

CONSTITUTION
OF
QUEENSLAND NEWSAGENTS FEDERATION LTD

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QUEENSLAND NEWSAGENTS FEDERATION LTD

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A Company Limited by Guarantee and not having a Share Capital

CONSTITUTION OF
OF
QUEENSLAND NEWSAGENTS FEDERATION LTD

INTERPRETATION

Definitions

1. (1) In this Constitution:

“the Company” means Queensland Newsagents Federation Ltd;

“Annual General Meeting” means the General Meeting held each year as required by the Law and this Constitution;

“By-Laws” means the By-laws of the Company for the time being in force;

“Contracted Newsagent” means a person of continuing and permanent Queensland residency, or a corporation, which holds three circulation contracts (being for newspapers and magazines) and at least one of which is a contract with a major daily newspaper;

“Directors” or “Board of Directors” or “Board” means the directors of the Company;

“Financial Year” means the period from the date of establishment of the Company to the following 30 June, and after that, the period 1 July in a calendar year through to 30 June in the next calendar year or such other period of 12 consecutive months determined by the Board;

“Law” means the “Corporations Law”;

“Month” means calendar month;

“Member” means a Member whether a person or a corporation or, where the context requires, the representative of a corporation.

“Membership Year” means the same term as the Financial Year;

“Office” means the registered office for the time being of the Company;

“Register” means the Register of Members kept pursuant to the Law;

“Secondary Outlet” means another newsagency owned by an Ordinary Member or a corporation connected with an Ordinary Member other than the Ordinary Member’s principal outlet.

“Secretary” means any person appointed to perform the duties of a secretary of the Company and includes an honorary or acting secretary;

“Special Resolution” means a resolution of the Company proposed and passed at a meeting of the Company of which not less than 21 days' notice has been given to Members specifying the intention to propose the resolution as a Special Resolution and passed by a majority of at least three quarters of those Members who, being entitled to do so, vote in person or by proxy at the meeting; and

“State” means the State of Queensland or other State in which the Registered Office of the Company is located.

(2) Unless the contrary intention appears in this Constitution, an expression used in a particular Part or Division of the Law that is given a special meaning for the purposes of that Part or Division has, in any clause of this Constitution that deals with a matter dealt with by that Part or Division, the same meaning as in that Part or Division.

Name

2. The name of the Company is “QUEENSLAND NEWSAGENTS FEDERATION LTD”.

Objects

3. The objects for which the Company is established are:

- (a) To represent all Contracted Newsagents in Queensland;
- (b) To protect the business interests of the Members of the Company;
- (c) To act as a representative for any joint merchandising scheme of all or any number of Members wishing to participate;
- (d) To foster and encourage cooperation between Members;

- (e) To obtain by united action, advantages which Members would have more difficulty in obtaining as individuals;
- (f) To endeavour to obtain an equitable return for capital invested by Members in their respective newsagency businesses, and to use all reasonable means for the promotion and defence of the trade;
- (g) To correct as far as possible abuses or irregularities in the newsagents trade;
- (h) To encourage Members to preserve the good name of newsagents and the Company and to conduct their respective businesses with dignity;
- (i) To promote harmony and better understanding between the publishing companies or their representatives and Members on matters which will result in a mutual advantage to both;
- (j) To safeguard the value of goodwill of the businesses of Members;
- (k) To acquire and disseminate information of benefit to Members and to the Company in general;
- (l) To conduct training courses and seminars for the benefit of Members;
- (m) To carry on all or any of the business of wholesale and/or retail merchants, general storekeepers and general agents of and in goods, wares, merchandise and commodities of all kinds whatsoever. In particular and without limiting the generality of the above, to act as a buying and selling agent of newsagencies, and to buy, sell and supply and otherwise deal in plant, machinery and motor vehicles, oils and fuels, and to carry on the business of insurance, selling, real estate and commission agents;
- (n) To carry on any other business, trade or industry (whether trading, manufacturing, packing or otherwise) which may seem to the Board capable of being carried on in conjunction with all or any of the above businesses and which are calculated directly or indirectly to enhance the value of or to render profitable any of the Company's rights, properties or interests;
- (o) To maintain premises from which to conduct the Company's business;
- (p) To invest and deal with the money of the Company not immediately required in such manner as the Board thinks fit;
- (q) To acquire and hold shares, debentures or other securities of any association or body corporate;

- (r) To lend and advance money or give credit to any person or body corporate, to guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or body corporate and otherwise to assist any person or body corporate;
- (s) To borrow or raise or secure the payment of any money in such manner as the company may think fit and whether upon fluctuating advance account or overdraft or otherwise and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the company in any way and in particular by the issue of debentures perpetual or otherwise charged upon all or any of the Company's property both present and future, and to purchase, redeem or pay off such securities;
- (t) To make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
- (u) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company;
- (v) To take or hold mortgages, liens and charges to secure payment of the purchase price or any unpaid balance of the purchase price of any part of the Company's property sold by the Company or any money due to the Company from purchasers and others;
- (w) To purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagement of any one or more of the companies, institutions, societies or associations with which the Company is authorised to amalgamate;
- (x) To transfer all or any part of the property, assets, liabilities and engagements of the Company to any one or more of the companies, institutions, societies or associations with which the Company is authorised to amalgamate;
- (y) To do all such other things as are necessary or conducive to the attainment of the above objects and for such purpose to exercise the rights, powers and privileges conferred by the Law.

