

330 Fairholme College Toowoomba

1.	Interpretation	18
2.	Name of the Company	19
3.	Liability of Members	19
4.	Registered Office	19
5.	Effect of Constitution	20
6.	Rights and Powers of the Company	20
7.	Proprietary Company	21
8.	Brokerage or Commission Payments	21
9.	Issuing Shares	21
10.	Classes of Shares	22
11.	Share Certificates	22
12.	Variation of Rights	22
13.	Equitable and Other Interests in Shares	23
14.	Company's Lien on Shares	23
15.	Sale of Shares with a Lien	23
16.	Calls on Partly-Paid Shares	24
17.	Failure to Pay Call	25
18.	Forfeiture of Share	25
19.	Transfer of Shares	26
20.	Pre-Emption	26
21.	Registration of Transfers	27
22.	Financial Assistance	28
23.	Transmission of Shares on Death	29
24.	Transmission of Shares on Bankruptcy	30
25.	Transmission of Shares on Mental Incapacity	30
26.	Alteration of Capital	31
27.	Reduction of Share Capital	31
28.	Share Buy-Backs	32

29.	Meetings of Members	32
30.	Calling of Meetings When Requested by Members	32
31.	Calling of General Meetings by Members	33
32.	Notice of Meetings	34
33.	Members' Right to Put Resolutions at Meetings	35
34.	Quorum	35
35.	Chairing Meetings of Members	36
36.	How Many Votes a Member Has	36
37.	How Voting is Carried Out	36
38.	When and How Polls Must be Taken	37
39.	Circulating Members' Resolutions	37
40.	Appointment of Body Corporate Representative	37
41.	Appointment of Proxies	38
42.	Rights of Proxies	39
43.	Validity of Proxy Vote	40
44.	Objections to Right to Vote	40
45.	Minutes	40
46.	Financial Records	41
47.	Appointment of Directors	42
48.	Directors may Appoint other Directors	43
49.	Removal or Resignation of Directors	44
50.	Remuneration of Directors	45
51.	Powers of Directors	45
52.	Negotiable Instruments	46
53.	Seal	46
54.	Dividends	47
55.	Capitalisation of Profits	47
56.	Directors' Meetings	47
57.	Quorum at Directors' Meeting	47
58.	Use of Technology	48

59.	Chairing Directors' Meetings	48
60.	Circulating Directors' Resolutions	49
61.	Material Personal Interest in the Affairs of the Company	49
62.	Director Interested in Contract with the Company	50
63.	Delegation to Committees	50
64.	No Alternate Directors	51
65.	No Associate Directors	51
66.	Secretary	51
67.	Inspection of Records	51
68.	Serving of Notices	53
69.	Indemnity	54
70.	Winding Up	54
71.	Special Provisions	54

**CONSTITUTION OF FAIRHOLME COLLEGE (TOOWOOMBA) PTY LTD ACN
096 814 130**

A COMPANY LIMITED BY SHARES

1. Interpretation

1.1 In this Constitution, unless the context requires otherwise:

“Assembly” means the General Assembly of the Church;

“Finance and Administration Board” means the Finance and Administration Board of the Church as constituted from time to time by the Rules and Forms of Procedure of the Church;

“Chairman” means the Chairman of Directors appointed pursuant to Rule 59.1;

“Church” means the body corporate incorporated in Queensland as The Presbyterian Church of Queensland;

“Company” means the Company whose members have adopted this Constitution;

“Constitution” means those rules for the operation of the Company set forth in this Constitution agreement and as amended, modified or supplemented from time to time;

“Directors” means the Directors of the company duly appointed from time to time;

“Fairholme College” means the school currently owned by the Church at Wirra Wirra Street, Toowoomba in the State of Queensland;

“Law” means the Corporations Law;

“Principal” means the Principal appointed by the Directors pursuant to Rule 71.7;

“Rules” means the provisions of this Constitution as amended, modified or supplemented;

“Seal” means the common seal of the company and includes any official seal of the company; and

“Secretary” means any person appointed to perform the duties of a secretary of the company.

1.2 Division 10 of Part 1.2 of the Law applies in relation to this Constitution as if it were an instrument made under that Law as in force on the day when this Constitution becomes binding on the company.

1.3 Except so far as a contrary intention appears, in a provision of this Constitution that deals with a matter dealt with in a particular provision of the

Law, the provision of this Constitution has the same meaning as in that provision of the Law.

- 1.4 In this Constitution, unless there be something in the subject or context inconsistent herewith:
- (a) Paragraph headings are for convenience only and shall not affect the interpretation of the provisions of this Constitution.
 - (b) Words importing only singular include the plural and vice versa.
 - (c) Words importing any gender include the other gender.
 - (d) Words importing only natural persons include corporations, partnerships, joint ventures, associations or other body corporate and any governmental or semi-governmental agency and vice versa.
 - (e) A reference to any statute or regulation includes all statutes and regulations amending, consolidating or replacing them and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute.
 - (f) A reference to a document includes an amendment or supplement to, or replacement or notation of that document.
 - (g) A reference to a party to a document includes that party's successors and permitted assigns.
 - (h) A reference to a "Rule" means a clause number or sub-clause of this Constitution.

2. Name of the Company

- 2.1 The name of the company is Fairholme College (Toowoomba) Pty Ltd.

3. Liability of Members

- 3.1 The liability of the members is limited.

4. Registered Office

- 4.1 The registered office of the Company will be situated at any place in Australia as the Directors may from time to time determine.
- 4.2 It is not necessary that the Company keep its registered office open to the public.
- 4.3 It is not necessary that the Company display the words "Registered Office" outside its registered office, but the Company must display its name prominently, either outside or inside, at every place at which the Company carries on business and that is open to the public.

5. Effect of Constitution

5.1 This Constitution has effect as a contract:

- (a) between the Company and each member; and
- (b) between the Company and each Director and Company Secretary;
and
- (c) between a member and each other member;

under which each person agrees to observe and perform the terms of the Constitution so far as they apply to that person.

5.2 Unless a member of the Company agrees in writing to be bound, they are not bound by a modification of the Constitution made after the date on which they become a member so far as the said modification:

- (a) requires the member to take up additional shares; or
- (b) increases the member's liability to contribute to the share capital of, or otherwise pay money to, the Company; or
- (c) imposes or increases restrictions on the right to transfer the shares already held by the member, unless the modification is made to insert takeover approval provisions or a kind referred to in section 648D of the Law.

5.3 The Constitution may only be amended, except as may be required by law, on the recommendation of a resolution of at least 75 % percent of the members of the Assembly, present and voting on such resolution.

6. Rights and Powers of the Company

6.1 Subject to the provisions of the Law, the Company has the legal capacity and powers of an individual both in and outside this jurisdiction. The Company also has all the powers of a body corporate including, without limiting the generality of the foregoing, the power to:

- (a) issue and cancel shares in the Company;
- (b) issue debentures;
- (c) grant options over unissued shares in the Company;
- (d) give security by charging uncalled capital;
- (e) grant a fixed and/or floating charge over the Company's property;
- (f) arrange for the Company to be registered or recognised as a body corporate in any place outside this jurisdiction; and
- (g) do anything that it is authorised to do by any other law (including a law of a foreign country).

7. Proprietary Company

7.1 The Company shall be a proprietary company and accordingly:

- (a) restricts the right to transfer its shares as hereinafter provided; and
- (b) limits to not more than 50 the number of its members (counting joint holders of shares as one person and not counting a person who is employed by the Company or any of its subsidiaries or a person who was a member of the Company while so employed and who has thereafter continued to be a member); and
- (c) prohibits engaging in any activity that would require the lodgement of a prospectus under the Law or a corresponding law, except for an offer of shares to:
 - (i) existing members of the Company; or
 - (i) employees of the Company or a subsidiary of the Company.

8. Brokerage or Commission Payments

8.1 The Company may exercise the power to make payments by way of brokerage or commission conferred by the Law in the manner provided by the Law.

