



**CONSTITUTION OF
NATIONAL ROADS AND MOTORISTS' ASSOCIATION LIMITED
(ACN 000 010 506)**

A COMPANY LIMITED BY GUARANTEE

This is the constitution of National Roads and Motorists' Association Limited (as adopted with effect from 1 January 2011 and amended with effect from 4 November 2016).

CONTENTS

The Company's Purpose	1
1 What is the purpose of the Company?	1
1.1 Purpose	1
1.2 Pursuit of purpose	1
Membership of the Company	3
2 Becoming a Member	3
2.1 How to become a Member	3
2.2 When a person becomes a Member	3
3 Classes of Members	3
3.1 Classes	3
3.2 Ordinary Member must be at least 18 years	3
4 Rights and obligations of a Member	3
4.1 Rights of an Ordinary Member	3
4.2 Rights of an Affiliate Member	4
4.3 Obligations of an Ordinary Member	4
4.4 Obligations of an Affiliate Member	4
4.5 Joint Members	5
4.6 Permission required to use company name	5
4.7 Ordinary Member's contributions if the company is wound up	5
5 Ceasing to be a Member	6
5.1 Resignation	6
5.2 Cancellation of Membership by the directors	6
5.3 Cancellation of a Joint Member's Membership by the directors	6
5.4 Company to notify Member and record cancellation	6
5.5 Other reasons for ceasing to be a Member	7
5.6 Consequences of ceasing to be a Member	7
Conduct of Members' Meetings (known as "General Meetings")	8
and Other Matters	8
6 General meetings	8
6.1 Annual General Meetings	8
6.2 Calling general meetings	8
6.3 Notice of general meetings	8
6.4 Cancellation, postponement and change of venue of general meetings	9
7 Closing of the Register	11
8 Proceedings at general meetings	11
8.1 Admission to general meetings	11
8.2 Holding a general meeting at two or more places	12
8.3 Quorum at general meetings	12
8.4 General meeting adjourned if no quorum	12
8.5 Chair of general meetings	13
8.6 Powers of the Chair	13
8.7 Adjournments if quorum present	14
8.8 Adjournment for one month or more	14

9	Decisions of general meetings	14
	9.1 Resolutions to be passed by majority	14
	9.2 Chair's casting vote	14
	9.3 Demand for a poll	14
	9.4 Chair's declaration of result conclusive	15
	9.5 Conduct of poll and other business	15
	9.6 Withdrawal of demand for a poll	15
	9.7 Validity of votes	15
	9.8 Dispute	15
	9.9 Discretion to permit direct voting	15
10	Ordinary Members' representatives at general meetings	16
	10.1 Representative of more than one Ordinary Member	16
	10.2 Votes of Ordinary Member of unsound mind	16
	10.3 Appointment of Representative or attorney	16
	10.4 Form of proxy	16
	10.5 Lodgement of proxy or attorney documents	17
	10.6 Authority given by appointment	17
	10.7 Default appointment of Chair as proxy	18
	10.8 Validity	18
	10.9 Attendance by appointor	19
	10.10 Proof of identity	19
	Directors and their Powers and Duties	20
11	Persons who may be directors	20
	11.1 Composition of the board of directors	20
	11.2 Eligibility to be a director	20
	11.3 Term of office of directors	21
	11.4 Resignation of directors	21
	11.5 Vacancy of office of director	22
	11.6 Casual vacancies	22
	11.7 Appointed Director	22
12	Remuneration of directors	23
	12.1 Remuneration	23
	12.2 Additional services	24
	12.3 Publication of directors' fees on website	24
	12.4 Reimbursement of expenses	24
	12.5 Payment to former directors on retirement	24
13	Powers and duties of directors	24
	13.1 Directors' powers	24
	13.2 Committees	25
	13.3 Delegation of powers	25
	13.4 Code of Conduct	26
	13.5 Inspection of records	26
	13.6 Discretion of the directors relating to Membership	26
	Election of Directors	28
14	Regions and boundaries	28
	14.1 Redistribution of existing Regions	28
	14.2 Redistributions after 2018	28

15	Conduct of elections for directors	29
15.1	Calling the elections	29
15.2	Determining the outcome of elections	30
15.3	Death of candidate or elected director	30
15.4	Declaration of results of election	31
15.5	Election Rules	31
15.6	Disclosure of election campaign contributions	31
15.7	Validity of elections	32
	Conduct of Directors' Meetings	33
16	Proceedings of directors' meetings	33
16.1	Directors to regulate meetings	33
16.2	Quorum for a directors' meeting	33
16.3	Convening directors' meetings	33
16.4	Notice of directors' meetings	33
16.5	Directors' meetings by technology	33
16.6	Chair of directors' meeting	34
16.7	Decisions of directors	34
16.8	Acts not invalid	34
16.9	Written resolutions of directors	34
17	Personal interests of directors	35
17.1	Director's duty to notify	35
17.2	Restriction on voting	35
	Office Bearers, CEO and Secretary	36
18	President and Deputy-President	36
18.1	Office bearers	36
18.2	Term of office	36
18.3	Election of office bearers	36
18.4	Conduct of the election of office bearers	36
18.5	Delegation by directors	37
19	Chief Executive Officer	37
19.1	Appointment by directors	37
19.2	Delegation by directors to Chief Executive Officer	37
20	Secretary	38
20.1	Appointment by directors	38
20.2	Consent	38
20.3	Removal	38
	Officers' Indemnity	39
21	Indemnity	39
21.1	Persons to whom clause 21.2 applies	39
21.2	Indemnity	39
21.3	Deed	39

General Provisions	40
22 Application of income and property of company	40
23 Seal and executing documents	40
24 Winding up	40
25 Notices	40
26 General	41
26.1 Replaceable rules do not apply	41
26.2 Liability limited by guarantee	41
26.3 Governing law and jurisdiction	42
26.4 Severance	42
27 Transition from previous constitution	42
27.1 Previous constitution	42
27.2 Continuation of status and effect	42
Definitions and Interpretation	43
28 Definitions	43
29 Expressions used in the Act	46
30 Interpretation	46
31 Consumer Price Index	47

The Company's Purpose

1 What is the purpose of the Company?

1.1 Purpose

The purpose of the company is:

- (a) to promote the interests of, and advocate for, Members as a whole; and
- (b) to provide Members and other persons as decided by the directors with a range of motor, travel and other services and products.

1.2 Pursuit of purpose

In pursuing its purpose (but without limiting its purpose in any way), the company may do all of the things set out in paragraphs (a) to (e).

- (a) **(Promotion and advocacy)** The company may promote and advocate:
 - (i) for the protection and welfare of the Members as a whole and for the environment, in relation to roads, road and driver safety, motor vehicles and transport – including matters relating to:
 - (A) a balanced and integrated transport system within Australia;
 - (B) alternative fuel and transport technologies; and
 - (C) public transport;
 - (ii) for matters relating to travel and accommodation services;
 - (iii) for reasonable and just legislation, regulations and consumer protection so far as they affect Members; and
 - (iv) for educational and research activities relevant to Members as a whole.
- (b) **(Work with other bodies)** The company may enter into reciprocal and other working arrangements with any body having objectives not incompatible with those of the company.
- (c) **(Charities)** The company may aid and support, whether financially or otherwise, charities and institutions of a public character.
- (d) **(Provide services and products)** The company may:
 - (i) provide emergency or breakdown road services, vehicle safety checks, vehicle maintenance and other motoring related services;
 - (ii) provide advice, assistance, services and products in connection with travel, lifestyle, leisure and accommodation;
 - (iii) provide loyalty or reward programs; and
 - (iv) provide all forms of publications, including travel guides, maps, reports and periodicals.

- (e) **(General)** The company may:
 - (i) do anything else permitted by the law to pursue and implement the company's purpose; and
 - (ii) do anything incidental to its purpose, or to the pursuit of its purpose.

Membership of the Company

2 Becoming a Member

2.1 How to become a Member

A person may become a Member if:

- (a) they have agreed to become a Member in a Membership Class (whether alone or jointly with another person or persons); and
- (b) they have satisfied the conditions of Membership in that Membership Class as the directors may from time to time decide.

2.2 When a person becomes a Member

A person becomes a Member once their name is entered in the Register.

3 Classes of Members

3.1 Classes

The company has two classes of Members:

- (a) Ordinary Members; and
- (b) Affiliate Members.

3.2 Ordinary Member must be at least 18 years

A person must be at least 18 years of age to be an Ordinary Member.

4 Rights and obligations of a Member

4.1 Rights of an Ordinary Member

An Ordinary Member has the rights set out in paragraphs (a) to (f).

- (a) **(Constitution and other rules)** An Ordinary Member has the rights given to an Ordinary Member under this constitution and under any other rules the directors from time to time decide.
- (b) **(Services)** An Ordinary Member has the right to subscribe for those Services as the directors from time to time decide.
- (c) **(General meeting)** An Ordinary Member has the right, at a general meeting of the company:
 - (i) to attend and speak; and
 - (ii) to one vote both on a show of hands and on a poll for each Ordinary Membership they hold. For Joint Members, this right is subject to this constitution (including clause 4.5).
- (d) **(Voting method at general meeting)** An Ordinary Member entitled to vote at a general meeting of the company may vote:
 - (i) in person or, where the Ordinary Membership is held by a body corporate, by its Representative;

(ii) by proxy; or

(iii) by attorney.

A proxy, attorney or Representative may, but need not, be a Member. A proxy may be an individual or a body corporate.

- (e) **(Voting for directors)** At an election of directors, an Ordinary Member has the right to one vote for each Ordinary Membership they hold, subject to this constitution (including clause 4.5). An Ordinary Member is entitled to vote only for a director for the Region in which their address is recorded in the Register as at the Closing of the Register. However:
- (i) if that address is outside the Combined Territory, then that person may vote to elect a director for the Region as decided under clause 14.2(b)(ii); and
- (ii) for an Ordinary Membership held by Joint Members, the relevant address is the address of the Joint Member whose name appears first in the Register in respect of that Ordinary Membership.
- (f) **(Right to stand for election as a director)** An Ordinary Member who meets the eligibility requirements set out in clause 11.2 has the right to stand for election as a director.

4.2 Rights of an Affiliate Member

An Affiliate Member has the rights set out in paragraphs (a) to (c).

- (a) **(Constitution and other rules)** An Affiliate Member has the rights given to an Affiliate Member under this constitution and under any other rules the directors from time to time decide.
- (b) **(Services)** An Affiliate Member has the right to subscribe for those Services as the directors from time to time decide.
- (c) **(Attend general meeting)** An Affiliate Member has the right to attend and speak, but not vote, at any general meeting of the company.

4.3 Obligations of an Ordinary Member

An Ordinary Member has the obligations in paragraphs (a) to (d).

- (a) **(Constitution and other rules)** An Ordinary Member must comply with this constitution and any other rules the directors from time to time decide.
- (b) **(Pay application fee)** An Ordinary Member must pay the application fee for Ordinary Membership as the directors from time to time decide.
- (c) **(Pay subscription fees)** An Ordinary Member must pay a subscription fee as the directors decide for the Services for which the Ordinary Member subscribes.
- (d) **(Treat company representatives with respect)** An Ordinary Member must treat all staff, contractors and representatives of the company with respect and courtesy at all times.

4.4 Obligations of an Affiliate Member

An Affiliate Member has the obligations in paragraphs (a) to (d).