Income

4. The income and property of the Company must be applied solely towards the promotion of the objects of the Company as set forth in this Constitution and no portion of it can be paid

or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to the Members of the Company.

Exemptions from clause 4

5. Nothing in clause 4 prevents:

(a) the payment in good faith of reasonable and proper remuneration to any officer or servant of the Company or to any Member of the Company or other person in return for any services rendered to the Company; or

(b) the payment of interest on money borrowed from a Member of the Company for any of the purposes of the Company.

Limitation of Liability

6. The liability of the Members is limited.

Assets

7. Every Member of the Company undertakes to contribute to the assets of the Company, in the event of the Company being wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a Member, and of the costs, charges and expenses of winding up and for the adjustments of the rights of the contributories among themselves such amount as may be required but not exceeding \$50.

Registered Office

8. The registered office of the Company will be as the Board of Directors determines from time to time.

MEMBERSHIP

Membership

9.

(a) The subscribers to this Constitution and such other persons as the Board admits to membership in accordance with this Constitution are the Members of the Company.

(b) Every applicant for membership of the Company must be proposed by one and seconded by another Member of the Company. The application for membership must

be in writing signed by the applicant and a proposer and seconder and must be in such form as the Board from time to time prescribes.

Classes of Membership

10.

(a) The membership of the Company will consist of Ordinary Members, Life Members and Secondary Outlet Memberships.

(b) An Ordinary Member of the Company must be a Contracted Newsagent. If more than one person owns a Contracted Newsagent they are deemed to be one Ordinary Member.

(c) A Secondary Outlet Member is a Contracted Newsagent which has ownership involvement in a Secondary Outlet.

(d) A Life Member of the Company is a person who has rendered long and faithful service to the newsagency industry and, subject to contrary provisions of this Constitution, will enjoy all the rights of an Ordinary Member.

Membership Fees

11.

(a) The membership fees will be:

(i) For Ordinary Members – as determined by the Ordinary Members at a General Meeting;

(ii) For Secondary Outlet Members – 25% of the membership fee and other levies payable by an Ordinary Member; and

(iii) For Life Members – nil.

(b) The membership fees are payable at the time and in the manner that the Board determines from time to time.

Register of Members

12.

(a) The Board must keep a Register of Members that contains the business address, residential address, class of membership and admission date of all Members.

(b) Deaths of Members and resignations, terminations and reinstatements of memberships must also be recorded in the Register of Members together with any other information the Board or the Members in General Meeting require.

(c) The Register of Members must be available for inspection at all reasonable times by any Member provided that they have previously applied in writing to the Secretary to inspect the Register.

APPLICATION FOR MEMBERSHIP

Admission and Rejection of Members

13.

(a) At the next meeting of the Board after the receipt of any application for membership as an Ordinary Member or Secondary Outlet Member and the membership fee, the application must be considered by the Board who in their absolute discretion will determine the admission or rejection of the applicant. In no case is the Board required to give any reason for the rejection of an applicant.

(b) Any applicant for membership as an Ordinary Member or Secondary Outlet Member who receives the majority of the votes of the Members of the Board present at the meeting at which the application is considered, must be accepted as an Ordinary Member or Secondary Outlet Member as the case may be.

(c) Upon the acceptance or rejection of any application for membership as an Ordinary Member or Secondary Outlet Member, the Secretary must give the applicant notice in writing of the acceptance or rejection.

(d) A nomination for a Life Member must be submitted to the Board for its approval. If the approval is given, the Ordinary Members in General Meeting may elect the nominee as a Life Member.

TERMINATION OF MEMBERSHIP

Termination of Membership

14.

(a) A Member may resign from membership of the Company at any time by giving notice in writing to the Secretary. The resignation will take effect at the time the notice is received by the Secretary unless a later date is specified in the notice, in which case it will take effect on that later date.

