

**Manly-Warringah Rugby League
Football Club Limited**

**CONSTITUTION – PUBLIC COMPANY LIMITED BY
GUARANTEE**



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1 NAME OF CORPORATION

The name of the company is Manly-Warringah Rugby League Football Club Limited ACN 109 425 327.

2 STATUS OF THE CONSTITUTION

2.1 Constitution of Company

This is the constitution of the Company.

2.2 Replaceable Rules

This Constitution displaces the Replaceable Rules, accordingly, none of the Replaceable Rules apply.

3 INTERPRETATION

3.1 Definitions

In this Constitution:

Auditor means the person appointed for the time being as the auditor of the Company.

Board means the Directors present at a meeting, duly convened as a Board meeting, at which a quorum is present.

Business Day means a day which is not a Saturday, Sunday or bank or public holiday in Sydney, New South Wales.

Chair means:

- (a) the Director elected in accordance with **clause 18.9** in respect of any meeting of Directors, or in accordance with **clause 23.5** in relation to a meeting of Directors; or
- (b) any person elected to chair any general meeting of the Company in accordance with **clause 14.3**.

Company means Manly-Warringah Rugby League Football Club Limited ACN 109 425 327 of 7-9 Federal Parade, Brookvale, New South Wales.

Constitution means the constitution for the time being of the Company as constituted by this document and any resolutions of the Company modifying this document.

Continuous Voting Member means:

- (a) a Member who has maintained continuous membership of the Company in a Voting Membership Category at all times throughout the current Membership Period and the preceding three Membership Periods in accordance with clauses 8 and 9; or
- (b) until 31 December 2009, a Member who was a Member of the Company as at 31 December 2007 and has maintained continuous membership of the Company in a Voting Membership Category at all times since 31 December 2007.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a person who is a director for the time being of the Company and **Directors** means more than one Director.

Eligible Voting Member means a Member who is entitled to vote in accordance with **clause 16.1**.

Encumbrance means any mortgage, pledge, lien, charge, assignment, hypothecation, security interest, title retention, preferential right or any other security agreement or arrangement and **Encumber** has a corresponding meaning.

Initial Members has the meaning given to it in **clause 5.2**.

Junior League means the Manly-Warringah District Junior Rugby Football League.

Managing Director means any person appointed for the time being as a managing director of the Company.

Manly Sea Eagles means Manly-Warringah Sea Eagles Limited ACN 003 348 436 of 7-9 Federal Parade, Brookvale, New South Wales.

Member means a person who is, or who is registered as, a member of the Company and **Members** means more than one Member.

Members Guarantee Amount means the amount payable by a Member in accordance with **clause 10**.

Membership Period has the meaning given to it in **clause 7(a)**.

Non-Voting Membership Category means a membership category that does not entitle Members of that membership category to vote.

Preference Shares means the preference share in the Manly Sea Eagles allocated to the Company in accordance with clause 4(b) of the Subscription Deed.

Proposed Action has the meaning given to it in **clause 25.3**.

Register of Members means the register of Members maintained pursuant to the Corporations Act.

Replaceable Rules means the replaceable rules applicable to a public company limited by guarantee set out in the Corporations Act.

Seal means the common seal for the time being of the Company.

Secretary means any person appointed for the time being as, or to perform the functions of, secretary of the Company.

Subscription Deed means the Manly-Warringah Sea Eagles Co-operation and Subscription Deed dated 28 April 2004 between Surfside, Manly Sea Eagles, Manly-

Warringah Rugby League Club Limited ACN 000 193 251 and the Company (as amended from time to time).

Subscription Fees has the meaning given to it in **clause 8(b)**.

Surfside means Surfside Manly Football Club Pty Limited ACN 108 856 855.

Voting Membership Category means a membership category that does entitle Members of that membership category to vote.

3.2 Interpretation

In this Constitution:

- (a) the words **including** and **include** are to be construed without limitation;
- (b) a reference to legislation is to be construed as a reference to that legislation, any subordinate legislation under it, and that legislation and subordinate legislation as amended, re-enacted or replaced for the time being;
- (c) a reference to a person includes a corporate representative appointed pursuant to section 250D of the Corporations Act;
- (d) headings are used for convenience only and are not intended to affect the interpretation of this Constitution; and
- (e) a word or expression defined in the Corporations Act and used, but not defined, in this Constitution has the same meaning given to it in the Corporations Act.

4 OBJECTS AND PURPOSE

The objects and purpose of the Company are to:

- (a) assist generally in the promotion, development, conduct and propagation of the game of rugby league in the Manly Warringah district or elsewhere;
- (b) oversee and assist the Junior League, including where necessary, to mediate and/or arbitrate disputes involving members of the Junior League or organisations affiliated with the Junior League or members thereof;
- (c) propagate the game of rugby league by acquiring and holding shares in the Manly Sea Eagles; and
- (d) do all things necessary and convenient to achieve those objects.