- (a) **(Constitution and other rules)** An Affiliate Member must comply with this constitution and any other rules the directors from time to time decide.
- (b) **(Pay application fee)** An Affiliate Member must pay the application fee for Affiliate Membership as the directors from time to time decide.
- (c) **(Pay subscription fees)** An Affiliate Member must pay a subscription fee as the directors decide for the Services for which the Affiliate Member subscribes.
- (d) **(Treat company representatives with respect)** An Affiliate Member must treat all staff, contractors and representatives of the company with respect and courtesy at all times.

4.5 Joint Members

If a Membership is held by two or more persons together, then they are regarded as “**Joint Members**” and paragraphs (a) and (b) apply.

- (a) **(Joint Members’ obligations to pay fees)** Joint Members are liable individually as well as jointly for all payments in respect of their Membership, including any Membership Application Fee or Subscription Fee.
- (b) **(Joint Members’ voting)**
 - (i) For the avoidance of doubt, Joint Members have only one vote together in respect of their Ordinary Membership (whether at a general meeting or at an election of directors).
 - (ii) Any person who is a Joint Member is entitled to exercise the rights attached to their Membership including, if their Membership is an Ordinary Membership, the right to vote at a general meeting and at an election of directors. However, if more than one of the Joint Members in respect of a Membership exercise a right under this clause 4.5(b)(ii) in relation to the same resolution, event or matter, then the company will accept the exercise of the right by the Joint Member who does so first (to the exclusion of the other Joint Members). If it is not practical to determine which Joint Member was first to exercise the right, then the company will accept the exercise of the right by the Joint Member whose name appears first in the Register (to the exclusion of the other Joint Members). That acceptance is final and conclusive.

4.6 Permission required to use company name

Before doing either of the following, a Member must have the company’s written consent:

- (i) publishing or exhibiting in any place, any document, notice or sign which, in each case, is either in the nature of advertising or intimates to the public that the person is under the company’s auspices or patronage; or
- (ii) making use of the letters “NRMA”, “myNRMA” or the name “National Roads and Motorists’ Association” or any combination of letters or names similar to, resembling, or likely to be mistaken for or confused with the name of the company.

4.7 Ordinary Member’s contributions if the company is wound up

An Ordinary Member undertakes to contribute up to \$2.10 to the property of the company if the company is being wound up while they are an Ordinary Member or at

any time before one year after they cease to be an Ordinary Member. Their contribution is to be used:

- (a) to pay the debts and liabilities of the company contracted before they cease to be an Ordinary Member;
- (b) to pay the costs, charges and expenses of winding up; and
- (c) to meet any other requirements set out in the Act.

5 Ceasing to be a Member

5.1 Resignation

- (a) At any time, a person may resign as a Member by writing to the company. The resignation is effective on the later of when the company receives it and the time set out in the resignation.
- (b) If a Membership is held by Joint Members, then a written resignation signed by one of them is effective only in relation to that Joint Member's Membership. That person's resignation does not affect the Membership of the other Joint Member(s).

5.2 Cancellation of Membership by the directors

The directors may cancel a Membership (joint or otherwise) and remove the Member's name (or Members' names) from the Register for that Membership if:

- (a) the Member fails to pay their Subscription Fee or comply with the rules of their Membership as the directors decide within a time set by the directors;
- (b) the Member is in breach of this constitution or any other rules the directors decide;
- (c) the Member's conduct is, in the opinion of the directors, prejudicial to the interests or reputation of the company;
- (d) the Member (or if the Member is not a natural person, their representative) physically or verbally threatens or abuses another Member, or an employee, contractor or representative of the company or a subsidiary of the company; or
- (e) the directors decide to do so at their discretion.

5.3 Cancellation of a Joint Member's Membership by the directors

- (a) The directors may cancel a Joint Member's Membership and remove only that Joint Member's name from the Register for that Membership if:
 - (i) that person does any of the things referred to in clause 5.2(b), 5.2(c) or 5.2(d); or
 - (ii) the directors decide to do so at their discretion.
- (b) If the directors cancel the Membership of a Joint Member, then the Membership of the remaining Joint Member(s) continues.

5.4 Company to notify Member and record cancellation

Promptly after a Membership (including a Membership of a Joint Member) is

cancelled, the company:

- (a) must notify the relevant Member of the cancellation; and
- (b) must record the cancellation and its date in the Register.

5.5 Other reasons for ceasing to be a Member

- (a) If a Member who is a natural person:
 - (i) dies (and holds their Membership alone), then their Membership automatically ceases on that date; or
 - (ii) dies (and holds their Membership jointly), then that person automatically ceases to hold their Membership. However, the Membership for the remaining Joint Member(s) continues, subject to this constitution.
- (b) **(Bodies Corporate)** If a Member is a body corporate that holds its Membership alone, the Membership automatically ceases on the date that:
 - (i) a liquidator is appointed in connection with the Member's winding up;
 - (ii) a court makes an order for the Member's winding up or deregistration; or
 - (iii) the Member is deregistered by ASIC for any other reason.
- (c) If a body corporate is a Joint Member, that body corporate automatically ceases to hold its Membership on the date that any of the events in clause 5.5(b) occurs in relation to it. However, the Membership for the remaining Joint Member(s) continues, subject to this constitution.

5.6 Consequences of ceasing to be a Member

- (a) If a person ceases to be a Member, then they continue to be liable for:
 - (i) all Subscription Fees and other amounts they owe to the company which are due and unpaid when they cease to be a Member; and
 - (ii) amounts which they are, or may become, liable to pay the company under clause 4.7.
- (b) **(No refunds)** If a person ceases to be a Member before the end of a term that they have paid their Membership fees for, then the Member is not entitled to any refund of those fees.

Conduct of Members' Meetings (known as "General Meetings") and Other Matters

6 General meetings

6.1 Annual General Meetings

- (a) The company must hold its annual general meetings in accordance with the Act.
- (b) The business of an annual general meeting is:
 - (i) to receive the company's financial statements, the directors' statement and report, and the auditor's report on the financial statements;
 - (ii) to deal with any matter of which notice of motion has been duly given;
 - (iii) to appoint the auditor (if required); and
 - (iv) to transact any other business which under this constitution or the Act ought to be transacted at an annual general meeting.
- (c) All business transacted at an annual general meeting, and all business transacted at other general meetings, is taken to be special business – unless it is business referred to in clause 6.1(b)(i).
- (d) Special business may be transacted at a general meeting only:
 - (i) if it is stated in the notice convening the meeting; or
 - (ii) if it is permitted or required under the Act.

6.2 Calling general meetings

The directors, or the President, may call a general meeting whenever they think fit. The directors must call and arrange to hold a general meeting if Ordinary Members request them to do so in accordance with section 249D of the Act.

6.3 Notice of general meetings

- (a) **(Notice required)** The company must give a notice of a general meeting in accordance with the Act. In calculating the period of notice, neither of the following days is counted:
 - (i) the day on which the notice is given or taken to be given; or
 - (ii) the day of the meeting.
- (b) **(Content of notice)** A notice of a general meeting must:
 - (i) set out the place, date and time for the meeting – and if the meeting is to be held in two or more places, the technology that is to be used to facilitate this;
 - (ii) state the general nature of the meeting's business;
 - (iii) if a special resolution is to be proposed at the meeting, set out an intention to propose the special resolution and state the resolution;
 - (iv) contain a statement setting out the following information:

- (A) that an Ordinary Member who is entitled to attend and cast a vote at the meeting has a right to appoint a proxy; and
 - (B) that the proxy need not be a Member; and
 - (v) set out any other matters required by the Act.
- (c) **(Meeting or act not invalid)** Neither a general meeting, nor any act, matter or thing done, or any resolution passed, at a general meeting is invalid if:
- (i) the company accidentally omits to give notice of the general meeting or a proxy form to any person; or
 - (ii) any person fails to receive notice of the general meeting or a proxy form.
- (d) **(Attendance waives certain rights)** A person's attendance at a general meeting waives any objection that person may have:
- (i) to a failure to give notice, or the giving of a defective notice, of the meeting – unless the person at the beginning of the meeting objects to the holding of the meeting; and
 - (ii) to the consideration of a particular matter at the meeting which is not stated in the notice of the meeting – unless the person objects to considering the matter when it is presented.

6.4 Cancellation, postponement and change of venue of general meetings

- (a) **(Who can cancel)** General meetings (including postponed or adjourned general meetings) may be cancelled or postponed (as the law allows) by the persons set out in paragraphs (i) to (v).
- (i) A general meeting called by the directors, other than a general meeting called under section 249D of the Act, may be cancelled or postponed by the directors as they think fit.
 - (ii) A general meeting called by the President may be cancelled or postponed by the President as the President thinks fit.
 - (iii) A general meeting called by the directors under section 249D of the Act may only be cancelled by the directors if the company receives either a request to do so, or a consent to it doing so, which has been signed by the number of Ordinary Members who signed the request to call the meeting which is equal in number to the Minimum Cancellation Number. In this paragraph, "**Minimum Cancellation Number**" is calculated as follows:
 - (A) the number of Ordinary Members who signed the request to call the meeting;
 - (B) minus the minimum number of Ordinary Members entitled to call the general meeting under section 249D of the Act;
 - (C) plus one,

(see footnote 1 for more information and an example of this calculation).

- (iv) A general meeting called by the Ordinary Members under section 249E of the Act may only be cancelled or postponed by all of the Ordinary Members who called the general meeting.
- (v) A general meeting called by the Ordinary Members under section 249F of the Act may only be cancelled or postponed by all of the Ordinary Members who called the general meeting.
- (b) **(Who can change the venue)** The venue for general meetings (including postponed or adjourned general meetings) may be changed (as the law allows) as follows:
 - (i) the venue for any general meeting called by the directors or the President (including a general meeting called under section 249D of the Act) may be changed by the directors; and
 - (ii) the venue for any general meeting called by the Ordinary Members under section 249E or 249F of the Act may be changed by all of the Ordinary Members who called the general meeting.
- (c) **(Who the notice must be given to)** A notice cancelling, postponing or changing the venue for a general meeting must be given to each Ordinary Member and to every other person entitled to be given notice of that meeting under the Act or this constitution.
- (d) **(Timing of notice)** A notice cancelling, postponing or changing the venue for a general meeting must be given at least 5 clear days before the time at which the general meeting was to be held.
- (e) **(Content of notice)** A notice:
 - (i) cancelling a general meeting must state the reason for the cancellation; and
 - (ii) postponing or changing the venue for a general meeting must state:
 - (A) the reason for the postponement or change of venue; and
 - (B) the date, time and place of the general meeting or the postponed general meeting (as the case may be).
- (f) **(Costs of cancelling, postponing or changing venue)** Unless the directors decide otherwise:
 - (i) the cost of cancelling a general meeting under clause 6.4(a)(iii) must be paid for by the Ordinary Members who signed the request or consent to

¹ Section 249D of the Act currently requires the directors of a company to call and arrange to hold a general meeting on the request of members with at least 5% of the votes that may be cast at the general meeting.

Therefore, if for example 130,000 Ordinary Members request the directors to hold a general meeting under section 249D of the Act and 120,000 Ordinary Members represent Members with exactly 5% of the votes that may be cast at a general meeting, then for a cancellation under clause 6.4(a)(iii) to be valid at least 10,001 (which is 130,000 minus 120,000 plus 1) of the Ordinary Members who signed the request to hold the meeting will need to sign a request or consent to the company cancelling the meeting.

cancel that meeting; and

- (ii) the cost of cancelling, postponing or changing the venue for a general meeting under clause 6.4(a)(iv), 6.4(a)(v) or 6.4(b)(ii) must be paid by the Ordinary Members who called that meeting.