(b) If a Member:

- (i) is convicted of an indictable offence; or
- (ii) fails to comply with any of the provisions of this Constitution or any direction given by the Board from time to time; or
- (iii) has membership fees in arrears for a period of two months or more; or
- (iv) conducts himself or herself in a manner considered to be injurious or prejudicial to the character or interests of the Company or the newsagency industry; or
- (v) being a corporation, through or by its officers, conducts itself in a manner considered to be injurious or prejudicial to the character or interests of the Company or the newsagency industry;

the Board may by resolution terminate the membership.

(c) The Member concerned must be given written notice of the proposed resolution 14 days before the meeting of the Board at which the resolution is moved. At the meeting, the Member must have a full and fair opportunity of presenting the Member's case and if the Board resolves to terminate the membership, the Secretary must advise the Member in writing accordingly.

(d) The membership of an Ordinary Member of the Company must be terminated immediately upon the Member ceasing to be a Contracted Newsagent.

(e) A Member continues to be liable for any membership fees due and unpaid at the date of resignation or termination as the case may be and for all monies due to the Company and in addition for any sum not exceeding \$50.00 for which the Member is liable as a Member under clause 7 of this Constitution.

Appeal Against Rejection or Termination of Membership

15.

(a) A person or corporation whose application for membership has been rejected or whose membership has been terminated under clause 14 may within one month of receiving written notification of the termination or rejection lodge with the Secretary written notice of intention to appeal against the decision of the Board.

(b) Upon receipt of a notification of intention to appeal against rejection or termination of membership, the Secretary must convene, within 3 months of the date of receipt of the notice, a General Meeting to determine the appeal. At this meeting the applicant must be given the opportunity to fully present their case and the Board or those Members who rejected the application for membership or terminated the membership subsequently, also must have the opportunity of presenting their case. The appeal must be determined by a majority of votes of the Ordinary Members.

(c) The Secretary must notify the applicant of the outcome of the appeal.

GENERAL MEETINGS

Annual General Meeting

16. The Annual General Meeting must be held each year no later than five months after the end of the previous financial year and in accordance with the provisions of the Corporations Law.

Business at Annual General Meetings

17. The business to be transacted at every Annual General Meeting will be:

(a) the receiving of the Board's report and the statement of income and expenditure, assets and liabilities and mortgages, charges and securities affecting the property of the Company for the preceding financial year;

(b) the receiving of the auditor's report upon the books and accounts for the preceding financial year;

(c) the election of members of the Board subject to clauses 39 and 43;

(d) the appointment of an auditor; and

(e) any general business.

General Meetings

18. All other meetings of the Company are General Meetings.

Convening General Meetings

19. A General Meeting:

- (a) may be convened by the Board at any time;
- (b) must be convened by the Board within 21 days of receiving a requisition in writing from Members with at least 5% of the votes that may be cast at a General Meeting or at least 100 Members who are entitled to vote at a General Meeting;
- (c) must be convened when the Secretary is given a notice in writing of an intention to appeal against the decision of the Board to reject an application for membership or to terminate a membership; and
- (d) may be convened by Members with at least 5% of the votes that may be cast at a General Meeting of the Company.

Notice Of General Meetings

20. Subject to the provisions of the Law relating to special resolutions, at least 21 days written notice of a General Meeting must be given to all Members who are entitled to receive such a Notice. The Notice must specify the time and place of the meeting and the general nature of any matters to be considered at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

Chairman

21. Unless otherwise provided in this Constitution, at every General Meeting:

- (a) The President will be the Chairman, or if there is no President or they are not present within 30 minutes of the start of the General Meeting or is unwilling to act, the Senior Vice-President will be the chairman. If the Senior Vice-President is not present or is unwilling to act then the Ordinary Members must elect a Member to be the Chairman.
- (b) The Chairman must maintain order and conduct the meeting in a proper and orderly manner.

Quorum

22.

(a) No business can be transacted at any Annual General Meeting or General Meeting unless a quorum of Ordinary Members is present in person or by proxy, attorney or representative at the time when the meeting is due to commence.

(b) Unless otherwise determined by the Company in General Meeting, a quorum is double the number of Ordinary Members presently on the Board plus one.

Adjournment Procedures

23.

(a) If within 30 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, is dissolved.

(b) In any other case, the meeting is adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the Chairman may determine.

(c) If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the Ordinary Members present constitute a quorum.

Adjournment

24.

(a) The Chairman may, with the consent of the Ordinary Members present at any meeting at which a quorum is present (and must if so directed by those Ordinary Members), adjourn the meeting from time to time and place to place.

(b) The only business which can be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.

(c) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting but it is not otherwise necessary to give notice of an adjournment or the business to be transacted at an adjourned meeting.

Show Of Hands Or Poll

25.