5 MEMBERS

5.1 Eligibility for Membership

A person is entitled to become a Member if that person:

- (a) is a natural person;
- (b) has completed an application for membership of the Company pursuant to **clause 5.3(a)**;

- (c) agrees to assume the liability to pay the Member's Guarantee Amount;
- (d) except as provided in **clause 5.3(b)**, has been approved for membership by the Board; and
- (e) has been entered into the Register of Members in accordance with **clause 12**.

5.2 Initial Members

The Company's initial Members are to be:

- (a) the members of the Manly Sea Eagles on the date the Manly Sea Eagles was converted from a public company limited by guarantee to a public company limited by shares and who complete an application for membership in accordance with **clause 5.3(a)**; and
- (b) a person who was a Life Member of the Manly Sea Eagles immediately prior to the registration of the Company is taken to be a Life Member of the Company upon the registration of the Company and completion of an application form in accordance with **clause 5.3(a)**,

(together, **Initial Members**).

5.3 Application for Membership

- (a) An application to be a Member of the Company must:
 - (i) be made in writing in such form as prescribed by the Board;
 - (ii) be lodged with the Secretary;
 - (iii) contain an undertaking to be bound, in the event of the person's admission as a Member, by the terms of this Constitution as may be in force from time to time;
 - (iv) be accompanied by the sum payable under this Constitution by a Member as the annual membership fee for the relevant category of membership.
- (b) If the applicant was a member of the Manly Sea Eagles immediately prior to the registration of the Company, the applicant becomes a Member of the Company, without the need for approval by the Board, when the Secretary enters the applicant's name in the Register of Members.
- (c) Except as provided in **clause 5.3(b)**, the Secretary must, as soon as practicable after receiving an application for membership under **clause 5.3(a)** and in any event not more than 5 Business Days after receipt of an application, refer the application to the Board.
- (d) The Board must determine whether to approve or reject the application within 14 Business Days after receipt of the application.
- (e) If the Board determines to approve an application for membership, the Secretary must, as soon as practicable after that determination and in any event not more than 5 Business Days after that determination:

- (i) notify the applicant of that approval; and
 - (ii) enter the applicant's name in the Register of Members.
- (f) If the Board determines to reject an application for membership, the Company Secretary must, as soon as practicable after that determination and in any event not more than 5 Business Days after that determination:
- (i) notify the applicant of that rejection; and
 - (ii) refund any monies paid by the applicant in respect of their application, but is not required to supply reasons for the Board's determination.

5.4 Rights of members are non-transferable

The rights and obligations of a Member:

- (a) are personal and are not transferable; and
- (b) terminate on cessation of the person's membership.

6 LIFE MEMBERS

6.1 Nomination

Nominations for election to life membership must:

- (a) be made in writing;
- (b) bear the signatures of the proposer and seconder, both of whom must be Eligible Voting Members;
- (c) be accompanied by the written consent of the nominee (which may be endorsed on the form of the nomination);
- (d) include a statement by the proposer as to the nominee's qualifications for election; and
- (e) be delivered to the Secretary by the 31st day of October in each year.

6.2 Consideration

- (a) The following persons shall be eligible to become Life Members of the Company:
 - (i) a Member who has completed 10 consecutive years as a player for the Manly Sea Eagles in the full time NRL squad (or equivalent);
 - (ii) a Member who has played 200 or more first grade games for the Manly Sea Eagles;
 - (iii) a Member who has served on the Board of the Company for 12 consecutive years; or

- (iv) a Member whom a 75% majority of the Board consider should, having regard to his or her exceptional service to the Company or the Manly Sea Eagles in any capacity, be eligible for election as a Life Member,
- (b) (i) Each Member nominated in accordance with **clause 6.1** that is eligible to become a Life Member in accordance with **clause 6.2(a)** must be approved by the Board for further consideration; and
 - (ii) if there are no more than two nominees approved by the Board for further consideration in accordance with **clause 6.2(b)(i)** then those nominees must be submitted for election by special resolution of the Members at the next annual general meeting of the Company.
- (c) If more than two nominees are approved by the Board for further consideration in accordance with **clause 6.2(b)(i)**, the Board may conduct a ballot to determine which two nominees only may be submitted for election by special resolution at the next annual general meeting of the Company.

6.3 Election

At an annual general meeting, a nominee for election to Life Membership of the Company is not entitled to be present whilst the meeting is considering the special resolution for their election.