In any other case, the cost of cancelling, postponing or changing the venue for a general meeting of the company must be paid for by the company.

7 Closing of the Register

- (a) The directors may close the Register (as the law allows) for a period of between 48 hours and 45 days before:
 - (i) the date of any general meeting of the company; or
 - (ii) the close of any Voting Period.
- (b) If there are 45 days or less between the date of a general meeting of the company and the close of a Voting Period, then the directors may extend the period for which the Register is closed. The extension may be for up to 90 days before the later of the date of the general meeting and the close of the Voting Period.
- (c) Any person (or persons) applying for Membership during the period that the Register is closed will not be entered into the Register until after the Register is re-opened, even if the applicant (or applicants) has paid the company any Membership Application Fees or Subscription Fees. However, they are entitled to receive Services from the company as if they had been entered into the Register as a Member.

8 Proceedings at general meetings

8.1 Admission to general meetings

The Chair of a general meeting may take any action the Chair considers appropriate for the safety of people attending the meeting and the orderly conduct of the meeting. In exercising this power (without in any way limiting any other powers of the Chair), the Chair may expel or refuse admission to a person who:

- (a) has a pictorial-recording or sound-recording device;
- (b) has a placard or banner;
- (c) has an article considered by the Chair to be dangerous, offensive or liable to cause disruption;
- (d) refuses to produce or to permit examination of any article or the contents of any article, in the person's possession;
- (e) behaves or threatens to behave in a dangerous, offensive or disruptive manner; or
- (f) is not:
 - (i) a Member who is entitled to attend the general meeting, or their proxy, attorney or Representative; or

- (ii) a director, officer or an auditor of the company.

8.2 Holding a general meeting at two or more places

- (a) **(Holding meeting at multiple places allowed)** The company may hold a general meeting at two or more places using any technology which gives the Members as a whole a reasonable opportunity to participate.
- (b) **(Technology requirements)** The technology used to hold a meeting in two or more places must, as a minimum, allow:
 - (i) every Member attending the meeting to hear each person who addresses the meeting;
 - (ii) every person who addresses the meeting to simultaneously address each of the Members attending the meeting; and
 - (iii) the Chair to be aware of the proceedings in the other places at which the Chair is not present.
- (c) **(Quorum for meeting held at multiple places)** At a meeting held in two or more places using technology, a quorum is taken to be present if the minimum number of Ordinary Members required to form a quorum specified in clause 8.3 is present in aggregate in all of the places at which the meeting is held.
- (d) **(Official venue)** A meeting held in two or more places using technology is taken to be held at the place at which the Chair is present.
- (e) **(Handling technical difficulties)** If, either before or during the meeting, any technical difficulty causes one or more of the matters set out in clause 8.2(a) or 8.2(b) to be not satisfied;
 - (i) the Chair may:
 - (A) adjourn the meeting until the difficulty is remedied; or
 - (B) continue to hold the meeting and transact business in the place where the Chair is present (and any other place which is linked under clauses 8.2(a) and 8.2(b)); and
 - (ii) no Member may object to the meeting being adjourned, being held or continuing.

8.3 Quorum at general meetings

A quorum must be present when business starts to be transacted at any general meeting. For all general meetings, a quorum is 25 Ordinary Members who are entitled to vote. They may be present in person or by proxy, attorney or Representative. A person who is attending both as an Ordinary Member and as a proxy, attorney or Representative for another Ordinary Member is counted only once for determining whether a quorum is present.

8.4 General meeting adjourned if no quorum

- (a) If, within 15 minutes after the time appointed for a general meeting to start, a quorum is not present, then the meeting:
 - (i) if called by, or at the request of, Ordinary Members, is to be dissolved; or

- (ii) if called in other case, is to stand adjourned:
 - (A) to the same day four weeks later at the same time and place; or
 - (B) to such other day, time and place as the directors may decide.
- (b) If at an adjourned meeting a quorum is not present within 15 minutes after the time appointed for the meeting to start, then the meeting is to be dissolved.

8.5 Chair of general meetings

- (a) The President, or in the President's absence the Deputy-President, is entitled to preside as Chair at every general meeting.
- (b) The directors present may choose another director as Chair if:
 - (i) there is no President or Deputy-President;
 - (ii) neither the President nor the Deputy-President is present within 15 minutes after the time appointed for the meeting to start; or
 - (iii) neither the President nor the Deputy-President is willing to act as Chair.
- (c) **(If directors decline to act Chair)** If the directors do not choose a Chair under clause 8.5(b) or if all of the directors present decline to act as Chair, then the Ordinary Members present in person or by proxy, attorney or Representative must choose an Ordinary Member present in person to be Chair.

8.6 Powers of the Chair

- (a) The Chair has the powers in paragraphs (i) to (vii).
 - (i) **(Conduct)** The Chair is responsible for the general conduct of the meeting and for the procedures to be adopted at the meeting.
 - (ii) **(Procedure)** The Chair may require the adoption of any procedure which is, in the Chair's opinion, necessary or desirable for:
 - (A) proper and orderly debate or discussion – including limiting the time that a person present may speak on a motion or other item of business before the meeting; and
 - (B) the proper and orderly casting or recording of votes at the meeting – whether on a show of hands or on a poll.
 - (iii) **(Terminate discussion)** The Chair may, subject to the Act, terminate discussion or debate on any matter whenever the Chair considers it necessary or desirable to do so for the proper conduct of the meeting.
 - (iv) **(Refuse discussion)** The Chair may refuse to allow debate or discussion on any matter which is not within the business in the notice of meeting or clause 6.1(b).
 - (v) **(Refuse amendment)** The Chair may refuse to allow any amendment to be moved to a resolution of which notice has been given under clause 6.3.
 - (vi) **(Postpone)** The Chair may, without limiting the rights under clause 6.4, postpone the meeting before it has started (whether or not a quorum is

present) if at the time and place appointed for the meeting, the Chair considers that:

(A) there is not enough room for the number of Members who wish to attend the meeting; or

(B) a postponement is necessary – in light of the behaviour of the people present, or for any other reason – so that the business of the meeting can be properly carried out.

(vii) **(Time, place and venue of postponed meeting)** The Chair may decide the time, place and venue of a meeting postponed under clause 8.6(a)(vi).

(b) Nothing in this clause 8.6 is to be taken to limit the powers that the law confers on the Chair.

8.7 Adjournments if quorum present

(a) At a general meeting at which a quorum of Ordinary Members is present, the Chair has the power to adjourn the meeting or any business, motion, question or resolution being considered or remaining to be considered by the meeting. The Chair can adjourn each of those things either to a later time at the same meeting or to an adjourned meeting.

(b) The Ordinary Members cannot direct the Chair to adjourn any of the things mentioned in clause 8.7(a).

(c) The Chair is to decide the time, place and venue for an adjourned meeting.

(d) The only business that may be transacted at any adjourned meeting is the unfinished business of the initial meeting.

8.8 Adjournment for one month or more

If a meeting is adjourned for one month or more, then notice of the adjourned meeting must be given in accordance with clause 6.3. The notice must set out the unfinished business of the initial meeting. It does not need to set out anything else.

9 Decisions of general meetings

9.1 Resolutions to be passed by majority

(a) A resolution (unless the law requires it to be passed by a special majority) on a question arising at a general meeting is decided by a majority of votes cast by the Ordinary Members present in person or by proxy, attorney or Representative, on a show of hands or on a poll, as the case may be.

(b) For all purposes (other than where a special majority is required) a majority vote is a decision of the Ordinary Members.

9.2 Chair's casting vote

If there is an equality of votes (whether on a show of hands or on a poll) the Chair is entitled to a casting vote. That casting vote is in addition to any votes the Chair is entitled to as an Ordinary Member or as the proxy, attorney or Representative of an Ordinary Member.

9.3 Demand for a poll

(a) At any general meeting, a resolution put to the vote of the meeting is decided

on a show of hands unless a poll is demanded:

- (i) by the Chair;
 - (ii) by at least five Ordinary Members entitled to vote on the resolution; or
 - (iii) by Ordinary Members with at least 5% of the votes that may be cast on the resolution on a poll (the percentage having been calculated as at the midnight before the poll is demanded).
- (b) A poll may be demanded:
- (i) before a vote is taken;
 - (ii) before the voting results on a show of hands are declared; or
 - (iii) immediately after the voting results on a show of hands are declared.

9.4 Chair's declaration of result conclusive

If the Chair declares the result of a vote on a show of hands on a resolution and an entry to that effect is made in the book containing the minutes of the proceedings of the company, then that is conclusive evidence of the result – unless a poll is demanded in accordance with clause 9.3 and the demand is not withdrawn. There does not need to be any other proof of the number or proportion of the votes recorded in favour of or against the resolution.

9.5 Conduct of poll and other business

- (a) If a poll is demanded at a general meeting, then the Chair is to decide the manner and the time and place at which it is to be taken.
- (b) The result of the poll is taken to be the resolution of the meeting at which the poll was demanded.
- (c) After a demand for a poll, the meeting can continue to transact any business other than the question on which a poll has been demanded.

9.6 Withdrawal of demand for a poll

The demand for a poll may be withdrawn.

9.7 Validity of votes

An objection as to the validity of any vote can be made only at the meeting or adjourned meeting or poll at which the vote is tendered. Every vote not disallowed at the meeting or poll is valid. The Chair's decision as to whether a vote is allowed is final and conclusive.

9.8 Dispute

The Chair is to decide any dispute as to the validity, admission or rejection of a vote on a show of hands or on a poll. That determination is final and conclusive.

9.9 Discretion to permit direct voting

The directors may decide that an Ordinary Member who is entitled to vote on a resolution at a meeting is entitled to a direct vote in respect of that resolution. A "**direct vote**" includes a vote delivered to the company by post, fax or other electronic means approved by the directors. The directors may prescribe rules about direct voting – including specifying the form, method and timing of giving a direct vote for

the vote to be valid.

10 Ordinary Members' representatives at general meetings

10.1 Representative of more than one Ordinary Member

If a person present at a general meeting represents (as proxy, attorney or Representative) more than one Ordinary Member, then:

- (a) on a show of hands:
 - (i) the person is entitled (unless the person is prohibited from voting under clause 10.6(g)) to one vote only regardless of the number of Ordinary Members the person represents; and
 - (ii) that vote is cast for all the Ordinary Members the person represents;
- (b) on a poll taken on a resolution, the person is entitled to one vote for each Ordinary Membership of each Ordinary Member that the person represents (except where the person is directed to abstain from voting on the resolution); and
- (c) the person must not exercise that vote in a way that would contravene any directions given to the person in any instrument appointing the person as a proxy, attorney or Representative.

10.2 Votes of Ordinary Member of unsound mind

An Ordinary Member 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, regardless of anything else in this constitution. They may do so on a show of hands or on a poll by their committee, by any person who properly has the management of the Ordinary Member's estate or by the Public Trustee. Any such committee, person or trustee may vote by proxy, attorney or Representative.