- (a) At any General Meeting a resolution put to the vote of the meeting is decided on a show of hands of Ordinary Members unless a poll is (before or on the declaration of the result of the show of hands) demanded:
- (i) by the Chairman; or
 - (ii) by at least five Members entitled to vote on the resolution; or
 - (iii) by at least 5% of the votes that may be cast on the resolution.
- (b) The demand for a poll may be withdrawn.
- (c) Unless a poll is demanded, a declaration by the Chairman is conclusive evidence of the result, provided the declaration reflects the show of hands and the votes of the proxies received. Neither the Chairman nor the Minutes need to state the number or proportion of votes recorded in favour or against.
- (d) Before a vote is taken the Chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are cast.

Conduct of a Poll

26. If a poll is duly demanded it must be taken in such manner and time as the Chairman directs, and the result of the poll is the resolution of the meeting at which the poll was demanded. If a poll is demanded on the election of a Chairman or on a question of adjournment, it must be taken immediately.

Chairman's Casting Vote

27. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded is entitled to a second or casting vote.

Vote Limited to one per Member

28.

- (a) An Ordinary Member may vote in person or by proxy, attorney or representative and whether on a show of hands or on a poll every Ordinary Member present in person or by proxy, attorney or representative has one vote. Life Members and Secondary Outlet Members are not entitled to vote. Joint Ordinary Members only have one vote between them.

(b) In the case of joint Members, the vote of the senior who tenders a vote (whether in person or by proxy or by attorney) is accepted to the exclusion of the votes of the other joint Members and, for this purpose, seniority is determined by the order in which the names are recorded in the Register of Members.

No Entitlement to Vote if Membership Fees Outstanding

29. No Member is entitled to vote at any General Meeting if the Member's annual subscription is more than one month in arrears at the date of the meeting.

Trustee Voting

30. A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental health may vote, by the Member's committee or trustee or by such other person who has the management of the Member's estate, and any such committee, trustee or other person may vote by proxy or attorney.

Appointment of a Proxy

31.

(a) Each Ordinary Member may appoint a proxy. If the Member is entitled to cast two or more votes at the meeting, they may appoint two proxies. The appointment may specify the proportion or number of votes that the proxy may exercise. If the 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.

(b) A proxy must be an Ordinary Member of the Company whose membership fee is not in arrears at the date of the meeting.

(c) The instrument appointing a proxy must be in writing and must be signed by the appointor or the appointor's attorney. If the appointor is a corporation, the proxy must either be under seal or signed by an officer or attorney of the corporation.

(d) The instrument appointing a proxy includes authority to demand or join in demanding a poll. An Ordinary Member may instruct the proxy to vote in favour of or against any proposed resolutions. Unless otherwise instructed the proxy may vote as he or she thinks fit.

The Proxy Form

32. The instrument appointing a proxy may be in the following form or in any other form approved by the Board.

TO: QUEENSLAND NEWSAGENTS FEDERATION LTD

I, _____ of _____
being an Ordinary Member of the Company appoint

of _____ as my proxy to vote for me on my behalf at the * Annual General Meeting/General Meeting * of the Company, to be held on the _____ day of _____ 19____ and at any adjournment of that meeting. My proxy is authorised to vote * in favour of/against * the following resolutions;

Signed this _____ day of _____ 19____

.....
Signature of Member”

DIRECTION OF A PROXY VOTE

Note 1. In the event of the Member desiring to vote for or against any resolution he shall instruct the proxy accordingly. Unless otherwise instructed, the proxy may vote as he or she thinks fit.

* Strike out whichever is not desired.

Lodgement and Timing of the Proxy Form

33. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a true copy of that power or authority (certified by a Commissioner for Declarations, Justice of the Peace or solicitor) must be deposited at the registered office of the Company (or at such other place within the State as is specified for that purpose in the notice convening the meeting) not less than 48 hours before the time for the meeting at which the person named in the instrument proposes to vote and, if not, the instrument of proxy is not valid.

Validity of a Proxy Vote

34. A vote given in accordance with the terms of any instrument of proxy or attorney is valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, if no notice in writing of the death, unsoundness of mind or revocation has been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.

THE BOARD

Composition of Board

35.