8.2 Payments by way of brokerage or commission may be satisfied by the payment of cash, by the allotment of fully or partly paid shares or partly by the payment of cash and partly by the allotment of fully or partly paid shares.

9. Issuing Shares

9.1 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject to the Law, shares in the Company may, subject always to the approval of the Assembly, be issued by the Directors and this power to issue shares includes the power to issue:

- a. bonus shares (shares for whose issue no consideration is payable to the issuing Company); and
- b. preference shares (including redeemable preference shares issued on terms that they are, or at the option of the Company are liable, to be redeemed); and
- c. partly-paid shares (whether or not on the same terms for the amount of calls to be paid or the time for paying calls); and
- d. shares with such deferred or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise as the Directors, subject to any resolution, determine.

9.2 The number of shares in the Company that may be issued by the Directors must not exceed one million (1,000,000).

10. Classes of Shares

10.1 The unissued shares in the company are to be classified into the classes and numbers below:

1,000,000 Subscriber Shares

10.2 Subscriber Shares shall not carry any right to a dividend, bonus or distribution of any income or property of the Company.

11. Share Certificates

11.1 A person whose name is entered as a member in the register of members may receive a certificate in respect of the share if the Directors of the Company approve the issuing of the said certificate but, in respect of a share or shares held jointly by several persons, the Company is not bound to issue more than one certificate.

11.2 Delivery of a certificate for a share to one of several joint holders is sufficient delivery to all such holders.

11.3 If a certificate specifying shares held by a member of the Company is issued by the Company (there being no obligation to do so), the certificate must state:

(a) the name of the Company and its jurisdiction or registration; and

(b) the class of the shares; and

(c) the extent to which the shares are paid up.

12. Variation of Rights

12.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three-quarters of the issued shares of that class, or by special resolution passed at a separate meeting of the holders of the shares of that class.

12.2 The provisions of this Constitution relating to meetings apply *mutatis mutandis* to every such separate meeting except that any holder of shares of the class may demand a poll.

12.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking equally with the first- mentioned shares.

13. Equitable and Other Interests in Shares

- 13.1 Except as required by law, the Company shall not recognise a person as holding a share upon any trust.
- 13.2 The Company is not bound by or compelled in any way to recognise (whether or not it has notice of the interest or rights concerned) any equitable, contingent, future or partial interest in any share or unit of a share or any other right in respect of a share except in absolute right of ownership in the registered holder and except as otherwise provided by this Constitution or by law.

14. Company's Lien on Shares

- 14.1 The Company has a first and paramount lien on every share not being a fully paid share for all money called (whether presently payable or not) or payable at a fixed time in respect of that share.
- 14.2 The Company also has a first and paramount lien on every share not being a fully paid share registered in the name of a sole holder for all money presently payable by him or his estate to the Company.
- 14.3 The Directors may at any time exempt a share wholly or in part from the provisions of this section.

15. Sale of Shares with a Lien

- 15.1 Subject to Rule 15.2, the Company may sell in such manner as the Directors think fit, any shares over which the Company has a lien.
- 15.2 A share on which the Company has a lien shall not be sold unless:
 - (a) a sum in respect of which the lien exists is presently payable; and
 - (b) the Company has, not less than 14 days before the date of the sale, given to the registered holder for the time being of the share or the person entitled to the share, a notice in writing setting out and demanding payment of such part of the amount in respect of which the lien exists and that is presently payable.
- 15.3 For the purpose of giving effect to such sale, the Directors may authorise a person to transfer the shares sold to the purchaser of the shares.
- 15.4 The Company shall register the purchaser as the holder of the shares comprised in any such transfer and the purchaser is not bound to see to the application of the purchase money.
- 15.5 The title of the purchaser to the shares is not affected by any irregularity or invalidity in connection with the sale.
- 15.6 The proceeds of such sale shall be applied by the Company in payment of such part of the amount in respect of which the lien exists and that is presently

payable, and the residue (if any) shall be paid to the person entitled to the shares at the date of the sale, subject to any like lien for sums not presently payable that existed upon the shares before the sale.

16. Calls on Partly-Paid Shares

- 16.1 The Directors may make calls upon the members in respect of any money unpaid on the shares held by the members in accordance with the terms on which the shares are on issue, except that no call shall be payable earlier than one month from the date fixed for the payment of the last preceding call. The Directors may require that the call be paid in installments.
- 16.2 Each member shall, upon receiving at least 14 days' notice specifying the time and place of payment; pay to the Company at the time and place so specified the amount called on his or her shares.
- 16.3 The Directors may revoke or postpone a call.
- 16.4 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 16.5 The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.
- 16.6 Any sum that, by the terms of issue of a share, becomes payable on allotment or at a fixed date shall for the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of the issue the sum becomes payable. In the case of non- payment, all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise apply as if the sum had become payable by virtue of a call duly made and notified.
- 16.7 The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
- 16.8 The Directors may accept from a member the whole or a part of the amount unpaid on a share although no part of that amount has been called up, and the Directors may authorise the payment by the Company of interest upon the whole or any part of an amount so accepted until the amount becomes payable at such rate, not exceeding the prescribed rate, as is agreed between the Directors and the member paying the sum.
- 16.9 For the purposes of Rule 16.8, the prescribed rate of interest is:
 - (a) if the Company has fixed a rate by resolution - the rate so fixed; or
 - (b) in any other case - 8% per annum.

17. Failure to Pay Call

- 17.1 If the sum called in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment to the time of actual payment at such rate not exceeding 8% per annum as the Directors determine, but the Directors may waive payment of that interest wholly or in part.
- 17.2 If a member fails to pay a call or installment of a call on the day appointed for payment of the call or installment, the Directors may at any time thereafter when any part of the call or installment remains unpaid, serve a notice on the member requiring payment of so much of the call that is unpaid together with any interest that has accrued.
- 17.3 The said notice shall name a further day, not earlier than the expiration of 14 days from the date of service of the notice, on or before which the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the time appointed, the shares in respect of which the call was made are liable to be forfeited.

18. Forfeiture of Share

- 18.1 If the requirements of a notice served under Rules 17.2 are not complied with, any share in respect of which the notice has been given may at any time thereafter be forfeited by a resolution of the Directors to that effect.
- 18.2 Such a forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 18.3 A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit and, at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.
- 18.4 A person whose shares have been forfeited ceases to be a member in respect of the forfeited shares, but remains liable to pay to the Company all money that was payable by the member to the Company in respect of the shares at the date of the forfeiture. This liability includes a liability to pay interest at a rate of 8% per annum (unless the Company, prior to the allotment of the forfeited shares, has by resolution determined that another prescribed rate of interest shall apply, in which case the prescribed rate so fixed shall apply) from the date of forfeiture on the unpaid money if the Directors think fit to enforce payment of the interest. The member's liability ceases if and when the Company receives payment in full of all moneys (including interest) so payable in respect of the shares.

- 18.5 A statement in writing declaring that the person making the statement is a Director or secretary of the Company and that a specific share in the Company has been duly forfeited on a date stated, is *prima facie* evidence of the facts stated in the statement as against all persons claiming to be entitled to the specific share.
- 18.6 The Company may receive the consideration (if any) given for a forfeited share on any sale or disposition of the share and may execute a transfer of the share in favour of the person to whom the share is sold or disposed. Upon the execution of the transfer, the transferee shall be registered as the holder of the share and is not bound to see to the application of any money paid as consideration. The title of the transferee is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.

19. Transfer of Shares

- 19.1 Subject to this Constitution, a member may transfer all or any of his or her shares by instrument in writing in any usual or common form or in any other form that the Directors approve.
- 19.2 An instrument of transfer referred to in Rule 19.1 shall be executed by or on behalf of both the transferor and the transferee.
- 19.3 The sale, transfer or other disposal of any interest in any shares to any person(s) not already a member of the Company shall not be effective unless and until the person(s) acquiring the interest in the said shares enters into an agreement by which he, she or they agree to be bound by the terms of this Constitution as if the person(s) were an original party to the Constitution.