6.4 Rights of Life Members

A Life Member:

- (a) is entitled to and retains all the rights and privileges of membership of the Company, including the right to vote for life;
- (b) is entitled to election to the Board with full voting power; and
- (c) is exempt from payment of the Subscription Fees.

7 MEMBERSHIP PERIOD

- (a) The membership period of the Company in each year commences on the 1st day of January in each year and ends on the 31st day of December in that year, except as provided in **clause 7(b) (Membership Period)**.
- (b) Prior to the end of the Membership Period in any year, the Board may, in its absolute discretion extend the current Membership Period until such date, being no later than the 30th day of June in the next year.

8 FEES AND SUBSCRIPTIONS

- (a) Membership of the Company is to be divided into such categories as may be determined by the Board.
- (b) The Board is to determine the annual membership fee payable, if any, in respect of each membership category (**Subscription Fees**) and the appropriate time for payment.

- (c) The annual membership fee for Life Members is nil.
- (d) Members must pay the Subscription Fees, as determined under **clause 8(b)**, appropriate for the Member's category of membership.
- (e) Each membership category, as determined by the Board under **clause 8(a)**, shall be a Non-Voting Membership Category unless the membership category has been designated as a Voting Membership Category by resolution of the Board or in accordance with this Constitution.
- (f) Notwithstanding any other clauses of this Constitution, the membership category of Life Membership shall always be a Voting Membership Category.

9 CONTINUITY OF MEMBERSHIP

- (a) A Member who pays their Subscription Fees for the relevant category of membership for the Membership Period in accordance with **clause 8**, by the 30th day of April each year or such other later date as determined by the Board is taken to have maintained continuous membership of the Company since the end of the previous Membership Period.
- (b) If a Member does not pay the Subscription Fees, then they are to be taken to have resigned, in accordance with **clause 11.2(c)**.

10 MEMBERS' LIABILITY

The liability of a Member to contribute towards the payment of debts and liabilities of the Company or the costs, charges and expenses of the winding up of the Company is limited to \$100 for each Member.

11 CESSATION OF MEMBERSHIP

11.1 Cessation of Membership of a natural person

A person ceases to be a Member:

- (a) if the person resigns as a Member in accordance with this Constitution;
- (b) if the person ceases to satisfy the eligibility requirements for membership under this Constitution;
- (c) if the person is expelled as a Member in accordance with this Constitution;
- (d) if the person dies;
- (e) if the person is subject to assessment or treatment under any mental health law and the Board resolves that the person should cease to be a Member;
- (f) if the person's whereabouts are unknown for more than 12 months and the Board resolves that the person should cease to be a Member; or
- (g) if the person becomes a bankrupt.

11.2 Resignation of Member

- (a) A Member must resign from the Company by giving the Board at least 30 days' notice and in accordance with this **clause 11.2**.
- (b) A Member who has paid the Subscription Fee in respect of the Member's membership may resign from membership of the Company by first giving to the Secretary written notice of at least one month (or such other period as the Board may determine) of the Member's intention to resign, and, on the expiration of the period of notice, the Member ceases to be a member.
- (c) A Member from the previous year, who has not, by April 30th of the then current year or such other later date as determined by the Board, paid the Subscription Fee payable in respect of the then current year under **clause 8(d)**, is taken to have resigned their membership on December 31st of the previous year, notwithstanding the fact that the Member may not have given written notice to the Company of their intention to resign their membership.

11.3 Effect of cessation/resignation

If a Member ceases to be a Member under **clauses 11.1** or **11.2** and in every other case where a Member ceases to hold membership, the Secretary must make an appropriate entry in the Register of Members recording the date on which the Member ceases to be a Member.

11.4 Expulsion of Member

If the Board resolves that it is not in the best interests of the Company for a person to remain as a Member, that person is automatically expelled as a Member.

12 REGISTER OF MEMBERS

The Secretary must maintain a Register of Members setting out:

- (a) the name and address of each Member; and
- (b) the date on which each person became a Member; and
- (c) in respect of each person who has ceased to be a Member, the date on which that person ceased to be a Member.

13 GENERAL MEETINGS

13.1 Annual general meetings

- (a) The Company must hold its first annual general meeting within 6 months after its incorporation.
- (b) Subject to **clause 13.1(a)**, and the Corporations Act, the Company must, at least once in each calendar year and within five months after the expiration of each financial year of the Company, convene an annual general meeting of its members.
- (c) Subject to **clause 13.1(b)**, the annual general meeting of the Company is to be convened on such date and at such place and time as the Board thinks fit.

