

and voting and any such decision will for all purposes be deemed a decision of the Directors.

- 22.3 In the case of an equality of votes, the Chairman has a casting vote in addition to his or her deliberative vote.

23. DIRECTORS' CONFLICT OF INTEREST

23.1 No Director will be disqualified by his or her office from contracting with the Company, either as vendor, purchaser or otherwise, nor will any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor will any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established provided that the nature of his or her interest must be disclosed by him or her at a meeting of such Directors and the Secretary must record such declaration in the minutes of the meeting.

23.2 Such a declaration must be made at the meeting of the Directors at which the contract or arrangement is determined if his or her interest then exists or in any other case at the first meeting of the Directors after the acquisition of his or her interest. A general notice that a Director is a Member of a specified Company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that Company or firm will be deemed to be a sufficient declaration of interest in relation to any contract or agreement so made.

At a meeting of the Directors, a Director may not be present or vote during the discussion of a matter in which he or she has a material personal interest, unless the other Directors who do not have a material personal interest in the matter have passed a resolution which:

- (a) identifies the director, the nature and extent of the Director's interest in the matter and its relation to the affairs of the Company; and
- (b) states that those Directors are satisfied that the interest should not disqualify the Director from voting or being present.

23.3 Unless entitled to vote on a matter by virtue of Clause 23.3, if a Director has a material personal interest in contract or arrangement, he or she may not affix the Seal of the Company to execute any document on behalf of the Company in respect of that contract or arrangement.

24. ALTERNATE DIRECTORS

24.1 The Director appointed under Clause 14.3(a) may appoint a person (who is a Member) to be an alternate Director in his or her place during such period as he or she thinks fit. No other Director may appoint an alternate Director.

24.2 An alternate Director is entitled to notice of meetings of the Directors and, if the appointor is not present at such a meeting, is entitled to

attend and vote in his or her stead. The alternate Director will be disqualified from voting if the appointer is disqualified from voting.

- 24.3 An alternate Director may exercise any powers that the appointor may exercise and the exercise of any such power by the alternate Director will be deemed to be the exercise of the power by the appointor.
- 24.4 The appointment of an alternate Director may be terminated at any time by the appointor notwithstanding that the period of the appointment of the alternate Director has not expired and terminates in any event if the appointor vacates office as a Director.
- 24.5 An appointment, or the termination of an appointment, of an alternate Director must be effected by a notice in writing signed by the Director who makes or made the appointment and served on the Company.

25. QUORUM OF DIRECTORS

- 25.1 At a meeting of Directors, the number of Directors whose presence is necessary to constitute a quorum is such number as is determined by the Directors and, unless so determined, is 5.
- 25.2 In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Directors may act but, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, they may act only for the purpose of increasing the number of Directors to a number sufficient to constitute such a quorum or of convening a general meeting of the Company.
- 25.3 If a quorum is present at a meeting of Directors but one or more Directors must absent themselves from the meeting by reason of clause 23.3, the Directors remaining will constitute a quorum notwithstanding the number of Directors may be less than five.

26. PRESIDING DIRECTOR AT DIRECTORS MEETINGS

- 26.1 The Chairman is to preside at each meeting of Directors. If the Chairman is not present within 15 minutes after the time appointed for the commencement of the meeting, the Deputy Chairman will preside over that meeting. If the Chairman and Deputy Chairman are both absent from a Board meeting, the Directors that are present at that meeting will elect one of their number to preside over that meeting.

27. COMMITTEE

- 27.1 The Directors may appoint a committee or committees consisting of such of their number as they think fit to consider matters and to act in accordance with any directions of the Directors. The Directors will appoint and may remove and replace a committee chairman.
- 27.2 A committee only has power to make recommendations to the Board and no power of the Board is delegated to the committee to be exercised independently of the Board.
- 27.3 A committee may meet and adjourn as it thinks proper.

27.4 Questions arising at a meeting of a committee must be determined by a majority of votes of the Members present and voting.

28. VALIDITY OF ACTS

28.1 All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director are, (even if it is afterwards discovered that there was some defect in the appointment of a person to be a Director or a Member of the committee, or to act as, a Director, or that a person so appointed was disqualified), as valid as if the person had been duly appointed and was qualified to be a Director or to be a Member of the committee.

29. SECRETARY

29.1 A Secretary of the Company holds office on such terms and conditions, as to remuneration and otherwise, as the Directors determine.