10.3 Appointment of Representative or attorney

- (a) If an Ordinary Member that is a body corporate provides a certificate evidencing the appointment of its Representative or provides a power of attorney, then the Ordinary Member must sign the relevant document in accordance with section 127 of the Act, or by its officer or attorney duly authorised in writing.
- (b) Although an Ordinary Member may appoint more than one Representative, only one of them may exercise that Ordinary Member's powers at any one time. For the purposes of attending and voting at general meetings, the first Representative to register at the meeting is recognised as the Ordinary Member's Representative at that meeting.

10.4 Form of proxy

- (a) Subject to clauses 10.4(b) and (c), an instrument appointing a proxy is valid if it is in accordance with the Act or in any form the directors prescribe or approve.
- (b) If sent by post or fax, the instrument appointing a proxy must be signed:
 - (i) by the Ordinary Member making the appointment or the Ordinary Member's attorney duly authorised in writing; or
 - (ii) if the Ordinary Member is a body corporate, then in accordance with section 127 of the Act, or by its officer or attorney duly authorised in

writing;

- (c) If sent by electronic transmission, an instrument appointing a proxy is taken to have been signed if it has been authorised or authenticated by the Ordinary Member making the appointment in the manner the directors approve or as specified in the notice of meeting.

10.5 Lodgement of proxy or attorney documents

- (a) A proxy or attorney may vote at a general meeting or adjourned or postponed meeting (as the case may be) only if the instrument appointing the proxy or attorney, and the original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed, are received by the company:
 - (i) at the Office, the fax number at the Office or at such other place, fax number or electronic address specified for that purpose in the notice of meeting; and
 - (ii) at least 48 hours before the scheduled commencement time for the meeting or adjourned or postponed meeting (as the case may be) at which the person named in the instrument proposes to vote. The scheduled commencement time is as specified in the notice of meeting or as declared by the Chair (as the case may be).
- (b) An undated proxy is taken to be dated on the day that it is received by the company.

10.6 Authority given by appointment

- (a) **(Authority)** Unless the terms of the appointment specify to the contrary, an appointment confers authority on a proxy, attorney or Representative:
 - (i) to agree to a general meeting being convened by shorter notice than is required by the Act or by this constitution;
 - (ii) to speak to any proposed resolution on which the Ordinary Member may vote; and
 - (iii) to demand or join in demanding a poll on any resolution on which the Ordinary Member may vote.
- (b) **(Other resolutions)** Unless the terms of the appointment specify to the contrary, even if the instrument of appointment refers to specific resolutions and directs the proxy, attorney or Representative on how to vote on those resolutions, the appointment is taken to confer authority:
 - (i) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion;
 - (ii) to vote on any procedural motion; and
 - (iii) to act generally at the meeting.
- (c) **(Postponed or adjourned meeting)** Unless the terms of the appointment specify to the contrary, if the instrument of appointment refers to a specific meeting to be held at a specified time or venue and the meeting is postponed or adjourned or changed to another venue, then the appointment confers authority to attend

and vote:

- (i) at the postponed or adjourned meeting; or
 - (ii) at the new venue.
- (d) **(Standing proxy)** An appointment of a proxy may be a standing proxy – that is the appointment under the proxy remains valid until it is revoked by the Ordinary Member that made the appointment.
- (e) **(Appoint Chair)** The instrument appointing a proxy may provide for the Chair to act as proxy in the absence of any other appointment or if the person or persons nominated fail or fails to attend the meeting.
- (f) **(Direct proxy how to vote)** The instrument appointing a proxy may direct the manner in which the proxy is to vote in respect of a particular resolution.
- (g) **(Proxy for more than one person may not vote on a show of hands)** If a proxy is appointed to vote on a particular resolution by more than one Ordinary Member and the instruments appointing the proxy direct the proxy to vote on the resolution in different ways, then the proxy must not vote on a show of hands taken on the resolution.

10.7 Default appointment of Chair as proxy

The Chair is taken to be appointed as the proxy of an Ordinary Member (regardless of anything to the contrary in the instrument or resolution of appointment) to vote on the Ordinary Member's behalf and in accordance with the Ordinary Member's direction on a poll taken on a resolution if:

- (a) the proxy, attorney or Representative appointed by the Ordinary Member is not the Chair and is directed to abstain from voting on the resolution, or to vote either for or against the resolution;
- (b) at the time of voting on the resolution, the appointment of the proxy, attorney or Representative remains in force; and
- (c) the proxy, attorney or Representative appointed by the Ordinary Member:
 - (i) does not vote as directed by the instrument or resolution of appointment on the poll on the resolution;
 - (ii) fails to vote on the poll on the resolution when the instrument or resolution of appointment directs that they should vote in a certain way; or
 - (iii) votes on the poll on the resolution when the instrument or resolution of appointment directs that they should abstain from voting.

10.8 Validity

- (a) A vote cast in accordance with the terms of an instrument of proxy or power of attorney is valid even if before the vote was cast the Ordinary Member that made the appointment of the proxy or attorney:
 - (i) died;
 - (ii) became of unsound mind;

- (iii) revoked the proxy or power;
 - (iv) revoked the authority under which the proxy was appointed by a third party; or
 - (v) ceased to be an Ordinary Member.
- (b) However, clause 10.8(a) does not apply if written notification of the relevant event is received at the Office before the start or resumption of the meeting at which the instrument is used or the power is exercised. The Chair's decision as to whether a proxy has been revoked is final and conclusive.

10.9 Attendance by appointor

A proxy remains in force even if the Ordinary Member that made the appointment of the proxy attends and takes part in any meeting. However, if the Ordinary Member votes on any resolution either on a show of hands or on a poll, then the person acting as proxy for the Ordinary Member has no vote in that capacity on the resolution. The proxy's authority to speak for the Ordinary Member at the meeting is suspended while the Ordinary Member is present at the meeting.

10.10 Proof of identity

- (a) The Chair may require any person purporting to act as a proxy, attorney or Representative to establish to the Chair's satisfaction that the person:
- (i) has been validly appointed as a proxy, attorney or Representative; and
 - (ii) is the person named in the relevant instrument of appointment.
- (b) If a person fails to satisfy the Chair under clause 10.10(a), then the Chair may exclude that person from attending or voting (or both) at the meeting.

Directors and their Powers and Duties

11 Persons who may be directors

11.1 Composition of the board of directors

- (a) **(Maximum number)** The maximum number of directors is 9.
- (b) Subject to this constitution (and in particular clause 11.6):
 - (i) one director is elected for each Region by the Ordinary Members whose address in the Register on the Closing of the Register is within that Region; and
 - (ii) the directors may appoint up to 3 directors in accordance with clause 11.7.
- (c) The manner of election or appointment of directors is in accordance with this constitution and the Election Rules.
- (d) **(No alternatives)** A director cannot appoint an alternate.

11.2 Eligibility to be a director

- (a) **(Age)** A director must be a natural person who is at least 18 years of age and holds an Ordinary Membership (whether alone or together with one or more other persons).
- (b) **(AICD course)** Each director who has not attended the Australian Institute of Company Directors' *Company Directors Course* (or such other director development course or courses as the directors decide) must attend such course within two years after the date of their election or appointment in the case of a director who is first elected or first appointed on or after the Adoption Date, or within two years after the Adoption Date in the case of a director who is in office immediately before the Adoption Date. The directors may extend that period. The company will pay all costs associated with attending the course. The office of a director becomes vacant if the director fails to attend the course in the specified time.
- (c) **(Not eligible)** None of the following persons is eligible to be a director:
 - (i) an employee of the company, Insurance Australia Group Limited (ACN 090 739 923) or any of their respective subsidiaries – however see clause 11.2(e);
 - (ii) a person who has served as a director for more than 12 years (in aggregate, either continuously or in broken periods) after first being elected or appointed as a director;
 - (iii) a person who at any time during the five years immediately before the following date has been removed as a director by a resolution under section 203D of the Act passed by at least 75% of the votes duly cast on the resolution:
 - (A) in the case of an election of a director held in or after 2011, the date for the close of nominations for that election selected by the directors under clause 15.1(c);

- (B) in the case of an appointment as a director to fill a casual vacancy under clause 11.6(a), the date on which the appointment would take effect; and
- (C) in the case of an appointment as an Appointed Director under clause 11.7, the date on which the appointment would take effect;
- (iv) a person who is disqualified or prevented from being a director under the Act or any other law;
- (v) a person who is bankrupt, insolvent under administration or makes any composition or arrangement with his or her creditors or any class of them; or
- (vi) a person who is of unsound mind or a person whose estate is liable to be dealt with in any way under the law relating to mental health.
- (d) **(Consent required)** The election or appointment of a person as a director is not effective until the company has received from the person a written consent to be a director.
- (e) **(Employee may stand)** An employee referred to in clause 11.2(c)(i) may be a candidate for election as a director. However, they may not exercise office as a director until that employment ceases. The office of a director who is such an employee becomes vacant if they remain an employee 14 days after the secretary gives them written notice to cease being an employee.

11.3 Term of office of directors

A director's term in office lasts for the relevant period set out in paragraph (a), (b) or (c) unless it ends earlier under this constitution or the law.

- (a) Each director elected for a Region holds office:
 - (i) from the end of the Election Period in the Election Year in which the director was elected;
 - (ii) until the end of the Election Period in the Election Year next after the director's election.
- (b) A director appointed to fill a casual vacancy under clause 11.6(a) holds office until the end of the Election Period next after the director's appointment.
- (c) An Appointed Director appointed under clause 11.7 holds office until the end of the fixed term of their appointment or re-appointment (as the case may be).
- (d) A director ceasing to hold office under clause 11.3(a) who is eligible to be a director under clause 11.2 is eligible for re-election. A director ceasing to hold office under clause 11.3(b) or 11.3(c), who is eligible to be a director under clause 11.2, is eligible for election as a director.

11.4 Resignation of directors

A director may resign from office by giving written notice to the company of their intention to do so. The resignation takes effect immediately – unless it states that it takes effect in the future. If it states that it takes effect in the future, then it takes effect on the first of:

- (a) the date stated in the notice; and
- (b) three months after the notice is given.

11.5 Vacancy of office of director

The office of a director becomes vacant if the director:

- (a) ceases to be eligible as a director under clause 11.2;
- (b) is removed from office under section 203D of the Act;
- (c) without the permission of the other directors, absents himself or herself from the meetings of the directors for a continuous period of 3 months; or
- (d) resigns in accordance with clause 11.4.

11.6 Casual vacancies

- (a) In addition to their rights under clause 11.7, the directors may at any time appoint any person who is eligible to be a director under clause 11.2 as a director to fill a casual vacancy. However, the appointment must not be made during an Election Period – unless the number of directors is less than the quorum required in clause 16.2(a).
- (b) The continuing directors may act despite any vacancy in the board of directors. However, if the number of directors is less than the quorum required in clause 16.2(a), then the continuing directors may act only for the purpose of filling vacancies to the extent necessary to bring their number up to that number.