20. Pre-Emption

- 20.1 Before issuing shares of a particular class, the Directors of the Company must offer them to the existing holders of shares of that class. As far as practicable, the number of shares offered to each member must be in proportion to the number of shares of that class that they already hold.
- 20.2 To make the offer, the Directors must give the members a statement setting out the terms of the offer, including:
- (a) the number of shares offered; and
 - (b) the period for which the offer will remain open.
- 20.3 The Directors may issue any shares not taken up under the offer under Rule 20.1 as they see fit.
- 20.4 The Company may by resolution passed at a general meeting authorise the Directors to make a particular issue of shares without complying with Rule 20.1.

- 20.5 Subject to Rules 19.3 and 20.6, before a member sells, transfers, assigns, grants an option with respect to or otherwise disposes of any interest in any shares of a particular class, the following rights of pre-emption must be exhausted, that is to say:
- (a) the member who desires to sell, transfer or otherwise dispose of any interest in any shares (the "Vendor") must give notice in writing to the Directors of the Company of such desire and such notice shall constitute the Company his or her agent for the sale of such shares to other members at a price to be agreed upon between the Vendor and the Directors or in default of agreement to be determined by an independent person nominated by the Directors; and
 - (b) upon the price for such shares being agreed upon or fixed as aforesaid, the Directors of the Company must offer the shares of a particular class to the existing holders of shares of that class. As far as practicable, the number of shares offered to each member must be in proportion to the number of shares of that class that they already have; and
 - (c) to make the offer, the Directors must give the members a statement setting out the terms of the offer, including:
 - (i) the number of shares offered; and
 - (ii) the period for which the offer will remain open.
 - (d) The Vendor may sell, transfer or otherwise dispose of any interest in any shares not taken up under the offer under Rule 20.5(b) as he or she sees fit.

20.6 The provisions of Rule 20.5 do not apply to any transfer or other disposal of any interest in any share in the Company held by a member to any related body corporate of the said member, provided that the said member shall first give an understanding in a form and substance approved by the Directors that the member will not dispose of any interest in the shares of the related body corporate without first complying with the provisions of Rule 20.5 and that Rule shall apply *mutatis mutandis* as if the shares in the related body corporate were shares in the Company.

20.7 The powers of the Directors pursuant to Rule 20.5 shall not be exercised without the prior approval of the Assembly.

21. Registration of Transfers

21.1 A person transferring shares remains the holder of the shares until the transfer is registered and the name of the person to whom they are being transferred is entered in the register of members with respect to the shares.

- 21.2 The Directors are not required to register a transfer of shares in the Company unless:
- (a) the transfer and any share certificate have been lodged at the Company's registered office; and
 - (b) any fee payable on registration of the transfer has been paid; and
 - (c) the Directors have been given any further information they reasonably require to establish the right of the person transferring the shares to make the transfer.
- 21.3 The Directors may refuse to register a transfer of shares in the Company:
- (a) if the shares are not fully paid; or
 - (b) if the Company has a lien on the shares; or
 - (c) for any other reason.
- 21.4 The Directors may suspend registration of transfers of shares in the Company at the times and for the periods they determine. The period of suspension must not exceed 30 days in any one calendar year.

22. Financial Assistance

- 22.1 The Company may financially assist a person to acquire shares in the Company or a holding Company of the Company only if:
- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the Company or its members; or
 - (ii) the Company's ability to pay its creditors; or
 - (b) the assistance is approved by the members under Rule 22.4; or
 - (c) the assistance is exempted under section 260B of the Law.
- 22.2 Without limiting Rule 22.1, financial assistance may be given before or after the acquisition of shares.
- 22.3 Rule 22.1 extends to the acquisition of shares by:
- (a) issue; or
 - (b) transfer; or
 - (c) any other means.
- 22.4 Member approval for financial assistance by the Company must be given by:
- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by the person acquiring the shares or by their associates; or
 - (b) a resolution agreed to, at a general meeting, by all ordinary members.

- 22.5 If the Company calls a meeting for the purpose of Rule 22.4 it must include with the notice of the meeting a statement setting out all the information known to the Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to its members.
- 22.6 Before the notice of meeting for the purpose of Rule 22.4 is sent to members of the Company, the Company must lodge with the Australian Securities and Investments Commission a copy of:
- (a) the notice of the meeting; and
 - (b) any document relating to the financial assistance that will accompany the notice of the meeting sent to the members.
- 22.7 The Company must lodge with the Australian Securities and Investments Commission, at least 14 days before giving the financial assistance, a notice in the prescribed form stating that the assistance has been approved under this section.
- 22.8 A special resolution passed for the purpose of Rule 22.4 must be lodged with the Australian Securities and Investments Commission by the Company within 14 days after it is passed.

23. Transmission of Shares on Death

- 23.1 If a member (who does not own shares jointly) dies, the Company will recognise only the personal representative of the deceased member as being entitled to the deceased member's interest in the shares.
- 23.2 If the personal representative gives the Directors the information they reasonably require to establish the representative's entitlement to be registered as holder of the shares:
- (a) the personal representative may:
 - (i) by giving a written and signed notice to the Company, elect to be registered as the holder of the shares; or
 - (ii) by giving a completed transfer form to the Company, transfer the shares to another person; and
 - (b) the personal representative is entitled, whether or not registered as the holder of the shares, to the same rights as the deceased member.
- 23.3 On receiving an election under Rule 23.2(a)(i), the Company must register the person as the holder of the shares.

- 23.4 A transfer under Rule 23.2(a)(ii) is subject to the same rules (for example, about entitlement to transfer and registration of transfers) as apply to transfers generally.
- 23.5 If a member (who owns shares jointly) dies, the Company will recognise only the survivor as being entitled to the deceased member's interest in the shares. The estate of the deceased member is not released from any liability in respect of the shares.

24. Transmission of Shares on Bankruptcy

- 24.1 If a person entitled to shares because of the bankruptcy of a member gives the Directors the information they reasonably require to establish the person's entitlement to be registered as holder of the shares, the person may:
- (a) by giving a written and signed notice to the Company, elect to be registered as the holder of the shares; or
 - (b) by giving a completed transfer form to the Company, transfer the shares to another person.
- 24.2 On receiving an election under Rule 24.1(a), the Company must register the person as the holder of the shares.
- 24.3 A transfer under Rule 24.1(b) is subject to the same rules (for example, about entitlement to transfer and registration of transfers) as apply to transfers generally.
- 24.4 This section has effect subject to the *Bankruptcy Act 1966*.

25. Transmission of Shares on Mental Incapacity

- 25.1 If a person entitled to shares because of the mental incapacity of a member gives the Directors the information they reasonably require to establish the person's entitlement to be registered as the holder of the shares:
- (a) the person may:
 - (i) by giving a written and signed notice to the Company, elect to be registered as the holder of the shares; or
 - (ii) by giving a completed transfer form to the Company, transfer
 - (iii) the shares to another person; and
 - (b) the person is entitled, whether or not registered as the holder of the shares, to the same rights as the member.
- 25.2 On receiving an election under Rule 25.1(a)(i), the Company must register the person as the holder of the shares.

25.3 A transfer under Rule 25.1(a)(ii) is subject to the same rules (for example, about entitlement to transfer and registration of transfers) as apply to transfers generally.

26. Alteration of Capital

26.1 The Company may convert all or any of its shares into a larger or smaller number of shares by resolution passed at a meeting of its members.

26.2 The conversion takes effect on the day after the resolution is passed or a later day specified in the resolution.

26.3 Any amount unpaid on shares being converted is to be divided equally among the replacement shares.

26.4 The Company must lodge a copy of the resolution with the Australian Securities and Investments Commission within one month after it is passed.

27. Reduction of Share Capital

27.1 The Company may reduce its share capital in a way that is not otherwise authorised by law if the reduction:

- (a) is fair and reasonable to the Company's members as a whole; and
- (b) does not materially prejudice the Company's ability to pay its creditors; and
- (c) is approved by the members in accordance with the provisions of Rules 27.5 and 27.6.