- (d) In addition to any other business which may be transacted at an annual general meeting, the business of an annual general meeting may include the following, even if not referred to in the notice of meeting:
- (i) the consideration of the annual financial report, directors' report and auditor's report;
 - (ii) the election of Directors;
 - (iii) the appointment of the auditor;
 - (iv) the fixing of the auditor's remuneration.
- (e) An annual general meeting must be specified as such in the notice convening it.

13.2 Board convening a general meeting

The Board or a Director may, whenever it thinks fit, convene a general meeting of the Company.

13.3 Meetings requested by Members

- (a) If the Board receives a request from Members with at least five percent of the votes that may be cast at any general meeting or at least 100 Members who are entitled to vote at that general meeting, the Board must convene a general meeting within 21 days after the date of receipt of that request.
- (b) The request must detail any proposed resolution, the names of the Members requesting the meeting and be signed by all of the Members making the request. For this purpose, signatures of the Members may be contained in more than one document.
- (c) A general meeting requested by the Members must be held no later than two calendar months after the request is received.

13.4 Notice of general meeting

Subject to the provisions of the Corporations Act relating to agreements for shorter notice, at least 21 days' notice of a general meeting must be given to the Members, Directors and Auditor. The notice must:

- (a) state the date, time and place (or places) of the meeting;
- (b) state the general nature of the business to be conducted at the meeting;
- (c) state any proposed resolutions;
- (d) state the names of proxies that have been appointed (if any); and
- (e) contain a statement informing the Members of the right to appoint a proxy.

13.5 Postponement and cancellation of general meeting

- (a) Subject to this Constitution and the Corporations Act, the Board may change the place (or places) of, postpone or cancel a general meeting.

- (b) If a general meeting is convened pursuant to a request by Members, the Directors may not postpone or cancel the general meeting without the consent of the requesting Members.

13.6 Notice of change, postponement or cancellation of meeting

- (a) If the Board changes the place (or places) of a general meeting, notice must be given to each Member and each person entitled to receive notice of the meeting of the new place (or places) of the meeting.
- (b) If the Board postpones a general meeting, notice must be given to each Member and each other person entitled to receive notice of the new date, time and place (or places) of the meeting.
- (c) If the Board cancels a general meeting, notice must be given to each Member and each other person entitled to receive notice of general meetings.

13.7 Omission to give notice relating to general meeting

No resolution passed at or proceedings at any general meeting will be invalid because of any unintentional omission or error in giving or failure to give notice of:

- (a) that general meeting;
- (b) any change of place (or places) of that general meeting;
- (c) postponement of that general meeting; or
- (d) resumption of that adjourned general meeting.

13.8 Form of notice of general meeting

Notice of a general meeting may be given by posting a notice, which satisfies the requirements of **clause 13.4** of this Constitution, on the website of the Company or the website of the Manly Sea Eagles.

14 PROCEEDINGS AT GENERAL MEETINGS

14.1 Quorum

- (a) A quorum at a general meeting is 35 or more Members present in person or by proxy. The quorum must be present at all times during the general meeting.
- (b) If a Member has appointed more than one proxy and two or more proxies attend a general meeting, only one proxy will be counted for the purposes of determining whether there is a quorum.

14.2 Lack of quorum

- (a) If a quorum is not present within 30 minutes after the time appointed for a general meeting or any longer period of time as the Chair may allow, the general meeting:
 - (i) if convened on the request of Members, is dissolved; or
 - (ii) in any other case:

- (A) is adjourned to be resumed on a day, time and place (or places) as the Chair determines or if the Chair is not present as the Directors at the meeting may determine; or
- (B) if the Directors do not so determine, no Director is present or no Director present determines:
 - (1) the date for the resumption of the adjourned general meeting will be on the same day in the next week;
 - (2) the time for the resumption of the adjourned general meeting will be at the same time as the adjourned meeting; and
 - (3) the place (or places) for the resumption of the adjourned general meeting, will be at the same place (or places) as the adjourned meeting.
- (b) If a quorum is not present within 30 minutes after the time appointed for the resumption of the adjourned general meeting or ceases to be present during the meeting, the general meeting is dissolved.

14.3 Chairing general meetings

- (a) The Chair of Directors is to chair each general meeting of the Company.
- (b) If the Chair of Directors is absent or unwilling to act, the Members present must elect to preside as chairperson at the meeting:
 - (i) another Director who is present and willing to act; or
 - (ii) if no Director is present and willing to act, a Member who is present and willing to act.

14.4 Conduct of general meetings

The Chair of each general meeting has charge of conduct of that meeting, including the procedures to be adopted and the application of those procedures at that meeting.