11.7 Appointed Director

- (a) Subject to the maximum number of directors specified in clause 11.1(a), the directors may appoint up to 3 persons who are eligible to be a director under clause 11.2 as additional directors in accordance with clause 11.7(b). Each of those directors is known as an “Appointed Director”. A maximum of 3 Appointed Directors may be appointed to the board at any time.
- (b) Each Appointed Director is a person who has specific expert skills or experience (or both skills and experience) which the directors consider desirable. The directors are to appoint an Appointed Director from a shortlist of candidates presented to the directors by an independent executive search firm. The skills and experience sought by the directors in appointing an Appointed Director and the name of the independent executive search firm used must be published on the company’s website no later than 14 days after the appointment of the Appointed Director.
- (c) An Appointed Director is to be appointed as a director for a fixed term of up to 4 years as decided by the directors – unless their appointment ends earlier under this constitution or the law. The directors may re-appoint an Appointed Director for a further fixed term or terms of up to 4 years each as long as:
 - (i) the re-appointment is made when the Appointed Director’s current term has less than 6 months left to run; and
 - (ii) at the end of the last fixed term, the total term in office of the Appointed Director is not more than 12 years (see clause 11.2(c)(ii)).
- (d) An Appointed Director has the same rights, powers and duties as the other

directors.

12 Remuneration of directors

12.1 Remuneration

- (a) **(Entitlement for ordinary services)** Each director is entitled to remuneration for his or her ordinary services as a director as the directors decide. However, the total amount payable to all directors for their ordinary services as directors in any calendar year must not exceed the Maximum Base Remuneration. Ordinary services of a director include the following:
- (i) services performed by a director which relate to that director's position as President or Deputy-President; and
 - (ii) attendance by a director at training sessions and development courses.
- (b) **(Ratios failing agreement)** If the remuneration of each director for his or her ordinary services cannot be agreed on, then the aggregate remuneration payable to all directors (as decided by the directors from time to time, but not exceeding the Maximum Base Remuneration) is to be divided between the directors as follows:
- (i) the director holding the position of President is entitled to three times the amount of the remuneration to which each other director (other than the director holding the position of Deputy-President) is entitled;
 - (ii) the director holding the position of Deputy-President is entitled to twice the amount of the remuneration to which each other director (other than the director holding the position of the President) is entitled; and
 - (iii) a director who does not hold the position of President or Deputy-President is entitled to a remuneration amount which is equal to the amount of remuneration to which each other director who does not hold the position of President or Deputy-President is entitled.
- (c) **(Review of Maximum Base Remuneration)** On each Review Date the Maximum Base Remuneration from and including the Review Date is to be reviewed. However, the Maximum Base Remuneration is not to be reviewed on 1 January in the year immediately after the date on which the Maximum Base Remuneration is increased by the company in general meeting.
- (d) **(Amount of change)** When the Maximum Base Remuneration is reviewed, it must be adjusted so that it is the greater of:
- (i) the Maximum Base Remuneration payable immediately before the Review Date increased by the Percentage CPI Change; and
 - (ii) the Maximum Base Remuneration payable immediately before the Review Date.
- (e) **(Notice for any other increase)** If there is a proposal to increase the Maximum Base Remuneration by an amount greater than that allowed for by clause 12.1(d), then the notice convening a general meeting at which that increase is to be proposed must state the amount of the proposed increase and the maximum yearly sum payable if the increase is approved.

- (f) **(Cash)** Remuneration under clause 12.1(a) accrues from day to day and is to be provided wholly in cash – unless the directors, with the agreement of the director concerned, decide that part of the remuneration is to be satisfied in the form of non cash benefits, for example a contribution by way of salary sacrifice to a complying superannuation fund.
- (g) **(No commission)** The remuneration of a director must not include a commission on, or percentage of, the company's operating revenue or profits.
- (h) **(Superannuation allowed)** The company may make contributions to a complying superannuation or similar fund for the benefit of any director as the directors decide from time to time. Any contributions are in addition to, and are not part of, the remuneration of the directors for the purposes of clause 12.1(a).

12.2 Additional services

- (a) A director may receive such remuneration additional to the remuneration that the director is entitled to under clause 12.1(a) or 12.1(b) (as the case may be) as the directors may decide, if the director:
 - (i) serves on any Committee; or
 - (ii) serves on the board of directors of a related body corporate of the company; or
 - (iii) otherwise performs special services in connection with the business of the company which are outside the scope of the ordinary services of a director.
- (b) Any additional remuneration under clause 12.2(a) is not part of the Maximum Base Remuneration.

12.3 Publication of directors' fees on website

The company must publish on its website the amount of the remuneration payable to each director under clause 12.1(a) and any remuneration payable to any director in the circumstances set out in clause 12.2(a).

12.4 Reimbursement of expenses

The directors are entitled to be paid all travelling, accommodation and other expenses properly incurred, or to be incurred, by them in attending and returning from directors' meetings or any Committee of the directors or general meetings of the company or otherwise in connection with the company's business. Any payment is in addition to the remuneration the directors are entitled to receive under clauses 12.1(a), 12.1(b) or 12.2(a), and is not part of the Maximum Base Remuneration.

12.5 Payment to former directors on retirement

(Only in accordance with the Act) If a director retires from office as a director or as a director of a related body corporate of the company, then the company may only give, or permit a related body corporate of the company to give, the director or any other person a benefit in connection with the director's retirement as permitted by the Act.

13 Powers and duties of directors

13.1 Directors' powers

- (a) **(Power vested in directors)** Subject to the Act and this constitution, the management and control of the business and affairs of the company is vested

in the directors. The directors may exercise all the powers of the company that this constitution or the Act do not require to be exercised by the company in general meeting. No rule made or resolution passed by a general meeting invalidates any earlier act of the directors which would have been valid if that rule or resolution had not been made or passed.

- (b) Without limiting the generality of clause 13.1(a), the directors may on terms and conditions they think fit exercise all the powers of the company:
 - (i) to borrow or raise money;
 - (ii) to charge any of the company's property or assets; or
 - (iii) to issue debentures or give any other security for any debt, contract, guarantee, engagement, obligation or liability of the company or of any other person.

13.2 Committees

- (a) The directors may, by resolution or by power of attorney or writing under the Seal:
 - (i) delegate any of their powers to committees consisting of at least one director and any other persons they think fit; or
 - (ii) establish advisory committees (or other committees not having delegated power) consisting of any person or persons they think fit.
- (b) Any Committee so formed or person or persons so appointed must, in the exercise of the powers so delegated, or functions entrusted, comply with any directions, rules or regulations the directors make or impose.
- (c) The meetings and proceedings of any Committee referred to in clause 13.2(a)(i) consisting of two or more persons are governed by the provisions in this constitution for regulating the meetings and proceedings of the directors so far as they are capable of applying – unless the directors decide otherwise.

13.3 Delegation of powers

- (a) Without limiting clause 19.2, the directors may, by resolution or by power of attorney or writing under the Seal, delegate any of their powers to the Chief Executive Officer or any employee of the company or any other person as they think fit.
- (b) Any delegation by the directors of their powers:
 - (i) must specify the powers delegated, any restrictions on, and conditions attaching to, the exercise of those powers and the period during which that delegation is to be in force;
 - (ii) may be either general or limited in any way provided in the terms of the delegation;
 - (iii) need not be to a specified person but may be to any person holding, occupying or performing the duties of a specified office or position; and
 - (iv) may include the power to delegate.

- (c) If exercising a power depends on a person's opinion, belief or state of mind, then that power may be exercised by the delegate on the delegate's opinion, belief or state of mind about that matter.
- (d) Any power exercised by a delegate is as effective as if it had been exercised by the directors.

13.4 Code of Conduct

The directors must:

- (a) adopt a code of conduct for directors; and
- (b) periodically review the Code of Conduct in light of the general principles of good corporate governance.

13.5 Inspection of records

The directors have sole authority to decide whether, the extent to which, and any terms or conditions under which, the records of the company may be inspected by Members who are not directors or former directors. A Member (who is not a director or former director) has only the right which the law allows to inspect any financial record or book of the company. Apart from that right, they have no other right to do so – unless authorised by the directors or by the company in general meeting.

13.6 Discretion of the directors relating to Membership

- (a) Without limiting the generality of clause 13.1(a), without being required to provide reasons the directors may in their discretion:
 - (i) waive any conditions for Membership in either Membership Class;
 - (ii) readmit any person as a Member in either Membership Class;
 - (iii) refuse to admit any person as a Member in either Membership Class; or
 - (iv) approve the transfer of a Member's Membership to any person approved by the directors.
- (b) Without limiting the generality of clause 13.1(a), the directors may also, from time to time:
 - (i) identify different groups or categories of Members by reference to packages of Services they subscribe for. However, doing so does not create different classes of Members;
 - (ii) decide upon any restriction in the number of Members or the number of Members within each Membership Class;
 - (iii) decide upon any restriction in the number of Members who may subscribe for a certain Service or Services;
 - (iv) decide the qualifications for admission as a Member or for admission to a particular Membership Class;
 - (v) decide the fees for either Membership Class or for any group of persons who are Members or who wish to become Members. The directors may also suspend or waive payment of any of these fees in favour of any person (or persons) or group of persons;

- (vi) decide upon any additional rights and obligations that might be attached to being a Member in each Membership Class;
 - (vii) make rules concerning the method of nominating motor vehicles for service;
 - (viii) make rules concerning the issuance and use of Membership Identifications;
 - (ix) make rules concerning the Services that any group of Members may subscribe for;
 - (x) make rules regarding the recording of a Member's name in the Register under the name of an unincorporated association, or a firm, partnership or business name, including rules concerning who is entitled to exercise the rights of that Membership; and
 - (xi) make rules concerning the administration of Membership generally, including:
 - (A) the admission, readmission or refusal to admit persons as Members;
 - (B) the transfer, lapse or cancellation of Membership;
 - (C) the transfer of Members between Membership Classes;
 - (D) continuity of Membership;
 - (E) refunds of Subscription Fees; and
 - (F) provision of Services to Members.
- (c) **(Power to limit Services)** The directors may from time to time limit or decide (or both) the number of any Services to which Members, Members in a Membership Class or any group of Members are entitled, or which they are offered. Services beyond the number decided may be made available or refused on such terms as the directors may decide from time to time.
- (d) **(Excessive number of Services)** Regardless of anything done by the directors under clause 13.6(c), if a Member has, in the opinion of the directors, during the period of their Membership received an excessive number of Services, then the directors may limit or decide (or both) the number of Services to which that Member is from then entitled or offered. Services beyond the limit or number so decided may be made available on terms as the directors may decide.
- (e) **(Non-Member Services)** Services may also be made available to non-Members on such terms as the directors may decide.
- (f) Nothing in this clause 13.6 is taken to limit the powers conferred on the directors by this constitution or by law.

Election of Directors

14 Regions and boundaries

14.1 Redistribution of existing Regions

The directors must Redistribute the Combined Territory from 8 Regions into 6 Regions with effect from 1 January 2018.