27.2 The Company may, by resolution passed at a general meeting, cancel shares that have been forfeited under the terms on which the shares are on issue. Rule 27.1(b) does not apply to a reduction of share capital of this kind.

27.3 The Company may by a special resolution cancel shares that, at the date of the passing of the resolution, have not been taken up or agreed to be taken up by any person. Rule 27.1(b) does not apply to a reduction of share capital of this kind.

27.4 The Company may reduce its share capital by cancelling any paid-up share capital that is lost or is not represented by available assets. This power does not apply if the company also cancels shares.

27.5 If the reduction in share capital is an equal reduction because:

- (a) it relates only to ordinary shares; and
- (b) it applies to each holder of ordinary shares in proportion to the number of ordinary shares they hold; and
- (c) the terms of the reduction are the same for each holder of ordinary shares,

then the reduction must be approved by a resolution passed at a meeting of the Company's members.

27.6 If the reduction in share capital is a selective reduction because it does not comply with the provisions of Rule 27.5, then the reduction must be approved by either:

- (a) a special resolution passed at a meeting of the Company's members, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to, at a meeting of the Company's members, by all ordinary members.

27.7 For the purpose of applying Rule 27.5, ignore differences in the terms of the reduction that are:

- (a) attributable to the fact that shares have different accrued dividend entitlements; or
- (b) attributable to the fact that shares have different amounts unpaid on them; or
- (c) introduced solely to ensure that each member is left with a whole number of shares.

28. Share Buy-Backs

28.1 The Company may buy back its own shares if:

- (a) the buy-back does not materially prejudice the Company's ability to pay its creditors; and
- (b) the Company follows the procedures laid down in Chapter 2J of the Law.

29. Meetings of Members

29.1 The Chairman, with the prior approval of the Finance and Administration Board, may call a meeting of the Company's members whenever the Chairman thinks fit provided that the meeting is held at a reasonable time and place and is held for a proper purpose.

29.2 The Company may hold a meeting of its members at two or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.

30. Calling of Meetings When Requested by Members

30.1 The Directors of the Company must 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.

- 30.2 The request must:
- (a) be in writing; and
 - (b) state any resolutions to be proposed at the meeting; and
 - (c) be signed by the members making the request; and
 - (d) be given to the Company.
- 30.3 Separate copies of the document setting out the request may be used for signing by members if the wording of the request is identical in each copy.
- 30.4 The percentage of votes that members have is to be worked out as at the midnight before the request is given to the Company.
- 30.5 The Directors must call the meeting within 21 days after the request is given to the Company. The meeting is to be held not later than two months after the request is given to the Company.
- 30.6 Members with more than 50% of the votes of all of the members who make a request under this section may call and arrange to hold a general meeting if the Directors do not do so within 21 days after the request is given to the Company.
- 30.7 The meeting must be called in the same way (so far as possible) in which general meetings of the Company may be called. The meeting must be held not later than three months after the request is given to the Company.
- 30.8 To call the meeting the members requesting the meeting may ask the Company for a copy of the register of members and the Company must give the members the copy of the register without charge.
- 30.9 The Company must pay the reasonable expenses the members incurred because the Directors failed to call and arrange to hold the meeting.
- 30.10 The Company may recover the amount of the expenses from the Directors. However, a Director is not liable for the amount if they prove they took all reasonable steps to cause the Directors to comply with Rule 30.1. The Directors who are liable are jointly and individually liable for the amount. If a Director who is liable does not reimburse the Company, the Company must deduct the amount from any sum payable as fees to or the remuneration of the Director.

31. Calling of General Meetings by Members

- 31.1 Members with at least 5% of the votes that may be cast at a general meeting of the Company may call and arrange to hold a general meeting. The members calling the meeting must pay the expenses of calling and holding the meeting.

- 31.2 The meeting must be called in the same way (as far as is possible) in which general meetings of the Company may be called.
- 31.3 The percentage of votes that members have is to be worked out as at the midnight before the meeting is called.

32. Notice of Meetings

- 32.1 At least 21 days notice must be given of a meeting of the Company's members.
- 32.2 Written notice of a meeting of the Company's members must be given individually to each member entitled to vote at the meeting and to each Director and to the auditor for the time being of the Company. If a share is held jointly, notice need only be given to one of the members.
- 32.3 No other person is entitled to receive notices of a meeting of the Company's members.
- 32.4 Notice to joint members must be given to the joint member named first in the register of members.
- 32.5 When a meeting is adjourned, new notice of the resumed meeting must be given if the meeting is adjourned for one month or more.
- 32.6 A notice of a meeting of the Company's members shall specify:
- (a) the place, date and time for the meeting and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this; and
 - (b) the general nature of the business of the meeting; and
 - (c) if a special or extraordinary resolution is to be proposed at the meeting - set out an intention to propose the special or extraordinary resolution and state the resolution; and
 - (d) contain a statement setting out the following information:
 - (i) that the member has a right to appoint a proxy; and
 - (ii) that the proxy does not need to be a member of the Company; and
 - (iii) that if the member appoints two proxies, the member may specify the proportion or number of votes the proxy is appointed to exercise.
- 32.7 It is not necessary for a notice of an annual general meeting to state that the business to be transacted at the meeting includes the declaring of a dividend, the consideration of accounts and the reports of the Directors and auditors, the election of Directors in place of those retiring, or the appointment of and fixing the remuneration of auditors.

33. Members' Right to Put Resolutions at Meetings

- 33.1 Members with at least 5% of the votes that may be cast on a resolution may give the Company notice of a resolution that they propose to move at a general meeting.
- 33.2 The notice must:
- (a) be in writing; and
 - (b) set out the wording of the proposed resolution; and
 - (c) be signed by the members proposing to move the resolution.
- 33.3 Separate copies of a document setting out the notice may be used for signing by members if the wording of the notice is identical in each copy.
- 33.4 The percentage of votes that members have is to be worked out as at the midnight before the members give the notice.

34. Quorum

- 34.1 No business shall be transacted at any meeting of the Company's members unless a quorum of members is present within 30 minutes after the time for the meeting set out in the notice of meeting.
- 34.2 The quorum for a meeting of the Company's members is two members or in the case of a Company with a single member, that member and the quorum must be present at all times during the meeting.
- 34.3 In determining whether a quorum is present, individuals attending as proxies or body corporate representatives are to be counted but only once per person and irrespective of how many members, including themselves, that they represent. However, if a member has appointed more than one proxy or representative, only one of them is to be counted.
- 34.4 A meeting of the Company's members that is convened upon the requisition of members that does not have a quorum present within 30 minutes after the time for the meeting set out in the notice of meeting shall be dissolved.
- 34.5 In any other case, a meeting of the Company's members that does not have a quorum present within 30 minutes after the time for the meeting set out in the notice of meeting is adjourned to the same place and time 7 days after the due date and time of the meeting.
- 34.6 If no quorum is present at the resumed meeting within 30 minutes after the time for the meeting, the members present at that adjourned meeting shall comprise a sufficient number for the holding of the meeting.

35. Chairing Meetings of Members

- 35.1 The chairman of any meeting of the members of the Company shall be elected by the members (or their representatives) present at the meeting.
- 35.2 The chairman must adjourn a meeting of the Company's members if the members present with a majority of votes at the meeting agree or direct that the chairman must do so, but only unfinished business shall be transacted at a meeting resumed after an adjournment.
- 35.3 At the annual general meeting, the chairman must provide the members as a whole with a reasonable opportunity to ask questions about or comment on the management of the Company and the audit report put before the meeting by the auditor.

36. How Many Votes a Member Has

- 36.1 Subject to any rights or restrictions attached to any class of shares, at a meeting of members of the Company the holder or holders of the said Ordinary Shares, shall be entitled to:
 - (a) on a show of hands, 1 vote each; and
 - (b) on a poll, 1 vote for each share they hold.
- 36.2 If a share is jointly held and more than one member votes in respect of that share, only the vote of the member whose name appears first in the register of members counts.
- 36.3 A member is not entitled to vote at a meeting of the Company's members unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid.