14.5 Adjournment

- (a) The Chair of a general meeting at which a quorum is present may, with the consent of the Members present in person or by proxy adjourn the general meeting.
- (b) If a majority of Members present at a general meeting in person or by proxy determine that the meeting should be adjourned, the Chair must adjourn the meeting to a date, time and place (or places) determined by the Members.
- (d) No business may be transacted on the resumption of the adjourned general meeting other than the business left unfinished at the adjourned general meeting.
- (e) When a general meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.

15 PROXY

15.1 Appointment of proxy

- (a) A Member who is entitled to attend and to vote at a general meeting of the Company may appoint a person as proxy to attend, speak and vote for that Member. The instrument appointing a proxy may restrict the exercise of any power.
- (b) A proxy may be, but does not have to be, a Member.
- (c) A proxy is not entitled to vote on a show of hands.

15.2 Revocation of proxy

The appointment of a proxy may be revoked by the Member who appointed the proxy by notice to the Company from the Member or, as the case may be, the duly authorised attorney of the Member, stating that the appointment of a proxy is revoked or by appointing a new proxy.

15.3 Validity of votes of proxy

A vote cast by a proxy will be valid unless before the start of a general meeting (or, in the case of an adjourned general meeting, before the resumption of the adjourned general meeting) at which a proxy votes:

- (a) the Member who appointed the proxy ceases to be a Member; or
- (b) the Company receives notice of:
 - (i) the revocation of the instrument appointing the proxy;
 - (ii) the appointment of a new proxy; or
 - (iii) the revocation of any power of attorney under which the proxy was appointed.

15.4 No liability

The Company is not responsible for ensuring that any directions provided in the instrument appointing the proxy or the way in which a proxy is to vote on a particular resolution are complied with, and accordingly is not liable if those directions are not complied with.

16 VOTING

16.1 Entitlement to vote

- (a) A Member is eligible to vote if the Member:
 - (i) is a Continuous Voting Member; or
 - (ii) is a Life Member pursuant to **clauses 5.2(b) or 6**; and
 has attained the age of 18 years and has paid the Subscription Fees payable by the Member in respect of the Member's membership.

- (b) Each Member entitled to vote at a general meeting may vote in person or by proxy. Each Member has one vote, whether on a show of hands, or on a poll.

16.2 Proxy vote to be identified

Before a vote is taken the Chair must inform the Members present whether any proxy votes have been received and, if so, how the proxy votes are to be cast.

16.3 Voting on resolution

At any general meeting, a resolution put to a vote must be decided by a show of hands unless a poll is demanded in accordance with this Constitution.

16.4 Objection to right to vote

- (a) A challenge to a right to vote at a general meeting:
- (i) may only be made at that general meeting; and
 - (ii) must be determined by the Chair.
- (b) A decision made by the Chair in relation to a challenge to a right to vote is final.

16.5 Minutes

Unless a poll is demanded in accordance with this Constitution, a declaration by the Chair that a resolution has, on a show of hands, been:

- (a) carried;
- (b) carried unanimously;
- (c) carried by a particular majority; or
- (d) lost or not carried by a particular majority,

is conclusive evidence of the fact declared. An entry to that effect made in the minutes book of the Company signed by the Chair is evidence of that fact unless the contrary is proved.

16.6 Casting vote

If on any resolution an equal number of votes is cast for and against a resolution, the Chair has a casting vote in addition to any vote cast by the Chair as a Member.

16.7 When a poll is required

A poll must be taken in respect of a resolution referred to in clause **25.1(c)**.

17 POLL

At a general meeting, a poll may be demanded on any resolution:

- (a) by the Chair of the general meeting; or
- (b) by at least 5 Members entitled to vote on the resolution,

and the demand for the poll may be withdrawn.

18 APPOINTMENT AND REMOVAL OF DIRECTORS

18.1 Constitution and Membership of the Board

- (a) The Board is to consist of:
 - (i) six ordinary Directors, each of whom is to be elected in accordance with **clause 18.2**; and
 - (ii) the Secretary, *ex officio*.
- (b) Each Director, other than Secretary, will hold office until the conclusion of the second annual general meeting following the date of the Member's election, but such Director will be eligible for re-election as a Director at that annual general meeting.
- (c) All Directors, other than the Secretary, must be Eligible Voting Members of the Company.