- (a) The Board will consist of seven Directors. At all times, there must be one director to represent each of the Northern Division, the Central Division and the South Western Division and four Directors will represent the South Eastern Division.
- (b) For the purposes of this clause:
 - (i) The Northern Division is that area of Queensland north of the twenty second parallel of south latitude;
 - (ii) The Central Division is that area of Queensland between the twenty second parallel of south latitude and the twenty fifth parallel of south latitude extended from the west to the township of Camboon, then in a south east line to and including Kumbia, then in a south east line excluding Kilcoy but including the towns of Nanago, Yarraman and Blackbutt, then in a direct line north to include Gympie, then in a north east direction to include Rainbow Beach and includes Fraser Island and the township of Tin Can Bay.
 - (iii) The South Western Division is that area of Queensland situated between the twenty fifth parallel of south latitude and the border with New South Wales but excluding the Central District southern extension as detailed and the South Eastern Division.
 - (iv) The South Eastern Division is that area of Queensland within the area starting from Point Danger on the New South Wales/Queensland border, north along the Pacific Ocean coastline to the township of Rainbow Beach (which is part of the Central Division), and including all Moreton Bay Islands and the islands of South and North Stradbroke, Moreton and Bribie, then from, but excluding, Rainbow Beach in the south west line to but excluding the town of Gympie, then in a line south to but including Kilcoy, then in a south west line to but excluding the town of Crows Nest, then in a direct line south to and including the railway settlement of Murphy's Creek in the Great Dividing Range foothills, then in a direct line due south to the Queensland/New South Wales Border, then generally east along that border to Point Danger on the Pacific Ocean coastline.
- (c) The office bearers of the Company will be a President, Senior Vice-President and a Junior Vice-President.

Qualifications of Board Members

36. The qualifications of a Board member are:

- (a) A person who from the time of their nomination or appointment until the expiration of their term of office or vacation of office is an Ordinary Member;
- (b) A person who is a director of a corporation which is an Ordinary Member from the time of their nomination or appointment until the expiration of their term of office or vacation of office.
- (c) A person who is not less than 21 years of age;
- (d) A person who prior to their nomination for election to or appointment to a casual vacancy on the Board, has been for a minimum of two years an owner and operator of a Contracted Newsagency in the State of Queensland either personally or as a director of a corporation owning and operating a Contracted Newsagency;
- (e) A person whose principal place of newsagency business is situated whilst they are a Board member, in that Division to which they are elected.

Qualification for President

37. A Director is only eligible for election as President if that Director has been a member of the Board for at least one year immediately prior to their election.

Term of Office

38. The term of office of Directors is three years.

Election of Directors

39.

- (a) An election of Directors must take place at the Annual General Meeting every year. A Director must not retain office for a period in excess of three years or beyond the third Annual Meeting following their election (whichever is the longer period) without submitting for re-election.
- (b) At every third Annual General Meeting, three Directors must retire from office and at every other Annual General Meeting two Directors must retire from office.
- (c) The Directors to retire at an Annual General Meeting are those who have been longest in office since their last election, but, as between persons who became Directors

on the same day, those to retire will (unless they otherwise agree among themselves) be determined by lot.

(d) A retiring Director may act until the conclusion of the meeting at which the Director retires and is eligible for re-election.

Procedure for Election of Directors

40. The election of the Directors will take place in the following manner:

(a) The Secretary calls for nominations for Directors from the Ordinary Members on a date not less than 35 days before the date of the Annual General Meeting at which the results are to be declared.

(b) Any two Ordinary Members from a particular division must nominate a person to serve as a Director representing that particular Division.

(c) The nomination must be in writing and signed by the Nominee and the proposer and seconder, must nominate the Division the Nominee intends to represent and must be lodged with the Secretary by the date not less than 28 days before the date of the Annual General Meeting at which the results are to be declared.

(d) At least 14 days prior to the Annual General Meeting, the Secretary must cause a list of the nominees' names in alphabetical order, with the proposers' and seconders' names to be:

(i) displayed in a conspicuous place in the office or usual place of meeting of the Company; and

(ii) posted to Ordinary Members at their addresses as shown in the Register of Members.

(e) At least 14 days prior to the Annual General Meeting, the Secretary must cause voting papers in the form prescribed by the Board containing the names of the nominees in alphabetical order together with the Division each nominee desires to represent to be posted to Ordinary Members at their addresses as shown in the Register of Members. Upon receipt of a voting paper for a particular Division for which a Member has entitlement to vote, an Ordinary Member is entitled to vote for the candidates for their Division only and must vote for the number of such candidates not exceeding the number of vacancies by completing the voting paper in the manner

prescribed and posting the voting paper to the Secretary so that the voting paper is received by the Secretary 72 hours prior to the Annual General Meeting.

(f) All voting papers received by the Secretary within the prescribed time will be held by the Secretary until the date and time appointed for the opening of such envelopes containing the voting papers.

(g) Such voting papers must be opened by the Secretary in the presence of one member of the Board. The envelopes must be opened by the Secretary at least 24 hours prior to the date and time of the appointed meeting. Voting papers incorrectly marked will at the discretion of the Secretary and the Board member be declared invalid.

(h) Equality in voting will be determined by lot under supervision of the Secretary and the Board member.

(i) The Secretary must advise the President in a sealed envelope of the result of the election and the Secretary will declare the names of the members of the Board elected at the Annual General Meeting. Such results must be recorded in the minutes of the meeting. Voting papers must not be destroyed until approved by the Annual General Meeting.