14.2 Redistributions after 2018

- (a) **(When directors must Redistribute Regions)** After 1 January 2018, the directors must Redistribute the Combined Territory as set out in paragraphs (i) or (ii).
- (i) **(Unequal distribution of votes)** If it appears to the directors after concluding the process under clause 14.2(g) that 3 or more of the 6 Regions are unequally represented Regions, then the directors must Redistribute the Combined Territory into 6 Regions. They must do so before the date that nominations open for the election of directors in the next Election Year. In this paragraph, an **“unequally represented Region”** is a Region in which the number of votes Ordinary Members are entitled to cast in that Region is either greater than 130% of the Average Regional Membership or less than 70% of the Average Regional Membership. In that calculation, the directors must include any Ordinary Member whose address in the Register is outside the Combined Territory who is, or is likely, to be allocated to that Region under clause 14.2(b)(ii).
- (ii) **(Lapse of 10 years)** If 10 years has passed since the last Redistribution was conducted, the directors must Redistribute the Combined Territory into 6 Regions. They must do so before the date that nominations open for the election of directors in the next Election Year.
- (b) **(Basis for Redistribution)** In making a Redistribution under this clause 14.2, the directors must:
- (i) base their determination on the votes that Ordinary Members are entitled to cast throughout the Combined Territory;
- (ii) decide the Region in which each Ordinary Member whose address in the Register is outside the Combined Territory is entitled to vote in the election of directors. In making a decision under this clause 14.2(b)(ii), the directors may consider the proximity of such address to the Regions and must endeavour, as far as practicable, not to allocate to different Regions Ordinary Members whose addresses in the Register are in the same geographical area;
- (iii) consider the likely turnover of Ordinary Members and endeavour, as far as is practicable, to ensure that in the next Election Period the number of votes Ordinary Members are entitled to cast in each Region is equal (within a margin of allowance of 30% more or less than the Average Regional Membership). The calculation is to include any Ordinary Member whose address in the Register is outside the Combined Territory who is, or is likely, to be allocated to a Region under clause 14.2(b)(ii);
- (iv) as a lesser consideration, consider:

- (A) each Region's community of interests – including economic, social and regional interests;
 - (B) each Region's means of internal travel;
 - (C) each Region's physical features and area;
 - (D) each Region's postcode boundaries; and
 - (E) the boundaries of the existing Regions; and
- (v) decide the names of the Redistributed Regions.
- (c) **(Notice of Redistribution results)** Before the date that nominations open for the election of directors in or after a Redistribution Year, the directors must publish a notice setting out the results of the Redistribution under this clause 14.2. They must publish the notice on the company's website and in the *Open Road* magazine.
- (d) **(Member to vote in their Region set by notice)** The results specified in the notice published under clause 14.2(c) are final. The Regions specified in that notice are the Regions for which the Ordinary Members are to elect the directors during all subsequent Election Periods until the next Redistribution Year.
- (e) **(Joint Members' address)** For the purpose of this clause 14.2, Joint Members' address for their Ordinary Membership is the address of the person whose name appears first in the Register in relation to that Ordinary Membership.
- (f) **(Advisers)** The directors may, as they see fit:
- (i) appoint advisers or experts to help them with the Redistribution under this clause 14.2, and
 - (ii) decide the scope of the duties and powers of those advisers or experts.
- (g) **(Number of votes)** The directors may at any time:
- (i) find out the total number of votes Ordinary Members are entitled to cast, including any Ordinary Member whose address in the Register is outside the Combined Territory; and
 - (ii) determine the Average Regional Membership and the extent to which the number of votes Ordinary Members are entitled to cast in each Region differs from the Average Regional Membership. This determination is to include any Ordinary Member whose address in the Register is outside the Combined Territory and who is, or is likely, to be allocated to the Region under clause 14.2(b)(ii).

15 Conduct of elections for directors

15.1 Calling the elections

In each Election Year, the directors must:

- (a) select the Election Date – it must be at least 14 days before the end of the Election Period;
- (b) select the date and time for the Closing of the Register;
- (c) select the date and time by which nominations for election as a director must be lodged with the Returning Officer – it must be at least two months before the Election Date;
- (d) appoint the Returning Officer; and
- (e) decide the Election Rules – they must be made available to Ordinary Members on request within 21 days after the date on which the directors select the Election Date.

15.2 Determining the outcome of elections

- (a) **(One candidate)** If at the close of nominations there is only one eligible candidate duly nominated for election for a Region, then no election is to take place for that Region. The sole candidate is taken to be elected as a director.
- (b) **(More than one candidate)** If at the close of nominations there are two or more eligible candidates nominated for election for a Region, then an election must take place for that Region in accordance with this constitution and the Election Rules. The eligible candidate who, according to the Returning Officer's report, received the highest number of votes for the Region is elected as a director.
- (c) **(Dead heat)** If after an election for a Region takes place there is a dead heat between two or more candidates who received the highest number of votes, then the Returning Officer is to draw the name of one of the candidates in the dead heat by lot. That candidate is elected as a director.
- (d) **(Returning Officer to report)** As soon as practicable after the counting of the votes, the Returning Officer must give a written report to the secretary setting out:
 - (i) the number of votes received by each candidate; and
 - (ii) the person elected or taken to be elected, in accordance with clauses 15.2(a) to (c), as a director for each Region.

15.3 Death of candidate or elected director

- (a) **(Death of candidate)** If an eligible candidate duly nominated for election for a Region dies after the close of nominations and before the end of the Voting Period:
 - (i) if there is only one other eligible candidate duly nominated for the Region remaining, then the remaining candidate is taken to be elected as a director; or
 - (ii) if there are two or more other eligible candidates duly nominated for the Region remaining, then the election is to continue in accordance with this constitution and the Election Rules.
- (b) **(Deceased candidate receives the most vote)** If after the election for the Region takes place the deceased candidate received the highest number of votes for the Region, the candidate who, according to the Returning Officer's

report, received the next highest number of votes after the deceased candidate for the Region is elected as a director.

- (c) **(Deceased candidate in dead heat)** If after the election for the Region takes place the deceased candidate is in a dead heat with two or more other candidates who each received the highest number of votes, then the director elected for that Region is determined in accordance with clause 15.2(c) but the Returning Officer is not to include the deceased candidate's name in the draw.
- (d) **(Death of elected director)** If a candidate who is elected or taken to be elected as a director dies before taking office, then a casual vacancy is taken to have occurred at the time the deceased candidate would have taken office. The casual vacancy may be filled by an appointment by the directors under clause 11.6.

15.4 Declaration of results of election

(Secretary to declare results in writing) The secretary must declare in writing the results of the election as set out in the Returning Officer's report. The persons declared elected hold office in accordance with clause 11.3.

15.5 Election Rules

The directors may make rules that are consistent with this constitution for, or about, the conduct of the elections of directors that this constitution requires or permits to be prescribed, or that are necessary or convenient to be prescribed – including in relation to:

- (a) the nomination of candidates (including the eligibility of persons who are not qualified to be a director);
- (b) the terms that may be used in the Election Material to describe candidates;
- (c) providing information to Ordinary Members concerning candidates;
- (d) the approved methods of voting – which may include voting by electronic means;
- (e) the manner of indicating the candidate for whom an Ordinary Member votes;
- (f) the format and content of Election Forms;
- (g) validating and counting votes;
- (h) the requirements for a valid vote;
- (i) the Returning Officer's duties and functions;
- (j) the content and distribution of Election Material; and
- (k) the means of identifying Ordinary Members.

15.6 Disclosure of election campaign contributions

- (a) Candidates for an election of directors must disclose:
 - (i) election campaign contributions made to them, or for their benefit; and

- (ii) all election campaign payments made by them, or on their behalf.
- (b) The Election Rules must prescribe:
- (i) the election campaign contributions and payments that are required to be disclosed;
 - (ii) the time, manner and form of disclosure;
 - (iii) the consequences of failing to comply with the disclosure rules – those consequences may include:
 - (A) the ineligibility of a candidate to be nominated for election at the elections to be held in the next Election Year or in specified later Election Years; and
 - (B) ceasing to hold office as a director as set out in the Election Rules;
 - (iv) the procedure for deciding whether the disclosure rules have been complied with and the consequences of any non-compliance; and
 - (v) the rights of Ordinary Members to have access to the disclosures made under the disclosure rules.

15.7 Validity of elections

- (a) The election of directors remains valid even if any one or more of the following is the case:
- (i) an Ordinary Member does not receive any Election Material;
 - (ii) the Returning Officer omits to forward any Election Material to an Ordinary Member;
 - (iii) there are errors in the Register; or
 - (iv) an Ordinary Member or the Returning Officer does not comply strictly with any of the technicalities this constitution or the Election Rules require for an election of directors.
- (b) **(Returning Officer's Discretion)** The Returning Officer has a discretion to accept the Election Form of an Ordinary Member and count that Ordinary Member's vote – as long as the Returning Officer is satisfied as to the identity of the relevant Ordinary Member – even if the Ordinary Member has not strictly complied with the directions about any one or more of the following:
- (i) the manner of recording their vote;
 - (ii) the returning of the Election Form;
 - (iii) the recording of particulars to identify the Ordinary Member; or
 - (iv) any other technicalities this constitution or the Election Rules require for an election of directors.

Conduct of Directors' Meetings

16 Proceedings of directors' meetings

16.1 Directors to regulate meetings

The directors may meet and adjourn and otherwise regulate their meetings as they see fit.

16.2 Quorum for a directors' meeting

- (a) For a matter to be considered at a meeting of directors, a quorum of 5 directors must be present when the matter is dealt with.
- (b) If there are less than 5 directors in office at any time, then the remaining directors may only act to increase the number of directors in accordance with clause 11.6(b) or in an emergency.

16.3 Convening directors' meetings

- (a) **(President may convene)** The President may at any time convene a meeting of the directors to be held at the time and place the President chooses. If a quorum of directors is present, then the meeting is not invalidated simply because the time or place (or both) is not convenient to the remaining directors.
- (b) **(Secretary must convene)** The secretary, at the request of any director, must convene a meeting of the directors to be held at a time and place convenient to the directors.

16.4 Notice of directors' meetings

(Requirement to give notice) Notice of every meeting of the directors is to be given by such means as is convenient (including by telephone or other electronic means) to each director who, to the actual knowledge of the secretary, is within Australia. However, notice of a meeting of the directors does not need to be given to any director who is outside Australia or who has been given special leave of absence.

16.5 Directors' meetings by technology

- (a) **(Communication requirements)** A meeting of the directors may consist of a conference between directors some, or all, of whom are in different places provided that each director who participates is able:
 - (i) to hear each of the other participating directors addressing the meeting; and
 - (ii) if he or she wishes to address each of the other participating directors, to do so simultaneously.
- (b) **(Any technology)** A meeting held under clause 16.5(a) may be held face to face, by conference telephone or by any other form of communication (whether or not it exists when this clause 16.5 is adopted) or by a combination of any of these methods.
- (c) **(Quorum)** A quorum is present if the conditions in clauses 16.5(a) and (b) are satisfied for at least the number of directors required to form a quorum. A meeting held in this way is taken to take place at the place from where the person chairing the meeting is located.

- (d) **(Director may request remote attendance)** Before the meeting, any director may give notice to the secretary that he or she wishes to participate in the meeting in any of the ways allowed under this clause 16.5. In that case, the secretary must arrange an appropriate facility at the company's expense.
- (e) **(Permission required to disconnect)** A director may not leave the conference by disconnecting his or her means of communication – unless he or she has previously obtained the express consent of the person chairing the meeting.
- (f) **(Presence assumed)** A director is conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting by telephone or any other means of communication – unless the director has previously obtained the express consent of the person chairing the meeting to leave the conference.
- (g) **(No limit on other rules)** This clause 16.5 does not limit the discretion of the directors to regulate their meetings under clause 16.1.

16.6 Chair of directors' meeting

The President – or, in the President's absence the Deputy-President – is entitled to take the chair at each meeting of the directors. However, the directors present may choose another director to chair the meeting if:

- (a) neither the President nor the Deputy-President is present within 15 minutes after the time appointed for the start of the meeting; or
- (b) neither of them is willing to chair the meeting.