18.2 Election of Directors

- (a) Only Eligible Voting Members of the Company are qualified to be nominated, elected and hold office as a Director of the Company.
- (b) Nominations of candidates for election as Directors of the Company:
 - (i) must be made in writing, signed by 2 Eligible Voting Members of the Company and accompanied by the written consent of the candidate (which may be endorsed on the form of the nomination); and
 - (ii) must be delivered to the Secretary by 31 October each year that an election is to be held at the annual general meeting.
- (c) If insufficient nominations are received to fill all vacancies on the Board, the candidates nominated are taken to be elected and further nominations are to be received at the annual general meeting.
- (d) If insufficient further nominations are received, any vacant positions remaining on the Board are to be taken as casual vacancies.
- (e) If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated are taken to be elected.
- (f) If the number of nominations received exceeds the number of vacancies to be filled, a ballot is to be held.
- (g) The election of Directors must be conducted at the annual general meeting in such manner as the Board may direct.

18.3 Confirmation of appointment

- (a) An appointment of a person as a Director is not effective unless a signed consent to the appointment is provided by that person to the Company. The appointment

of a person as a Director will take effect on the later of the date of appointment and the date on which the Company receives the signed consent.

- (b) If a person is appointed as a Director by the Board the person ceases to be a Director at the conclusion of the next annual general meeting at which an Election of Directors is held following the date of the appointment.

18.4 Casual Vacancies

The Board may by resolution at a Board meeting appoint an Eligible Voting Member of the Company as a Director, as an additional Director or to fill the office of a Director vacated when a Director ceases to be a Director.

18.5 Removal of Director

- (a) The Company may remove a Director by resolution at a general meeting.
- (b) At least two months' notice must be given to the Company of the intention to move a resolution to remove a Director at a general meeting.
- (c) If notice of intention to move a resolution to remove a Director at a general meeting is received by the Company, that Director must be given a copy of the notice as soon as practicable.
- (d) The Director must be informed that the Director:
 - (i) may submit a written statement to the Company for circulation to the Members before the meeting at which the resolution is put to a vote; and
 - (ii) may speak to the motion to remove him/her as a Director at the general meeting at which the resolution is to be put to vote.
- (e) At least 21 days' notice must be given to the Members of a general meeting at which the resolution for the removal of a Director is proposed. The notice must set out the proposed resolution and the grounds for the proposed resolution.

18.6 Cessation of Directorship

A person ceases to be a Director and the office of Director is vacated if the person:

- (a) is removed from office as a Director by a resolution of the Company at a general meeting;
- (b) resigns as a Director in accordance with this Constitution;
- (c) is subject to assessment or treatment under any mental health law and the Board resolves that the person should cease to be a Director;
- (d) dies;
- (e) is disqualified from acting as a Director under the Corporations Act; or
- (f) is absent from 3 successive Board meetings without leave of absence from the Board and the Board does not resolve that the Director should not cease to be a Director.

18.7 Resignation of Directors

A Director may resign from the office of Director by giving notice of resignation to the Company at its registered office.

18.8 Secretary

The Board may appoint such person as it thinks fit as Secretary to administer the Company on such terms and remuneration as the Board may determine.

18.9 Chair

The Directors and the Secretary may from time to time elect from amongst their Members a Chair of the Board.

19 POWERS AND DUTIES OF BOARD

- (a) Subject to this Constitution and the Corporations Act, the activities of the Company are to be managed by, or under the direction of, the Board.
- (b) Subject to this Constitution and the Corporations Act, the Board may exercise all powers of the Company that are not required to be exercised by the Company in a general meeting.

20 NEGOTIABLE INSTRUMENTS

All negotiable instruments and all receipts for money paid to the Company must be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Board may determine.

21 MANAGING DIRECTOR

- (a) The Board may appoint one or more of the Directors to the office of Managing Director for such period, and on such terms (including as to remuneration), as the Board determines.
- (b) The Board may confer on a Managing Director any of the powers that the Board may exercise.
- (c) The Board may vary or revoke a conferral of any power on the Managing Director.
- (d) A person ceases to be a Managing Director if they cease to be a Director.

22 REMUNERATION AND REIMBURSEMENT FOR EXPENSES**22.1 Remuneration of Director**

- (a) The Directors may be paid such remuneration as is from time to time determined by the Company in general meeting.
- (b) The remuneration is deemed to accrue from day to day.
- (c) If any Director is called upon to perform extra services or to make any special exertion for the Company, the Company may, subject to the Corporations Act,

pay additional remuneration or provide benefits to that Director as the Directors determine.

22.2 Reimbursement of expenses

Directors are entitled to be reimbursed by the Company for reasonable costs and expenses incurred or to be incurred in connection with attendance at meetings of the Board and committees of the Board.

23 BOARD MEETINGS

23.1 Convening meetings

- (a) In the ordinary course, the Secretary will convene Board meetings in accordance with the determinations of the Board.
- (b) A Director may at any time convene a Board meeting by notice to the other Directors.