37. How Voting is Carried Out

- 37.1 A resolution put to the vote of a meeting of the Company's members must be decided on a show of hands unless a poll is demanded before a vote is taken, or before the declaration of the result of the show of hands or immediately after the voting results of a show of hands are declared. The demand for a poll may be withdrawn.
- 37.2 Before a vote is taken the chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are to be cast.
- 37.3 On a show of hands, a declaration by the chairman is conclusive evidence of the result, provided that the declaration reflects the show of hands and the votes of the proxies received. Neither the chairman nor the minutes need state the number or proportion of the votes recorded in favour or against.
- 37.4 The chairman has a casting vote if necessary in addition to any vote the chairman has in the chairman's capacity as a member, proxy or representative

of a member but may not exercise that casting vote unless the chairman has exercised the chairman's deliberative vote.

- 37.5 If a share is held jointly and more than one member votes in respect of that share, only the vote of the member whose name appears first in the register of members counts.
- 37.6 If a member is of unsound mind or is a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, his or her committee or trustee or such other person as properly has the management of his or her estate may exercise any rights of the member in relation to a general meeting as if the committee, trustee or other person were the member.

38. When and How Polls Must be Taken

- 38.1 At a meeting of the Company's members, a poll may be demanded by:
- (a) at least 2 members entitled to vote on the resolution; or
 - (b) members with at least 5% of the vote that may be cast on the resolution on a poll; or
 - (c) the chairman.
- 38.2 A poll may be demanded on any resolution.
- 38.3 A poll demanded on a matter other than the election of a chairman or the question of an adjournment must be taken when and in the manner the chairman directs.
- 38.4 A poll on the election of a chairman or on the question of an adjournment must be taken immediately.

39. Circulating Members' Resolutions

- 39.1 The Company may pass an ordinary or special resolution without a meeting of its members being held if all the members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. If a share is held jointly, each of the joint members must sign.
- 39.2 Separate copies of a document may be used for signing by members if the wording of the resolution and statement is identical in each copy.
- 39.3 The resolution is passed when the last member signs.

40. Appointment of Body Corporate Representative

- 40.1 A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise:
- (a) at meetings of the Company's members; or

- (b) at meetings of creditors or debenture holders; or
 - (c) relating to resolutions to be passed without meetings. The appointment may be a standing one.
- 40.2 The appointment may set out restrictions on the representative's powers. If the appointment is to be by reference to a position held, the appointment must identify the position.
- 40.3 A body corporate may appoint more than one representative but only one representative may exercise the body's powers at any one time.
- 40.4 Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

41. Appointment of Proxies

- 41.1 A member of a Company who is entitled to attend and cast a vote at a meeting of the Company's members may appoint a person as the member's proxy to attend and vote for the member at the meeting, subject to any rights or restrictions for the time being attached to any class or classes of shares. This appointment may be a standing one.
- 41.2 If the member is entitled to cast two or more votes at the meeting, the member may appoint two proxies.
- 41.3 The appointment may specify the proportion or number of votes that the proxy may exercise.
- 41.4 An appointment of a proxy is valid if it is in writing and signed by the member of the Company making the appointment, or if the member is a body corporate, either under seal or under the hand of an officer or attorney duly authorised and contains the following information:
- (a) the member's name and address;
 - (b) the Company's name;
 - (c) the proxy's name or the name of the office held by the proxy;
 - (d) the meetings at which the appointment may be used.
- 41.5 Without limiting the generality of the foregoing, an instrument appointing a proxy may be in the following form or such similar form as the circumstances permit:

[Name of Company]

I/We, _____ of _____, being a member/members of the abovenamed Company, hereby appoint of or, in his/her absence, _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the meeting of the Company to be held on the _____ day of _____ and at any adjournment of that meeting.

This form is to be used *for/against the resolution. Signed this _____ day of _____

*Strike out whichever is not desired.

#To be inserted if desired.

41.6 A later appointment revokes an earlier one if both appointments could not be validly exercised at the meeting.

41.7 For an appointment of a proxy for a meeting of the Company's members to be effective, the following documents must be received by the Company at least 48 hours before the meeting or, in the case of a poll, at least 24 hours before the meeting:

- (a) the proxy's appointment; and
- (b) if the appointment is signed by the appointor's attorney - the authority under which the appointment was signed or a certified copy of the authority.

41.8 If a meeting of a Company's members has been adjourned, an appointment and any authority received by the Company at least 48 hours before the resumption of the meeting are effective for the resumed part of the meeting.

42. Rights of Proxies

42.1 A proxy appointed to attend and vote for a member has the right to:

- (a) speak at the meeting; and
- (b) vote (but only to the extent allowed by the appointment); and
- (c) join in a demand for a poll.

42.2 An appointment may specify the way the proxy is to vote on a particular resolution and if it does, the proxy is not entitled to vote in the resolution except as specified in the instrument of appointment.

42.3 If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.

- 42.4 A proxy's authority to speak and vote for a member at a meeting is suspended while the member is present at the meeting.
- 42.5 If a proxy is also a member, this section does not affect the way that the person can cast any votes they hold as a member.
- 42.6 A proxy who is not entitled to vote on a resolution as a member may vote as a proxy for another member who can vote if their appointment specifies the way they are to vote on the resolution and they vote that way.

43. Validity of Proxy Vote

- 43.1 Unless the Company receives written notice of the matter before the start or resumption of the meeting at which a proxy votes, a vote cast by a proxy will be valid if given in accordance with the terms of the instrument of proxy even if, before the proxy votes:
 - (a) the appointing member dies; or
 - (b) the member is mentally incapacitated; or
 - (c) the member revokes the proxy's appointment; or
 - (d) the member revokes the authority under which the proxy was appointed by a third party; or
 - (e) the member transfers the share in respect of which the proxy was given.

44. Objections to Right to Vote

- 44.1 A challenge to a right to vote at a meeting of a Company's members:
 - (a) may only be made at the meeting or adjourned meeting at which the vote objected to is given; and
 - (b) must be determined by the chair, whose decision is final.
- 44.2 A vote not disallowed pursuant to such objection is valid for all purposes.

45. Minutes

- 45.1 The Company must keep minute books in which it records within one month:
 - (a) proceedings and resolutions of meetings of the Company's members; and
 - (b) proceedings and resolutions of Directors' meetings (including meetings of a committee of Directors); and
 - (c) resolutions passed by members without a meeting; and
 - (d) resolutions passed by Directors without a meeting; and

- (e) if the Company has only one Director - the making of declarations by the Director.
- 45.2 The Company must ensure that minutes of a meeting are signed within a reasonable time after the meeting by one of the following:
 - (a) the chairman of the meeting; or
 - (b) the chairman of the next meeting.
- 45.3 The Company must ensure that minutes of the passing of a resolution without a meeting are signed by a Director within a reasonable time after the resolution is passed.
- 45.4 The Company must keep its minute books at:
 - (a) its registered office; or
 - (b) its principal place of business in Australia; or
 - (c) another place approved by the Australian Securities and Investments Commission.
- 45.5 A minute that is so recorded and signed is evidence of the proceeding, resolution or declaration to which it relates unless the contrary is proved.

46. Financial Records

- 46.1 The Company must keep written financial records that:
 - (a) correctly record and explain its transactions and financial position and performance; and
 - (b) would enable true and fair financial statements to be prepared and audited, but nothing in this section shall require an audit to be conducted.
- 46.2 The financial records may be kept in any language, but an English translation of financial records not kept in English must be made available within a reasonable time to a person who is entitled to inspect the records and who asks for the English translation.
- 46.3 If financial records are kept in electronic form, they must be convertible into hard copy. Hard copy must be made available within a reasonable time to a person who is entitled to inspect the records.
- 46.4 The Company may decide where to keep the financial records.
- 46.5 If financial records about particular matters are kept outside Australia, sufficient written information about those matters must be kept in Australia to enable true and fair financial statements to be prepared. The Company must give the Australian Securities and Investments Commission written notice in prescribed form of the place where the information is kept.