(j) In the event of the number of candidates nominated not being sufficient to fill existing vacancies, additional nominees may be nominated at the Annual General Meeting by being proposed and seconded in the usual way, but nominees may only come from the appropriate Division and must be elected by Ordinary Members entitled to vote for that particular Division present at the Annual General Meeting in person or by proxy, or if no such Members are present, then elected by the votes of the Ordinary Members present at the meeting in person or by proxy (two scrutineers will be nominated if necessary) and if any vacancy still exists at the close of the Annual General Meeting, then it will become a casual vacancy.

(k) For the purpose of this clause, a Member has an entitlement to vote in the Division in which their principal place of newsagency business is situated.

Removal of Directors

41.

(a) The Company may by ordinary resolution remove any office-bearer or other Director before the expiration of their period of office, and may by an ordinary resolution appoint a replacement.

(b) Special notice is required of a resolution to remove a Director and a resolution to appoint a replacement. Notice of the intention to move the resolution must be given to the Company at least two months before the meeting is to be held.

(c) The person appointed as a replacement must retire at the same time as if he had become a Director on the day on which the Director in whose place they were appointed was last elected as a Director.

Resignation of Directors

42. Any Director may resign from membership of the Board at any time by giving notice in writing to the Secretary and such resignation takes effect at the time the notice is received by the Secretary unless a later date is specified in the notice when it shall take effect from that later date.

Casual Vacancies

43.

(a) The Board may at any time appoint any person who meets the qualifications to be a Director in order to fill a casual vacancy. That person must retire at the same time as if they had become a Director on the day on which the Director in whose place they are appointed was last elected as a Director.

(b) The continuing Directors may act notwithstanding any casual vacancy in the Board but if and so long as their number is reduced below the quorum fixed by this Constitution as the necessary quorum for Board meetings the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or for summoning a General Meeting of the Company but for no other purpose.

Reasons for Vacation of Office

44. The office of a Director becomes vacant if the Director:

(a) becomes bankrupt or makes any arrangement or composition with their creditors generally;

(b) becomes prohibited from being a director of a company by reason of any order made under the Law

(c) ceases to be a Director by operation of any provision of the Law;

- (d) if the Director ceases to be an Ordinary Member of the Company or a director of a corporation which is an Ordinary Member;
- (e) 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;
- (f) resigns as a Director by notice in writing to the Company;
- (g) is absent from meetings of the Board for more than three months without having previously obtained leave of the Board.

Remuneration of Directors

45.

- (a) The Directors are entitled to remuneration for their services.
- (b) The Directors are also entitled to be paid their reasonable travelling and accommodation and other expenses incurred in consequence of their attendance at Directors meetings and otherwise in the execution of their duties as Directors.
- (c) The remuneration of the Directors will be at a rate per annum expressed as a fixed sum (not being a commission on or percentage of profits or of operating revenue) determined at the Annual General Meeting. The remuneration continues until altered by a subsequent Annual General Meeting.
- (d) The remuneration accrues from day to day and is apportionable accordingly.
- (e) A Director is entitled to remuneration from the date he or she is appointed to the Board.
- (f) Notice of any proposed increase in the remuneration of the Directors must be given in the notice convening the meeting at which the proposed increase is to be considered and the notice must specify the amount of the proposed increase and the maximum sum that may be paid.

POWERS AND DUTIES OF THE BOARD

Management of the Business Vested in The Board

46. Except as otherwise provided by the Law and by this Constitution and subject to resolutions of the Members of the Company carried at any General Meeting of the Company, the Board:

- (a) Has the general control and management of the administration of the affairs, property and funds of the Company; and
- (b) Has authority to interpret the meaning of this Constitution and any matter relating to the Company on which this constitution is silent; and
- (c) Must at the first meeting of the Board after each Annual General Meeting, elect from the members of the Board, the office bearers of the Company specified in clause 35(c) to hold office until the first meeting of the Board following the next Annual General Meeting and the members of the Board may from time to time fill a casual vacancy in the office bearers.

Board Responsibility to Borrow/Mortgage for Debt/Liability of the Company

47. The Board may exercise all the powers of the Company:
- (a) To borrow or raise or secure the payment of money in such manner as the members of the Board may think fit and secure the same or the payment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the Company in any way and in particular by the issue of debentures, perpetual or otherwise, charged upon all or any of the company's property, both present and future, and to purchase, redeem or pay off any such securities;
 - (b) To borrow money from Members at a rate of interest not exceeding interest at the rate for the time being charged by the Company's bankers for an overdraft account on money lent, whether the term of the loan be short or long, and to mortgage or charge its property or any part of it and to issue debentures and other securities, whether outright or as security for any debt, liability or obligation of the Company, and to provide and pay off any such securities; and
 - (c) To invest in such manner as the members of the Board may from time to time determine.