23.2 Notice of meetings

- (a) Reasonable notice of each Board meeting must be given to the Directors.
- (b) Each notice must state:
 - (i) the date, time and place (or places) of the Board meeting;
 - (ii) the general nature of the business to be conducted at the meeting; and
 - (iii) any proposed resolutions.

23.3 Omission to give notice

No resolution passed at or proceedings at any Board meeting will be invalid because of any unintentional omission or error in giving or failure to give notice of:

- (a) that Board meeting;
- (b) any change of place (or places) of that Board meeting;
- (c) postponement of that Board meeting; or
- (d) resumption of that adjourned Board meeting.

23.4 Quorum at meetings

- (a) A quorum at a Board meeting is at least four of the Directors present in person (including the Secretary).
- (b) The quorum must be present at all times during the Board meeting.
- (c) No business is to be transacted by the Board unless a quorum is present and if, within half an hour of the time appointed for the meeting, a quorum is not present, the meeting is to be dissolved.

- (d) If the number of Directors in office at any time is not sufficient to constitute a quorum at a Board meeting then the remaining Director or Directors may act :
- (i) to increase the number of Directors to a number sufficient to constitute a quorum and to satisfy the minimum number of Directors required under this Constitution; or
 - (ii) to convene a general meeting of the Company for that purpose.

23.5 Chair of meetings

- (a) At a meeting of the Board the Chair is to preside.
- (b) If the Chair is not present within 15 minutes after the time appointed for a Board meeting or if the Chair is unwilling or unable to act as Chair for the whole or any part of that Board meeting, the Directors present may elect a Director present to Chair that Board meeting.

23.6 Passing resolutions at meetings

- (a) A resolution of the Board or sub-committee must be passed by a majority of the votes cast by the Directors entitled to vote on the resolution.
- (b) Each Director present in person is entitled to vote and has one vote.

23.7 Casting vote

If on any resolution an equal number of votes is cast for and against a resolution, the Chair has a casting vote in addition to any vote cast by the Chair as a Director.

23.8 Conduct of meetings

The Chair of each Board meeting has charge of conduct of that meeting, of the procedures to be adopted and the application of those procedures at that meeting.

23.9 Written resolutions

The Board may pass a resolution without a Board 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. For this purpose, signatures can be contained in more than one document.

23.10 Minutes of meetings

- (a) The minute books must be kept at the registered office.
- (b) The Directors may inspect the minute books at no charge between the hours of 9:00 am and 5:00 pm on any Business Day.

23.11 Delegation by Board to Sub-committee

- (a) The Board may, by instrument in writing, delegate to one or more sub-committees (consisting of such member or members of the Company as the Board thinks fit) the exercise of such of the functions of the Board as are specified in the instrument, other than :

- (i) this power of delegation; and
 - (ii) a function which is a duty imposed on the Board by the Corporations Act or any other law.
- (b) A function the exercise of which has been delegated to a sub-committee under this **clause 23.11** may, while the delegation remains unrevoked, be exercised from time to time by the sub-committee in accordance with the terms of the delegation.
- (c) A delegation under this **clause 23.11** may be made subject to such conditions or limitations as to the exercise of any function, or as to time or circumstances, as may be specified in the instrument of delegation.
- (d) Despite any delegation under this **clause 23.11**, the Board may continue to exercise any function.
- (e) Any act or thing done or suffered by a sub-committee acting in exercise of a delegation under this **clause 23.11** has the same force and effect as it would have if it had been done or suffered by the Board.
- (f) The Board may, by instrument in writing, revoke wholly or in part any delegation under this **clause 23.11**.
- (g) The provisions of this Constitution relating to meetings (including resolutions and minutes) and proceedings of the Board with any necessary modifications apply to the meeting of any committee of the Board except that a quorum for a meeting of any committee is from time to time to be determined by the Board.

24 DIRECTOR'S INTERESTS

A Director who has a material personal interest in a matter that is being considered at a Board meeting:

- (a) must not vote on the matter at a meeting; and
- (b) must not be present while the matter is being considered at the meeting, and accordingly will not be counted for the purposes of determining whether there is a quorum.