47. Appointment of Directors

- 47.1 Written consent is required for each person who agrees to become a Director of the company, such consent being made through the Assembly's nomination form. The Assembly shall seek to ensure, so far as possible, that the Board reflects the qualities of policy delivery, the culture and the ethos of the College, the College's corporate and historical profile, the foundational principles of the Christian faith and the succession process for the Board.
- 47.2 There shall be no share qualification for a Director.
- 47.3 Nine Directors shall be appointed annually by the Assembly (on the nomination of the Board) of whom at least six shall be members of the Presbyterian Church.
- 47.4 Two Directors shall be appointed annually by the Assembly on nomination through the Board by The Parents' and Friends' Association of Fairholme College (or its successor, should that Association become incorporated or replaced by a similar body).
- 47.5 The process by which clauses 47.3 and 47.4 are carried out shall be:
- (a) In the first instance the nomination shall be presented to the Board or its Chairman.
 - (b) In its Annual Report to the Assembly the Board shall provide comment in relation to each nomination and include each nomination into a Deliverance for the Assembly's consideration. Any other nomination shall first of all be referred to the Board for its comment, and should this process not be finalised, the Assembly shall authorise the Commission of Assembly to make the final determination concerning the appointment.
- 47.6 Those persons who for the time being hold a position of Moderator, Clerk and Treasurer of the Assembly shall be members of the Board without the need for the Assembly making an appointment.
- 47.7 The Principal for the time being of Fairholme College by virtue of that person holding that position shall be a member of the Board without the need for the Assembly making an appointment.
- 47.8 The Principal for the time being of Fairholme College by virtue of that person holding that position shall be appointed annually by the Assembly to be a Director of the Company.
- 47.9 The holders for the time being of each of the positions of Moderator, Clerk and Treasurer of the Assembly shall be appointed annually by the Assembly to each be a Director of the Company.

- 47.10 To be eligible for appointment as a Director, all Directors, other than those referred to in Rule 47.4 shall be active members, or adherents of a branch of the Christian Church as defined by Rule 1.8 (Communicants) and Rule 1.10 (Adherents) of the Rules and Forms of Procedure of the Church and all Directors shall, prior to their appointment be required to subscribe in writing to the Educational Aims of the Church in its Schools as declared from time to time by the Assembly.
- 47.11 No employee of the Company (except for the Principal referred to in Rule 47.7) is eligible to be appointed as a Director.
- 47.12 The Directors appointed pursuant to Rules 47.3 and 47.4 shall hold office from the 1st July in each year or the date of their appointment (whichever shall be the later) until the 30th June next following such appointment, provided that if at the 30th June in any year the Directors for the ensuing year have not been appointed, the then current Directors shall continue in office until their successors have been appointed.
- 47.13 The parties and bodies responsible for the appointment of Directors in accordance with this Rule 47 shall endeavour to appoint persons who have qualifications, experience and ability in such fields as theology, education, finance, management, law, administration, communication, planning and design, public relations, social science or other fields related to the conduct of a school.
- 47.14 A person nominated through the Board to be a Director of the Company as a nominee of a body or association referred to shall, upon being appointed by the Assembly be a Director unless disqualified by these rules or the law from being a Director.
- 47.15 A person's appointment by the Assembly in terms of clause 47.5 as a Director of the Company as a nominee of a body or association referred to shall be sufficient evidence of the validity of such appointment notwithstanding any invalidity or irregularity in any proceeding or meeting procedure of the body or association making such nomination.
- 47.16 Any Director being otherwise qualified is eligible for re-appointment either in the same or a different capacity.
- 48. Directors may Appoint other Directors**
- 48.1 The Directors of the Company may appoint a person as a Director to fill a casual vacancy. If a Director is to fill the casual vacancy of a Director from a particular class as provided in Rule 47, then the replacement Director shall be from the same class and shall hold office for the same period.

48.2 The total number of Directors appointed under this section shall not at any time exceed the number fixed in accordance with this Constitution.

49. Removal or Resignation of Directors

49.1 Subject to Rule 47.12 a Director shall hold office until the Director is removed or until the Director's office shall become vacant and in either case pursuant to this Constitution or pursuant to the Law.

49.2 A Director is removed from office upon a resolution being passed by at least 75% of the members present and voting at a meeting of the Assembly resolving to remove such Director from office.

49.3 The office of Director becomes vacant if the Director:

- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health; or
- (b) is absent without the prior consent of the Directors from more than
- (c) three (3) consecutive meetings of the Directors; or
- (d) without the consent of a meeting of the members of the Company, holds any other office of profit under the Company except that of Principal Manager Director, Principal Executive Officer, Manager or Secretary; or
- (e) is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of his or her interest in manner required by the Law and this Constitution; or
- (f) becomes an employee of Fairholme College unless such employment is as Principal; or
- (g) ceases to be Principal of Fairholme College (in the case of the Director appointed pursuant to Rule 47.8) and is not otherwise appointed to be a Director; or
- (h) ceases to be Moderator, Clerk or Treasurer as the case may be (in the case of the respective persons appointed as Directors pursuant to Rule 47.9) and is not otherwise appointed to be a Director.

49.4 A Director of the Company may resign as a Director of the Company by giving written notice of resignation to the Company at its registered office. The notice may specify a date upon which the resignation becomes effective otherwise the resignation is effective from and inclusive of the time it is received by the Company. A notice of resignation is not revocable.

50. Remuneration of Directors

- 50.1 The Directors of the Company are not to be paid any remuneration for acting as directors. This Rule does not prevent the Principal from being paid whatever remuneration that is agreed upon by the Principal and the Company in the course of the Principal's Contract of Employment.
- 50.2 The Company may pay the Directors' travelling and other expenses that they properly incur:
- (a) in attending Directors' meetings or any meetings of committees of Directors; and
 - (b) in attending any general meetings of the Company; and
 - (c) in connection with the Company's business.
- 50.3 The Company must disclose the remuneration paid to each Director of the Company by the Company or by an entity controlled by the Company if the Company is directed to disclose the information by members with at least 5% of the votes that may be cast at a general meeting of the Company. The Company must disclose all remuneration paid to the Director, regardless of whether it is paid to the Director in relation to the Director's capacity as Director or another capacity.
- 50.4 The Company must comply with the direction to disclose the remuneration paid to each Director as soon as practicable by:
- (a) preparing a statement of the remuneration of each Director of the Company or subsidiary for the last financial year before the direction was given; and
 - (b) having the statement audited; and
 - (c) sending a copy of the audited statement to each person entitled to receive notice of general meetings of the Company.

51. Powers of Directors

- 51.1 The business of the Company is to be managed by or under the Directors who shall generally conduct Fairholme College in accordance with the Supreme and Subordinate Standards of the Presbyterian Church of Australia and in accordance with the Educational Aims of the Church in its schools as determined from time to time by the Assembly.
- 51.2 The Directors may exercise all the powers of the Company except any powers that the Law or this Constitution requires the Company to exercise in a meeting of the Company's members.

- 51.3 The Directors may pay all expenses incurred in promoting and forming the Company and, without limiting the generality of Rules 51.1 and 51.2, may exercise all the powers of the Company including, but not limited to, the powers to borrow money, to charge any property or business of the Company or all or any of its uncalled capital, to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.
- 51.4 The Directors may, by power of attorney and whether by way of security or otherwise, appoint any person or persons to be the attorney or attorneys of the Company for such purposes with such powers, authorities and discretions (being powers, authorities and discretions vested in or exercisable by the Directors) for such period and subject to such conditions as the Directors think fit.
- 51.5 Any such power of attorney may contain such provisions for the protection and convenience of the persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.
- 51.6 All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director are valid and effective, notwithstanding that it is afterwards discovered that there was some defect in the appointment of the person to be a Director or a member of a committee or to act or to continue to act as a Director, or that a person so appointed was disqualified.