30. EXECUTION OF DOCUMENTS

30.1 The Company may execute a document by having it signed by:

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

31. INCOME AND RESERVES

31.1 Subject to the requirements of the Private Health Insurance Legislation:

- (a) the Directors may set aside out of the profits of the Company such sums as they think proper as reserves to be provided at the discretion of the Directors for any purpose for which the profits of the Company may be properly applied; and
- (b) pending any application, the reserves may at the discretion of the Directors be used in the business of the Company to be invested in such investments as the Directors think fit.

31.2 The income and property of the Company must be applied solely towards the promotion of the objects and purposes determined by the Company from time to time and no portion may be paid or transferred directly or indirectly by way of bonus or otherwise by way of profit to the persons who at any time are or have been Members or to any of them or any person claiming through any of them provided that nothing in this Clause prevents the payment in good faith of remuneration to any of the Directors, officers, or servants of the Company in the following circumstances:

- (a) for remuneration to the Directors as previously approved by the Company in a general meeting;
- (b) for out-of-pocket expenses incurred in carrying out the duties of a Director where the payments do not exceed an amount previously approved by the Board;
- (c) for any service rendered to the Company in a professional or technical capacity where the provision of that service has the prior

approval of the Board and the amount payable was approved by a resolution of the Board and is on reasonable commercial terms; or

- (d) as an employee of the Company where the terms of employment have been approved by resolution of the Board or by the Chief Executive Officer of the Company.

32. NOTICES

32.1 A notice may be given by the Company to any Member by:

- (a) serving it on him or her personally;
- (b) sending it by post to him or her at his or her address as shown in the register of Members or the address supplied by him or her to the Company for the giving of notices to him or her;
- (c) sending it by electronic mail to him or her at his or her email address as shown in the register of Members or the email address supplied by him or her to the Company for the giving of notices to him or her;
- (d) advertisement placed in the official journals of QTU and QIEU; or
- (e) advertisement placed in the "Courier Mail" newspaper (and/or other newspaper with general circulation in Queensland) in the public notices section.

32.2 Where a notice is sent by post, service of the notice will be taken to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected on the day after the date of its posting.

32.3 Where a notice is sent by electronic mail, service will be deemed to be effected on the day of the transmission, so long as the sender of the notice does not receive a delivery failure message in respect of that electronic mail.

32.4 Where notice is given by way of an advertisement, service of the notice will be taken to be effected by the publication of the advertisement, and to have been effected, in the case of a notice of meeting, on the day of its publication.

33. NOTICE OF GENERAL MEETINGS

33.1 Notice of every general meeting must be given:

- (a) to the Members in the manner authorised by Clause 32;
- (b) to the auditor for the time being of the Company by sending it by post to him or her at his or her business address; and
- (c) to each Director for the time being of the Company by serving it on him or her personally or by sending it by post to him or her at such address as he or she must, forthwith upon election or appointment, supply to the Company for that purpose.

33.2 No other person is entitled to receive notices of general meetings.

34. WINDING UP

- 34.1 If the Company is wound up and any property remains after satisfaction of all its liabilities, that property:
- (a) must not be paid to or distributed among the Members; but
 - (b) must be given or transferred to some other institution or institutions which prohibit the distribution of its or their income and property amongst its or their to an extent at least as great as is imposed on this Company (Default Fund).
- 34.2 The Default Fund will be determined:
- (a) by the Members at or before the time of dissolution; but
 - (b) if no determination is made by the Members, the Default Fund will be determined by a Judge of the Supreme Court of the state in which the registered office of the Company is located.

35. INDEMNITY

- 35.1 Subject to the Law, every person who is or who has been an officer of the Company, will be indemnified out of the property of the Company against any liability incurred by him or her in his or her capacity as officer in defending, prosecuting, or appearing in any proceedings, inquiry or investigation, whether administrative, civil, or criminal:
- (a) in which judgment is given in his or her favour;
 - (b) in which he or she is acquitted;
 - (c) in which he or she is not recommended for prosecution and no grounds are found to have been established against the person to warrant prosecution or the making of an order against the person in proceedings brought by a regulatory authority; or
 - (d) in connection with any application in relation to any such proceedings in which relief is under the Law granted to him or her, or in respect of which he or she is joined as a party;
- by a Court, Commission, or Tribunal.
- 35.2 The Company may make a payment to such an officer by way of indemnity during the course of such proceedings on the basis that if the outcome is such that the requirements of Clause 35.1 are not met, the officer must repay that payment to the Company.

36. CERTIFICATION

- 36.1 The Company need not issue certificates to a Member evidencing Membership of the Company.