16.7 Decisions of directors

Questions arising at any meeting of the directors are decided by a majority of the votes cast at the meeting. Each director has one vote. In case of an equality of votes, the person chairing the meeting has a second and casting vote.

16.8 Acts not invalid

Anything done at any directors' meeting or a Committee meeting, or by anyone acting as a director, is as valid as if every director or Committee member had been duly appointed or had duly continued in office and was qualified or eligible to be a director or Committee member and was entitled to vote even if it is discovered afterwards that:

- (a) there was some defect in any one of their appointment, election or continuance in office; or
- (b) any one of them was disqualified or not entitled to vote.

16.9 Written resolutions of directors

- (a) A resolution or declaration in writing is as valid and effectual as if it had been passed at a meeting duly called and held if:
 - (i) all directors entitled to receive notice of a directors' meeting, receive notice of the resolution; and
 - (ii) it is signed by a majority of the directors for the time being in Australia who are entitled to vote (being at least a quorum).

- (b) Any resolution or declaration under clause 16.9(a) may consist of several documents in the same form each signed by one or more directors. If the documents are signed on different days, then the resolution is taken to be passed at the time and on the day that the last director required to form a majority signs the document – unless the document, by its terms, is said to take effect from an earlier time or date (or both).
- (c) A fax transmission, computer transmission or similar electronic means of communication addressed to, or received by, the company and purporting to be signed by, or addressed from, a director is taken to be signed by that director.

17 Personal interests of directors

17.1 Director's duty to notify

- (a) A director who has a material personal interest in a matter relating to the affairs of the company must give the other directors notice of the interest as the Act requires.
- (b) A contravention of clause 17.1(a) by a director does not affect the validity of any act, transaction, agreement, instrument, resolution or other thing.

17.2 Restriction on voting

- (a) A director who has, directly or indirectly, a material personal interest in any matter that is being considered at a directors' meeting must not (except as allowed under clause 17.2(b) or otherwise by the law):
 - (i) be present while the matter is being considered at the meeting;
 - (ii) be counted in the quorum for the purposes of considering the matter; or
 - (iii) vote on the matter.
- (b) However, clause 17.2(a) does not apply in the situations allowed under section 195(2) of the Act which, as at the Adoption Date, means that clause 17.2(a) does not apply if directors who do not have a material personal interest in the matter have passed a resolution that:
 - (i) 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
 - (ii) states that those directors are satisfied that the interest should not disqualify the director from voting, being present or being counted in the quorum.

If section 195(2) of the Act is modified, replaced or substituted, then this clause 17.2(b) is read as amended so that it is consistent with the modified, replaced or substituted section.

- (c) A contravention of clause 17.2(a) by a director does not affect the validity of any resolution.

Office Bearers, CEO and Secretary

18 President and Deputy-President

18.1 Office bearers

- (a) There are to be two office bearers, a President and a Deputy-President, each elected by the directors at a meeting of the directors.
- (b) An office bearer must be a director.

18.2 Term of office

A director who holds the office of President or Deputy-President holds that office until:

- (a) the end of the Election Period after their election to that office;
- (b) the directors resolve to remove that director from that office;
- (c) that director retires from that office;
- (d) that director ceases to be a director; or
- (e) otherwise in accordance with the rules decided by the directors.

18.3 Election of office bearers

- (a) As soon as practicable after the office of President or Deputy-President becomes vacant, the directors must elect a director to that office. If an election of both office bearers is to be held at the same meeting of directors, then the election of the President must be completed before the election of the Deputy-President.
- (b) The election of the President and Deputy-President must be conducted in accordance with clause 18.4.

18.4 Conduct of the election of office bearers

- (a) **(Nominations)** Nominations for the office of President and Deputy-President must be called for and received by the secretary or any person appointed by the directors as the Office Bearer Election Returning Officer. The directors are to decide that Officer's duties and functions.
- (b) **(Voting forms)** If more than one candidate is nominated for the office of the President or Deputy-President, then a ballot must be held to elect the relevant office bearer as follows:
 - (i) if only two candidates are nominated for the relevant office, then a director may vote for their preferred candidate by writing that candidate's name on a ballot paper; or
 - (ii) if more than two candidates are nominated for the relevant office, then the ballot papers must contain the names of the candidates in alphabetical order determined by their surnames and a director may vote by marking a mark on the ballot paper next to the name of their preferred candidate.
- (c) **(Forms to be handed to secretary or Office Bearer Election Returning Officer)** Once a director has indicated on the ballot paper their preferred candidate in accordance with clause 18.4(b), they must fold the ballot paper and hand it to

the secretary (or, if one is appointed, the Office Bearer Election Returning Officer) without disclosing the name of their preferred candidate to any other directors.

- (d) **(Declaring result)** The person chairing the meeting of the directors at which the President or Deputy-President is to be elected must:
- (i) if only one candidate is nominated for that office, declare that candidate as taken to be elected to the relevant office;
 - (ii) declare as elected to the relevant office the candidate who received the highest number of votes, according to the secretary's or Office Bearer Election Returning Officer's report (as the case may be); or
 - (iii) declare that the winning candidate is to be determined by lot under clause 18.4(e) if there is an equal number of highest votes for two or more candidates according to the secretary's or Office Bearer Election Returning Officer's report (as the case may be).
- (e) **(Drawing results by lot)** If according to the secretary's or Office Bearer Election Returning Officer's report (as the case may be), two or more candidates received an equal highest number of votes for an office, then the secretary or Office Bearer Election Returning Officer (as the case may be) must write the name of each of those candidates on similar slips of paper and draw one of those slips of paper at random. The person chairing the meeting must declare elected to the relevant office the candidate whose name is on the slip of paper drawn by the secretary or Office Bearer Election Returning Officer.

18.5 Delegation by directors

The directors may, in accordance with clause 13.3, delegate to the President and Deputy-President any of their powers as they think fit.

19 Chief Executive Officer

19.1 Appointment by directors

- (a) The directors must appoint a person (other than a director) to be Chief Executive Officer of the company.
- (b) The directors may (subject to clause 19.2 and the provisions of any contract between the person and the company):
- (i) define the Chief Executive Officer's powers, fix their remuneration and duties and from time to time vary any of the powers conferred on that person; or
 - (ii) revoke that person's appointment as Chief Executive Officer and appoint another person to that position.

19.2 Delegation by directors to Chief Executive Officer

The directors may delegate to the Chief Executive Officer the power (subject to such reservations on the power as are decided by the directors) to conduct the day-to-day management and control of the business and affairs of the company. The delegation may include the power and responsibility to:

- (a) develop business plans, budgets, strategies, policies, processes and codes of conduct for consideration by the directors and to implement them to the extent

approved by the directors;

- (b) manage the financial and other reporting mechanisms of the company;
- (c) approve and incur expenditure subject to specified expenditure limits; and
- (d) sub-delegate his or her powers and responsibilities to employees or internal management committees of the company.

20 Secretary

20.1 Appointment by directors

The directors must appoint one or more secretaries under the Act. A secretary holds office on the terms and conditions as decided by the directors. The directors may remove any secretary in their absolute discretion.

20.2 Consent

Before a person is appointed as a secretary of the company, the company must have received their written consent to act.

20.3 Removal

Without limiting clause 20.1, a person ceases to be a secretary of the company if the person becomes disqualified from managing corporations under Part 2D.6 of the Act (unless ASIC or the court allows such person to manage the company).

Officers' Indemnity

21 Indemnity

21.1 Persons to whom clause 21.2 applies

(a) Clause 21.2 applies:

- (i) to each person who is or has been a director or secretary of the company; and
- (ii) to any other officers, employees, former officers or former employees of the company or of its related bodies corporate as the directors in each case determine.

(b) Each person referred to in clause 21.1(a) is referred to as an "**Indemnified Officer**" for the purpose of the rest of clause 21.

21.2 Indemnity

The company must indemnify each Indemnified Officer on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses that the Indemnified Officer incurs as an officer of the company or of a related body corporate of the company.

21.3 Deed

The company may enter into a deed with any Indemnified Officer or a deed poll to give effect to the rights conferred by clause 21.2 on terms the directors think fit (as long as they are consistent with clause 21).

General Provisions

22 Application of income and property of company

- (a) No part of the income or property of the company may be distributed, paid or transferred directly or indirectly by way of profit to or amongst the Members.
- (b) Clause 22(a) does not prevent the company from making a payment in good faith to any person who is a Member if the payment is:
 - (i) remuneration for their services as a director, other officer or servant of the company or for any services provided to the company;
 - (ii) for goods supplied to the company in the ordinary course of business;
 - (iii) for reasonable rent for premises let to the company in the ordinary course of business; or
 - (iv) permitted under clause 21.2 or under a deed entered into under clause 21.3.

23 Seal and executing documents

- (a) The company may have a Seal. The Seal must not be affixed to any instrument except in accordance with section 127 of the Act.
- (b) Clause 23(a) does not limit the ways in which the company may execute a document.

24 Winding up

- (a) If, on the winding up or dissolution of the company and after satisfaction of all its debts and liabilities, there is any property remaining, then that property must be given or transferred to some other organisation or organisations selected by the Members before or at the time of dissolution, which has a purpose or purposes that the Members consider similar to the purpose of the company. That property must not be paid to or distributed among the Members.
- (b) If the Members have not selected an organisation before or when the company is dissolved, then the organisation or organisations are to be selected by the Chief Judge in Equity of the Supreme Court of New South Wales (or another Judge of that Court as may have jurisdiction in the matter).
- (c) If it is not possible to give effect to the arrangement in clause 24(a) or (b), then the property of the company is to be given or transferred to one or more charitable organisations.

25 Notices

- (a) **(How notice is given)** Unless this constitution, the Act or any other legislation provides otherwise, the company may give a document to any person:
 - (i) by delivering it to the person personally;
 - (ii) by despatching it by post, contractor, agent or any other means:

- (A) to the address of the place of residence or business of the person last known to the person serving the document; or
 - (B) if the recipient is a Member to their address in the Register and the document, by such despatch, is regarded as left at that address;
 - (iii) by sending it by fax, or other electronic or technological means (including providing a link to any document or attachment) to any fax number, electronic address, telephone number or other electronic contact details provided by the intended recipient to the company;
 - (iv) by sending it by such other method determined by the directors which is permitted by legislation;
 - (v) by publication in a newspaper circulating generally in the Combined Territory; or
 - (vi) by publication in or accompanying the magazine issued from time to time by the company, if delivered or despatched in the manner referred to in clause 25(a)(i), (ii), (iii) or (iv).
- (b) **(When received)** A document served under this clause 25 is treated as having been duly served, irrespective of whether it is actually received:
- (i) if the document is delivered personally or left at the person's address – when delivered;
 - (ii) if the document is sent by post – 24 hours after the notice is posted, provided that it is properly addressed and for this purpose, a document is properly addressed to a Member if it is addressed to the Member's address in the Register;
 - (iii) if the document is sent by fax or electronic or technological means – on the day it is sent, provided that it is properly addressed and for this purpose, a document will be considered properly addressed to a Member if it is sent to any fax number, electronic address, telephone number or other electronic contact details provided by the Member; and
 - (iv) if published in a newspaper – the day the newspaper is first published.
- (c) **(Notice to Joint Members)** All notices to Joint Members may be given to the person whose name appears first in the Register. Any document given to that person is sufficient notice to all the other Joint Members.
- (d) **(Day of service counted)** Subject to the Act and unless this constitution states otherwise, if a specified number of days' notice, or notice extending over any period, is required to be given, then the day of service is counted as one of those days, or in that period.