PROCEEDINGS OF THE BOARD

Meetings of the Board

48. The Board should meet at least once every calendar month to exercise its functions.

Special Meetings of the Board

- 49.

(a) A special meeting of the Board must be convened by the Secretary on the requisition in writing signed by not less than one third of the Directors. The requisition must clearly state the reasons why the special meeting is being convened and the nature of business to be transacted.

(b) Not less than seven days notice must be given by the Secretary to the Directors of any special meeting of the Board. The notice must clearly state the nature of business to be discussed at the special meeting.

Scope of Minutes to be Recorded

50. The Company Secretary must cause minutes to be made and entered of:

(a) the names of Directors and other persons present at all meetings of the Company and of the Board; and

(b) all proceedings at all meetings of the Company and of the Board.

The minutes must be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

Chairman

51. The President will be preside at every meeting of the Board, or if there is not President or the President is not present within 15 minutes of the start of the meeting, the Senior Vice-President will be the chairman or if the Senior Vice-President is not present at the meeting then the Directors may choose one of their number to be Chairman of the meeting.

Voting Procedures and the Casting Vote

52. Subject to this Constitution, questions arising at any meeting of the Board will be decided by a majority of votes, and a determination by a majority of the members of the Board is a determination of the Board. In case of an equality of votes, the question shall be deemed to be decided in the negative.

Directors Contracting with the Company

53.

(a) No Director is prevented by their office from contracting with the Company either as vendor, purchaser, employee or otherwise.

(b) A contract or arrangement entered into by the Company in which a Director is in any way materially interested is void, unless the Board makes a resolution in

accordance with sub-clause(c), and a Director so contracting or being interested is not liable to account to the Company for any profit realised by the contract or arrangement by reason of the Director holding that office or of the fiduciary relationship established, if the nature of the Director's interest is disclosed by the Director at a meeting of the Directors at which the contract or arrangement is determined (if the interest then exists) or in any other case at the first meeting of the Directors after the acquisition of the interest.

(c) No Director may be present while the proposed resolution is being considered at the meeting of Directors and may not vote on the matter unless the Board has passed a resolution under Section 232A of the Law entitling the Director to be present and to vote on the matter.

(d) A general notice that a Director is a member of a specified company or firm and is to be regarded as interested in any subsequent transaction with the company or firm is sufficient disclosure under this clause if:

(i) the notice states the nature and extent of the interest of the Director in the company or firm; and

(ii) when the question of confirming or entering into the transaction is first taken into consideration the extent of the Director's interest in the company or firm is not greater than is stated in the notice; and

(iii) the notice is given at the meeting of Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.

(e) The giving of a general notice under this clause does not entitle a Director to be present or to vote at a meeting in relation to a particular contract unless a resolution of the Board under sub-paragraph (c) has first been passed.

(f) Subject to a Director having complied with this clause, the Director may affix and witness the affixing of the Common Seal of the Company to any contract in which he or she is interested.

Variation or Rescission of Board Resolutions

54. Any resolution passed by the Board may be rescinded or varied by a later resolution of the Board provided that the later resolution is passed by at least 75% of the Directors on the Board present and voting at the meeting at which the later resolution is to be considered.

Quorum at Meetings of the Board

55. The quorum necessary for the transaction of the business of the Board is four.

Lack of Quorum

56. If within 15 minutes of the time appointed for the commencement of a Board meeting a quorum is not present, the meeting, if convened upon the requisition of Board members, will lapse. In any other case it will stand adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the Board may determine, and if at the adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, the meeting will lapse.

Meetings of the Board by Electronic Communication Devices

57. A Directors Meeting may be called or held using any technology consented to by all the Directors. The consent may be a standing one. A Director may only withdraw their consent within a reasonable period before the meeting.

Delegation of Non Executive Powers Under Law

58.

(a) The Board may delegate any of its powers and/or functions (not being duties imposed on the Board as the Directors of the Company by the Law) to one or more sub-committees consisting Members of the Company and representatives of Members which are corporations and other persons as the Board thinks fit. Any sub-committee so formed must conform to any Regulation that may be imposed by the Board.

(b) A sub-committee may elect a Chairman of its meetings. If no Chairman is elected, or at any meeting the Chairman is not present within 15 minutes of the time appointed for holding the meeting, the Members present may choose one of their number to be Chairman of the meeting.

(c) A sub-committee may meet and adjourn as it thinks proper. Questions arising at any meeting must be determined by a majority of votes of the Members present and, in the case of equality of votes, the question will be deemed to be decided in the negative.

Validity of Acts Carried Out By Board/Committees

59. Every act done by any meeting of the Board or of a sub-committee or by any person acting as a Director is, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Board members or of a sub-committee or of a person acting

as such a member, or that the members of the Board or of any sub-committee or any of them were disqualified, as valid as if every such person had been duly appointed and was qualified to be a Director or of the sub-committee as the case may be.