52. Negotiable Instruments

- 52.1 Any two Directors of the Company may sign, draw, accept, endorse or otherwise execute a negotiable instrument.
- 52.2 The Directors may determine that a negotiable instrument may be signed, drawn, accepted, endorsed or otherwise executed in a different way.

53. Seal

- 53.1 The Company shall have a common seal and the Directors shall provide for the safe custody of the seal.
- 53.2 The seal shall be used to execute a document only by the authority of the Directors.
- 53.3 Every document to which the seal is affixed shall be witnessed by:
- (a) 2 Directors of the Company; or
 - (b) a Director and a Company secretary.

- 53.4 The Company may execute a document without using the seal if the document is signed by:
- (a) 2 Directors of the Company; or
 - (b) a Director and a Company secretary of the Company.

54. Dividends

- 54.1 The Directors may not authorise the payment by the Company to the members of any dividends.

55. Capitalisation of Profits

- 55.1 The Company may capitalise profits. The capitalisation need not be accompanied by the issue of shares.

56. Directors' Meetings

- 56.1 A Directors' meeting may be called by the Chairman or the secretary on the requisition of five (5) Directors giving reasonable notice individually to every other Director and this notice may be given by telephone or other electronic means of communication.
- 56.2 The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.
- 56.3 A resolution of the Directors must be passed by a majority of the votes cast by Directors entitled to vote on the resolution and any such decision shall for all purposes be deemed a decision of the Directors.
- 56.4 The Chairman has a casting vote, if necessary, in addition to any vote the chairman has in the Chairman's capacity as a Director but may not exercise that casting vote unless the chairman has exercised the Chairman's deliberative vote.

57. Quorum at Directors' Meeting

- 57.1 Unless the Directors determine otherwise, the quorum for a Directors' meeting is 7 Directors and, unless otherwise stipulated in these Rules, the quorum must be present at all times during the meeting.
- 57.2 A Director may not leave a Directors' meeting without the consent of the chairman of the meeting but, if a Director does leave the meeting without consent, the Director shall continue to be counted for the purposes of establishing a quorum.
- 57.3 If the number of Directors present at a meeting of which adequate notice has been given is not sufficient to constitute a quorum at a meeting of Directors, the meeting shall stand adjourned to the same place and time 7 days

after the due date and time of the meeting. If there is still not a quorum present at the adjourned meeting, the Directors present at that adjourned meeting shall comprise a sufficient number for the holding of the meeting.

58. Use of Technology

58.1 The linking together of the Directors by any type or kind of technology by direction of the Chairman with the prior consent of the Directors shall be deemed to constitute a meeting of the Directors and all the provisions in this Constitution as to meetings of the Directors shall apply to such meetings as long as the following conditions are met:

- (a) consent by the Directors to the use of the technology may be a standing one and a Director may only withdraw the Director's consent within a reasonable period before a meeting;
- (b) all the Directors for the time being entitled to receive notice of a meeting of the Directors (including any alternate for any Director) shall be entitled to notice of a meeting to be held by the specific technology and this notice may be given by telephone or other means of communication;
- (c) each of the Directors and the secretary taking part in the meeting by any of the abovementioned means of communication must be able to hear each of the other participants taking part at the commencement of the hearing; and
- (d) at the commencement of the meeting each Director must acknowledge his or her presence for the purpose of a meeting of the Directors of the Company to all the other participants taking part in the meeting.

58.2 A Director may not leave the meeting by disconnecting the technology in use for the meeting unless he or she has previously obtained the express consent of the chairman of the meeting. A failure to obtain that consent will not invalidate any or all of the proceedings of the meeting or any decision which is made, even if there does not remain a quorum present.

58.3 A Director shall be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting held through the use of technology unless the Director has previously obtained the express consent of the chairman of the meeting to leave the meeting as aforesaid.

59. Chairing Directors' Meetings

59.1 The Directors shall, in each year subsequent to the 30th June and following the appointment of Directors, elect one of their number to be the Chairman of Directors and another to be the Deputy Chairman.

- 59.2 The Chairman shall chair all meetings of the Directors or, in the Chairman's absence for all or part of any meeting, the Deputy Chairman shall chair the meeting.
- 59.3 In the absence of both the Chairman and the Deputy Chairman for all or part of any meeting, the Directors present shall elect one of their number to be the chairman of that meeting.

60. Circulating Directors' Resolutions

- 60.1 The Directors of the Company may pass a resolution without a Directors' meeting being held if all the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.
- 60.2 Separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy.
- 60.3 The resolution is passed when the last Director signs.
- 60.4 The reference to a signed document shall include an electronically transmitted facsimile.

61. Material Personal Interest in the Affairs of the Company

- 61.1 If a Director of the Company has a material personal interest in a matter that relates to the affairs of the Company and:

- (a) the Director discloses the nature and extent of the interest and its relation to the affairs of the Company at a meeting of the Directors;
or
- (b) the interest is one that does not need to be disclosed under section 191 of the Law,

then:

- (c) the Director may vote on the matters that relate to that interest; and
- (d) any transactions that relate to the interest may proceed; and
- (e) the Director may retain benefits under the transaction even though the Director has the interest; and
- (f) the Company cannot avoid the transaction merely because of the existence of the interest.

62. Director Interested in Contract with the Company

- 62.1 If a Director of the Company has an interest in a contract or a proposed contract with the Company (other than as a member) and the Director discloses the nature and extent of the interest at a meeting of Directors:
- (a) the Director may vote on whether the Company enters into the contract; and
 - (b) the contract may be entered into; and
 - (c) the Director may vote on matters involving the contract; and
 - (d) if the disclosure is made before the contract is entered into:
 - (i) the Director may retain benefits under the contract even though the Director has an interest in the contract; and
 - (ii) the Company cannot avoid the contract merely because of the existence of the interest; and
 - (e) the Director shall not be disqualified from his or her office merely because of the existence of the interest.
- 62.2 The Principal is not required to make any separate disclosure to a Directors' meeting of the terms or provisions of the Principal's Contract of Employment with the Company.
- 62.3 The Principal shall not participate in any meeting of the Directors concerning the Principal's appointment and any conditions or issues pertaining to it and shall, at the request of the balance of the Directors present, absent himself from that portion of the meeting.

63. Delegation to Committees

- 63.1 The Directors may delegate any of their powers to a committee of Directors consisting of such of their number as they think fit. The Directors may appoint other persons who are not Directors to be members of the committee.
- 63.2 A committee must exercise the powers delegated to it in accordance with any regulations or directions of the Directors. The effect of the committee exercising a power in this way is the same as if the Directors exercised it.
- 63.3 The Directors must elect one of their number to be the chairman of the committee.
- 63.4 A committee may meet and adjourn as it thinks proper.
- 63.5 Questions arising at a meeting of a committee shall be determined by a majority of votes of the members present and voting. The chairman has a casting vote if necessary in addition to any vote the chairman has in the

chairman's capacity as a member of the Committee but may not exercise that casting vote unless the chairman has exercised the chairman's deliberative vote.

64. No Alternate Directors

64.1 No alternate Directors can be appointed.

65. No Associate Directors

65.1 No associate Directors can be appointed.

66. Secretary

66.1 The secretary is to be appointed by the Directors.

66.2 The secretary of the Company holds office on the terms and conditions that the Directors determine.

66.3 A Director or employee of the Company may be appointed as secretary of the Company.

66.4 An act done by the secretary is effective even if the secretary's appointment, or the continuance of the secretary's appointment, is invalid because the Company or secretary did not comply with this Constitution or any provision of the Law.

66.5 Rule 66.4 shall not operate to:

- (a) bind the Company in its dealings with other people; or
- (b) make the Company liable to another person.

67. Inspection of Records

67.1 The Directors of the Company, or the Company by a resolution passed at a general meeting of its members, may authorise a member to inspect books of the Company and a member does not have the right to inspect any books of the Company, unless authorised in accordance with this section or by Law.

67.2 The Company will ensure that the minute books for the meetings of its members and for resolutions of members passed without meeting are open for inspection by members free of charge.