26 General

26.1 Replaceable rules do not apply

The replaceable rules do not apply to the company.

26.2 Liability limited by guarantee

The liability of the Members is limited by guarantee.

26.3 Governing law and jurisdiction

- (a) This constitution is governed by the laws of New South Wales.
- (b) Each Member and each Joint Member submits to the non-exclusive jurisdiction of the courts in New South Wales.

26.4 Severance

- (a) Any clause of, or the application of any clause of, this constitution which is prohibited in any place is, in that place, ineffective to the extent of that prohibition.
- (b) Any clause of, or the application of any clause of, this constitution which is void, illegal or unenforceable in any place does not affect the validity, legality or enforceability of that clause in any other place or of the remaining clauses in that or any other place.

27 Transition from previous constitution

27.1 Previous constitution

- (a) This constitution supersedes the Previous Constitution.
- (b) The Boundaries Commission established under the Previous Constitution ceases to exist from the Adoption Date.
- (c) Everything done under any previous constitution of the company continues to have the same operation and effect after the Adoption Date as if properly done under this constitution.

27.2 Continuation of status and effect

- (a) Every director and secretary in office immediately before the Adoption Date is taken to have been elected or appointed and continues in office under this constitution.
- (b) The Chief Executive Officer in office immediately before the Adoption Date is taken to have been appointed and continues in office under this constitution.
- (c) Any director in office as President or Deputy-President immediately before the Adoption Date is taken to have been elected and continues in that office under this constitution.
- (d) Any person who holds a Membership (whether alone or jointly with another person or persons) immediately before the Adoption Date is taken under this constitution to be an Ordinary Member who holds an Ordinary Membership. Regardless of clause 3.2, any person who is taken to be an Ordinary Member under this clause 27.2(d) is entitled to the voting rights of Ordinary Members as set out in this constitution even if they are under the age of 18 years.
- (e) Unless a contrary intention appears in this constitution, all persons, things, agreements and circumstances appointed, approved or created by or under the Previous Constitution continue to have the same status, operation and effect after the Adoption Date.

Definitions and Interpretation

28 Definitions

In this constitution, unless the subject or context indicates a contrary intention, the following words and expressions have the following meanings:

ABS means the Australian Bureau of Statistics or, if it ceases to exist, the successor for the time being.

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

Adoption Date means 1 January 2011.

Affiliate Member means a Member with the rights set out in clause 4.2 and the obligations set out in clause 4.4.

Affiliate Membership means Membership held by an Affiliate Member (whether alone or jointly with another person or persons).

Appointed Director means a director appointed in accordance with clause 11.7.

ASIC means the Australian Securities and Investments Commission.

Average Regional Membership at a particular date means the number calculated:

- (a) by dividing the total number of votes Ordinary Members (including those Ordinary Members whose addresses in the Register are outside the Combined Territory) are entitled to cast at an election of directors as at that date;
- (b) by the number of Regions at that date.

However, for the purpose of clause 14.2(b)(iii), the number in paragraph (a) is to be divided by the number of Regions the Combined Territory is to be divided into in that Redistribution Year.

Boundaries Commission means the working group established by the directors under rule 14 of the Previous Constitution (as at the Adoption Date it will no longer exist).

Chair means the person who acts as chairperson at a general meeting.

Chief Executive Officer means the person the directors appoint under this constitution whether with that title or otherwise.

Closing of the Register means the closing of the Register under clause 7.

Code of Conduct means the code of conduct for directors adopted from time to time under clause 13.4.

Combined Territory means the combined territory of New South Wales and the Australian Capital Territory.

Committee means a committee formed under clause 13.2.

Consumer Price Index means:

- (a) the all groups weighted average consumer price index for eight capital cities published by the ABS or the index officially substituted for it, each adjusted in accordance with clause 31(a) if relevant; or
- (b) the index determined in accordance with clause 31(b) in the circumstances set out in that clause.

Current CPI means the Consumer Price Index published by the ABS (or determined under clause 31(b), as the case may be) for the September quarter immediately before the current Review Date.

Deputy-President means the director elected to act in that capacity in accordance with clause 18.

Election Date means, in relation to each Election Year, the date on which voting in the election of directors closes, being the date selected by the directors under clause 15.1(a).

Election Form means the document on, or in which, an Ordinary Member's vote is recorded as the Election Rules require. For these purposes, document includes any article, equipment or material from which sounds, images or writings can be reproduced with or without the aid of any other article or device. In particular it includes any electronic or telephone message or other electronic or telephone communication the Election Rules allow.

Election Material means material published in connection with an election of a director and includes the Election Form and related material.

Election Period means, in relation to each Election Year, the period commencing with the time of close of nominations (for election of directors) and concluding with the beginning of the first Saturday in December of that year.

Election Rules means the rules the directors make from time to time to govern the conduct of elections under clause 15 and which must include the matters set out in clause 15.5.

Election Year means 2011 and every successive fourth year after 2011.

Joint Members has the meaning given to it in clause 4.5.

Maximum Base Remuneration means the maximum aggregate remuneration payable to all directors for their ordinary services as directors in any calendar year last fixed by the company in general meeting as varied in accordance with clauses 12.1(c) and (d) (if those clauses apply).

Member means a person who holds a Membership (whether alone or jointly with another person or persons) and whose name is for the time being entered in the Register.

Membership means the membership interest a person holds (or two or more persons hold together) in the company.

Membership Application Fee means a fee payable by a person who wishes (or two or more persons who together wish) to become a Member as the directors determine under clause 4.3(b) or clause 4.4(b) (as the case may be).

Membership Class means either Ordinary Membership or Affiliate Membership and

Membership Classes means both Ordinary Membership and Affiliate Membership.

Membership Identification means evidence (whether documentary, electronic, by way of a device or otherwise, as the directors may determine from time to time) that the company issues in respect of:

- (a) a person's Membership; or
- (b) a vehicle recorded by the company for service.

Office means the registered office for the time being of the company.

Office Bearer Election Returning Officer means the person the directors appoint under clause 18.4(a) with the duties and functions the directors determine.

Ordinary Member means a Member with the rights set out in clause 4.1 and the obligations set out in clause 4.3.

Ordinary Membership means Membership held by an Ordinary Member (whether alone or jointly with another person or persons).

Percentage CPI Change means the change in the Current CPI compared to the Previous CPI, expressed as a percentage.

President means the director elected to act in that capacity in accordance with clause 18.

Previous Constitution means the constitution of the company in force immediately before the Adoption Date.

Previous CPI means the Consumer Price Index published by the ABS (or determined under clause 31(b), as the case may be) for the September quarter:

- (a) immediately before 1 January 2010, in the case of the first review under clause 12.1(c); and
- (b) immediately before the previous Review Date, in the case of subsequent reviews under that clause.

Redistribute means to re-divide the Combined Territory into Regions and **Redistributed** and **Redistribution** each has a corresponding meaning.

Redistribution Year means a year after 1 January 2018 in which a Redistribution occurs or is to occur under clause 14.2.

Region means:

- (a) one of the 8 electoral regions as determined in 2014; or
- (b) if the Redistribution in accordance with clause 14.1 has occurred, one of the 6 electoral regions determined in accordance with that Redistribution; or
- (c) if a Redistribution in accordance with clause 14.2 has occurred, one of the electoral regions determined in accordance with that Redistribution.

Register means the register of Members kept by the company in accordance with the Act.

Representative, in relation to a body corporate, means a representative of the body corporate appointed under section 250D of the Act or a corresponding previous law.

Returning Officer means the person the directors appoint under clause 15.1(d) with the duties and functions prescribed in the Election Rules.

Review Date means 1 January 2011 and each anniversary of that date.

Seal means any common seal, duplicate seal or certificate seal of the company.

Services means services offered by the company to Members and non-Members if the directors so determine (whether on an exclusive or non-exclusive basis), including road services, lifestyle-related services, leisure-related services, travel-related services and magazine subscription.

Subscription Fee means a fee payable by a Member as determined by the directors in accordance with clause 4.3(c) or clause 4.4(c) (as the case may be).

URL means Uniform Resource Locator, the address that specifies the location of a file on the internet.

Voting Period means, in relation to each Election Year, the period from which the Election Material is first made available to Members until 5.00pm on the Election Date.

29 Expressions used in the Act

An expression or term used in this constitution, unless the contrary intention appears, has the same meaning as that expression or term has in a Part, Chapter or Division of the Act dealing with the same matter if that expression or term has been given a special meaning for the purposes of the Part, Chapter or Division in question.

30 Interpretation

- (a) In this constitution, unless the context indicates a contrary intention:
- (i) words importing persons include companies, corporations, any association, body or entity whether incorporated or not and vice versa;
 - (ii) words denoting any gender include all genders;
 - (iii) words importing the singular include the plural and vice versa;
 - (iv) "includes" means includes without limitation;
 - (v) the words "writing" and "written" include printing, lithography, photography, typewriting and any other mode of representing or reproducing words in a visible form;
 - (vi) all monetary amounts are in Australian currency;
 - (vii) references to any legislation or to any section or provision of any legislation include any statutory modification, replacement or re-enactment of it or any statutory provision substituted for it, any ordinances, by-laws, regulations and other statutory instruments issued under it and any determination, exemption or modification made pursuant to it;
 - (viii) a reference to this constitution includes any amendment or variation of it,

and includes any annexures or schedules to it;

- (ix) a reference to time refers to time in the city of Sydney in New South Wales;
 - (x) the word “month” means calendar month and the word “year” means 12 calendar months;
 - (xi) a reference to writing includes any communication sent by post, fax transmission or electronic means. A signature to a written notice need not be handwritten;
 - (xii) if any word or phrase is defined, any other part of speech or other grammatical form of that word or phrase has a cognate meaning; and
 - (xiii) a reference to the company is to National Roads and Motorists’ Association Limited (ACN 000 010 506).
- (b) The headings used in this constitution do not form part of or affect the construction or interpretation of this constitution.

31 Consumer Price Index

- (a) If the reference base, coverage or periodicity of the Consumer Price Index changes and the ABS publishes a conversion factor to link the index number under the Consumer Price Index before the change to the index number after the change then, subject to clause 31(b), the Consumer Price Index is adjusted in accordance with the conversion factor to preserve the intended continuity of calculation.
- (b) If:
 - (i) the ABS ceases to publish the Consumer Price Index;
 - (ii) the reference base, coverage or periodicity of the Consumer Price Index changes and the ABS does not publish a conversion factor to link the index number under the Consumer Price Index before the change to the index number after the change; or
 - (iii) the reference base, coverage or periodicity of the Consumer Price Index changes and the ABS publishes a conversion factor to link the index number under the Consumer Price Index before the change to the index number after the change but the directors consider that:
 - (A) the conversion factor is inappropriate; or
 - (B) the change to the Consumer Price Index means that the index is no longer a general indicator of the weighted average price of consumer goods and services in the eight capital cities,then the directors must request the president of The Institute of Actuaries of Australia (or their nominee) to nominate an actuary to determine whether the change is sufficiently significant.
- (c) If the actuary determines that the change is sufficiently significant, the actuary must determine:
 - (i) a conversion factor to link the index number under the Consumer Price

Index before the change to the index number after the change; or

- (ii) a replacement index which is a general indicator of the weighted average price of consumer goods and services in the eight capital cities.