Signed Resolutions Are Valid Instruments of the Board

60. A resolution in writing signed by all Directors in Australia for the time being entitled to receive notice of a meeting of the Board is as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Directors.

COMPANY SECRETARY

Appointment and Conditions Set By Board

61. The Company Secretary shall in accordance with the Law be appointed by the Board for such term and upon such conditions as it thinks fit, and any Company Secretary may be removed by the Board. Nothing in this Constitution prevents the Board from appointing a Member of the Company as Company Secretary.

ACCOUNTS

Accounting Procedures

62.

(a) The funds of the Company must be banked in the name of the Company in such bank as the Board may from time to time direct.

(b) Proper books and accounts must be kept and maintained either in written or printed form in the English language showing correctly the financial affairs of the Company and the particulars usually shown in the books of a like nature.

(c) All moneys must be banked as soon as practicable after being received.

(d) All payments in excess of an amount from time to time determined by the Board will be paid by cheque signed by any two of the President, Senior Vice-President, Junior Vice-President, Secretary or other person authorised from time to time by the Board.

(e) Cheques must be crossed "not negotiable" except those in payment of wages, allowances or petty cash recoupments which may be open.

- (f) The Board must determine the amount of petty cash which will be kept on the imprest system.
- (g) All expenditure must be approved or ratified at a Board meeting.
- (h) As soon as practicable after the end of each financial year the Board must cause to be prepared, a statement containing particulars of:
 - (i) the income and expenditure for the financial year just ended;
 - (ii) the assets and liabilities and of all mortgages, charges and securities affecting the property of the Company at the close of that year.
- (i) All the above must be examined by the auditor who must present a report upon the audit to the Secretary prior to the holding of the Annual General Meeting next following the financial year in respect of which the audit was made.

NOTICE

Legal Requirements For Issuing Notices To The Members

63.

- (a) The Company may give any Notice of Meeting to a Member,
 - (i) personally; or
 - (ii) 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
 - (iii) by sending it to the fax number or electronic address (if any) nominated by the Member; or
 - (iv) by any other means that the Law permits.
- (b) A Notice of Meeting sent by post is taken to be given one day after it is posted. A Notice of Meeting sent by fax, or other electronic means, is taken to be given on the business day after it is sent.
- (c) A Notice of Meeting may be given to the joint holders of a share by giving the Notice to the joint holder first named in the Register of Members in respect of a share.

Notices Of General Meetings

64. Notice of every General Meeting shall be given in any manner authorised by this Constitution to -

- (a) every Member except those Members who have not supplied to the Company an address for the giving of Notices to them; and
- (b) the auditor or auditors for the time being of the Company.

No other person is entitled to receive Notices of General Meetings.

INDEMNITY

Indemnity of Officials

65.

- (a) Every Director, Auditor, Secretary and other officer of the Company must be indemnified out of the assets of the Company against any liability incurred as such officer or auditor except where the Company is prohibited from indemnifying the person under the provisions of the Law. Such indemnity may extend to a liability for costs and expenses incurred by a person in defending proceedings, whether civil or criminal, irrespective of their outcome.
- (b) The Company may pay premiums in respect of contracts insuring persons who are or have been officers or auditors of the Company against liabilities incurred by them as officers or auditors and liability for costs and expenses incurred in defending proceedings (whether criminal or civil) whatever their outcome except in circumstances where the Company is prohibited from doing so under the Law.

OTHER MATTERS

By-Laws

66. The Board may from time to time make, amend or repeal by-laws, not inconsistent with this Constitution, for the internal management of the Company and any by-law may be set aside by a General Meeting of Members.

Amendment of Constitution

67. Subject to the provisions of the Law, this Constitution may be amended, rescinded or added to from time to time by a special resolution carried at any General Meeting.

Documents

68. The Board will provide for the safe custody of books, documents, instruments of title and securities of the Company.

Australian Newsagents' Federation

69. The Company may affiliate with the Australian Newsagents' Federation and pay affiliation fees and send voting delegates to all conferences as allowed and convened by that body.

Unauthorised Communications or News

70. No Director acting in their capacity as a Director, except the President, or the Senior Vice-President in the President's absence, together with the Secretary will communicate with representatives of the media to seek publicity or approach government representatives or other authorities or in any way commit the Company on any question of policy, or in any matter whatsoever affecting or involving the interests of the Company or its Members.

Discipline of Employees

71. The conduct of any servant of the Company must not be made the subject of a personal reprimand by any Member, but any complaints against any servant must be to the Secretary, or if not then satisfied, to the Board.

Auditor

72. A properly qualified auditor or auditors must be appointed and their duties regulated in accordance with the Law.