67.3 A Director of the Company has a right of access to the financial records of the Company at all reasonable times.

67.4 A Director of the Company may inspect the books of the Company (other than financial records) at all reasonable times for the purpose of a legal proceeding:

- (a) to which the person is a party; or

- (b) that the person proposes in good faith to bring; or
 - (c) that the person has reason to believe will be brought against them.
- 67.5 A person who ceases to be a Director of the Company may inspect the books of the Company (including its financial records) at all reasonable times for the purposes of a legal proceeding:
- (a) to which the person is a party; or
 - (b) that the person proposes in good faith to bring; or
 - (c) that the person has reason to believe will be brought against them.
- This right continues for 7 years after the person ceases to be a Director of the Company.
- 67.6 If a person asks the Company in writing to inspect a particular book of the Company that the person has a right to inspect, the Company will make the book available within 7 days for inspection by the person at the place where it is required to be kept and at the time and under such conditions as the Directors shall determine.
- 67.7 The Company must send a copy of its Constitution to a member of the Company if the member asks the Company, in writing, for the copy and pays any fee required by the Company.
- 67.8 The Company may send, as determined by the Directors, either a short form annual report or a long form annual report to its members.
- 67.9 The Company must send a copy of the following documents or resolutions to a member of the Company if the member asks the Company in writing for a copy of such document or resolution:
- (a) any minutes of a meeting of the Company's members or an extract of the minutes; or
 - (b) any minutes of a resolution passed by members without a meeting; or
 - (c) a notice lodged with the Australian Securities and Investments Commission setting out the particulars of:
 - (i) a division of shares in the Company into classes if the shares were not previously so divided;
 - (ii) a conversion of shares in a class of shares in the Company into shares in another class.
- 67.10 The Company must send a copy of any of the documents or resolutions specified in this section within 14 days after the Company receives the payment if the Company requires the member to pay for the copy, or if the Company does not require payment for the copy, the Company must send the

copy within 14 days after the member asks for it in writing.

- 67.11 The amount of any payment the Company requires for a copy of any of the documents or resolutions specified in this section must not exceed any prescribed amount as set forth in the *Corporations Regulations*.

68. Serving of Notices

- 68.1 The Company may give a notice or other document to a member:
- (a) personally; or
 - (b) by sending it by post to the address for the member in the register of members or the alternative address (if any) nominated by the member; or
 - (c) by sending it to the fax number or electronic address (if any) nominated by the member.
- 68.2 The Company may give a notice to a person entitled to a share in consequence of the death or bankruptcy of a member:
- (a) personally; or
 - (b) by sending it by post addressed to him or her by name or by the title of representative of the deceased or assignee of the bankrupt or by any like description, at the address (if any) supplied for the purpose of sending notices by that person; or
 - (c) if such address has not been supplied - by sending it by post at the address to which the notice might have been sent if the death or bankruptcy had not occurred; or
 - (d) by sending it to the fax number or electronic address (if any) nominated by that person.
- 68.3 The Company may give a notice to the joint holders of a share by giving the notice to the joint holder first named in the register of members.
- 68.4 The Company receives a notice, document or an appointment authority when it is first received at any of the following:
- (a) the Company's registered office; or
 - (b) a fax number at the Company's registered office; or
 - (c) a place, fax number or electronic address specified for the purpose in the notice of meeting; or
 - (d) it is delivered personally to one of the Directors of the Company.
- 68.5 A notice or other document given by the Company to its members or a notice or other document given to the Company by its members is taken to be given on the day that the notice is sent, unless the notice is given after 5.00

pm on any business day and before 9.00 am on the next following business day and its receipt is not acknowledged by the person(s) to whom the notice is sent during that period, in which case the notice shall be deemed to have been given at 9.00 am on that next following business day.

- 68.6 Any notice or other document that is given by the Company to its members, or a notice or other document given by the members to the Company, through the transmission of a facsimile copy thereof via the telephone network to the number nominated (if any) for that purpose shall be deemed to have been given (unless the contrary is shown) upon the date and at the time contained in any transmission confirmation report which contains the identification code of the person to whom it was intended to be transmitted and which indicates that the transmission was received without error.

69. Indemnity

69.1 Every officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his or her capacity as officer, auditor or agent in:

- (a) defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application in relation to any such proceeding in which relief under the Law is granted to him by the court; and
- (b) any case involving liability to a third party except where the liability arises out of conduct involving a lack of good faith.

70. Winding Up

70.1 If the Company is wound up, the liquidator may not divide among the members in kind the whole or any part of the property of the Company.

70.2 The liquidator shall, with the sanction of a special resolution, vest the whole or any part of any such property to an institution having similar objects to the Company.

71. Special Provisions

71.1 The Finance and Administration Board may from time to time prescribe a maximum amount of capital expenditure or type of capital expenditure to be incurred in any one year by the Company without the prior approval of the Finance and Administration Board and in the event of the Finance and Administration Board so doing the Directors shall not be at liberty to incur any such expenditure without the prior written approval of the Finance and Administration Board.

- 71.2 In the event that the Directors wish to proceed to incur any expense of a capital nature in excess of the amount prescribed by Rule 72.1, the Directors shall on behalf of the Company, make application to the Finance and Administration Board, stating the purpose for which such expenditure is required and the proposed source of funds to meet such expenditure including, where applicable, the type of loan funds and all terms and conditions applicable to such loan.
- 71.3 The Directors shall submit its calendar yearly budget to the Finance and Administration Board prior to the 1st March in each year.
- 71.4 The Directors shall provide an annual report of the activities of the Company including the operations of Fairholme College to the Assembly. The report shall be provided prior to the 1st March in each year and shall include, inter alia, a true copy of the audited profit and Loss Statement and Balance Sheet for the Company for the previous year and such other additional information relating to the company's activities as the Finance and Administration Board may require or direct.
- 71.5 The Assembly may by resolution of not less than three-quarters of the members present and voting appoint an auditor to investigate and report upon the affairs of the Company and the Directors shall provide all reasonable assistance with the conduct of that audit and shall comply with any directives or recommendations of the Assembly arising out of such audit.
- 71.6 The Moderator of the Assembly shall have the right to visit the Company's premises at any time and to examine the manner in which any of the Company's activities are being conducted.
- 71.7 The Directors shall appoint a Principal and, until otherwise authorised by a resolution of the Assembly, must include in the Principal's Contract of Employment requirements that the Principal shall:
- (a) be and remain a member of a Protestant Christian Church; and
 - (b) subscribe, in writing, to the Education Aims of the Church in its schools as declared from time to time by the Assembly.
- 71.8 (a) The Directors shall appoint a College Chaplain to carry out activities at Fairholme College.
- (i) The Appointee shall preferably be an ordained minister of the Presbyterian Church of Australia or shall be a member of a Protestant Christian denomination.
 - (ii) The Commission of Assembly shall concur in the appointment before it is validated.

- (iii) The Appointee shall sign a form of the acceptance of the appointment in which he/she shall agree that the appointment shall be terminated if the appointee withdraws from membership of the body in which he had standing when the appointment was made.
 - (iv) If the Appointee is a Presbyterian minister and is of good standing with the Presbytery he must subscribe to the church's Educational Aims as to schools, as declared from time to time by the Assembly.
 - (v) If the Appointee is not a Presbyterian minister he/she should be accepted by the Committee on Ministry Resourcing as a Home Missionary or a specialised Ministry Worker and shall have an understanding and acceptance of the confessional position of the Presbyterian Church of Australia and the church's Educational Aims as to schools as declared from time to time by the Assembly.
 - (vi) The Appointee shall conform to any additional specific requirements the Board may approve.
- (b) The Directors may appoint one or more assistant chaplains who shall be a member of a Christian denomination and conform in general to the requirements of clause (a) above; however the Commission of Assembly shall not be required to concur in such an appointment.
 - (c) Teachers of Christian Education within the school are appointed by the Principal in the normal course of the Principal's management responsibility.