25 MANLY SEA EAGLES

25.1 Shares in Manly Sea Eagles

- (a) On receipt of any funds, the Company must first apply those funds to meet its ongoing administrative expenses and responsibilities, and then as soon as practicable apply any remaining funds towards the purchase of ordinary shares in Manly Sea Eagles in the following manner:
 - (i) if the issued share capital of Manly Sea Eagles is less than 10,000,000 ordinary shares, or in the circumstances contemplated by subparagraph (ii) where Surfside does not wish to sell any of its ordinary shares, the Company must subscribe for further ordinary shares at the price determined by the board of directors of Manly Sea Eagles;

- (ii) if the issued share capital of Manly Sea Eagles is more than 10,000,000 ordinary shares, the Company must, while Surfside holds more than 15% of the issued ordinary share capital of Manly Sea Eagles, purchase ordinary shares from Surfside, if Surfside wishes to sell such ordinary shares, for the higher of the market value of the ordinary shares being acquired as determined by an independent valuer appointed by the board of directors of Manly Sea Eagles and \$1.00 per ordinary share; and
 - (iii) if the issued share capital of Manly Sea Eagles is more than 10,000,000 ordinary shares, and Surfside holds less than 15% of the issued ordinary share capital, the Company must subscribe for further ordinary shares at the price determined by the board of directors of Manly Sea Eagles.
- (b) The Company must not Encumber and, except pursuant to a share buy back undertaken by Manly Sea Eagles in accordance with the Corporations Act, the Company must not sell, the legal and/or beneficial interest that it holds in any shares of the Manly Sea Eagles.
 - (c) **Clauses 25.1(a) and (b)** can only be altered with the unanimous consent of all Members.

25.2 Appointment of Directors to the Manly Sea Eagles

- (a) The Board may appoint two persons with appropriate business qualifications, skills and experience to represent the Company as Directors of the Manly Sea Eagles.
- (b) A person appointed under **clause 25.2(a)** may or may not be a Director of the Company.
- (c) The Board may revoke the appointment of a person under **clause 25.2(a)** at any time and may appoint another person in their place.

25.3 Preference Share consent

If the Manly Sea Eagles seeks the consent of the Company, in its capacity as the holder of the Preference Share, to undertake any action (**Proposed Action**) then if a majority of the Board approves of the Proposed Action then the Board must:

- (a) call a general meeting of the Company in accordance with **clause 13.2**; and
- (b) put the Proposed Action to the Members for approval at that general meeting by way of special resolution.
- (c) the consent of the Company, in its capacity as holder of the Preference Share, to a Proposed Action, cannot be given by the Company or the Board unless the Proposed Action has been approved by the Members in accordance with **clause 25.3(b)**.

26 REMOVAL AND REMUNERATION OF AUDITOR

26.1 Remuneration of Auditor

The remuneration of the Auditor may be determined by the Company at a general meeting. If the remuneration is not determined at a general meeting, it may be determined by the Directors at a Board meeting.

27 SEAL

- (a) If the Company has a Seal the Directors must provide for the safe custody of the Seal (and any duplicate of it).
- (b) The Seal (and any duplicate of it) must not be used without the prior authority of the Board, and when used, the Seal must be used in accordance with any direction of the Board.
- (c) If a document is to be executed by the use of the Seal, the fixing of the Seal must be witnessed by two Directors or a Director and also the Secretary or any other person authorised by the Board.
- (d) The Company may execute a document without using a Seal if the document is signed by two Directors or a Director and also the Secretary or any other person authorised by the Board.

28 FINANCIAL RECORDS

28.1 Member's access to financial records

- (a) The Board may determine whether and, if so, the extent to which and at what times and which place and under what conditions any financial record or other records of the Company may be inspected by Members.
- (b) Subject to **clause 28.1(a)**, books containing the minutes of proceedings of meetings of the Company's Members will be open for inspection by any Member without charge upon 3 Business Days written notice given to the Company.
- (c) Subject to **clause 28.1(a)**, the Register of Members must be open for inspection by any Member without charge upon 3 Business Days written notice given to the Company.

28.2 Access to financial records after ceasing to be a Director

The Board may determine that any person who is to cease or has ceased to be a Director may continue to have access to and inspect any financial and any other record of the Company relating to the time during which the person was a Director.

29 NOTICES

29.1 General

Any notice, statement or other communication under this Constitution must be in writing, except that any notice convening a Board meeting does not need to be in writing.

29.2 How to give a communication

In addition to any other way allowed by the Corporations Act, a notice or other communication may be given by being:

- (a) personally delivered;
- (b) left at the person's current address as recorded in the Register of Members;
- (c) sent to the person's address as recorded in the Register of Members by pre-paid ordinary mail or, if the address is outside Australia, by pre-paid airmail;
- (d) sent by fax to the person's current fax number for notices; or
- (e) sent by email to the person's current email address for notices.

29.3 Communications by post

A communication is given if posted:

- (a) within Australia to an Australian address, three Business Days after posting;
- (b) in any other case, ten Business Days after posting.

29.4 Communications by fax

A communication is given if sent by fax, when the sender's fax machine produces a report that the fax was sent in full to the addressee. That report is conclusive evidence that the addressee received the fax in full at the time indicated on that report.

29.5 Communications by email

A communication is given if sent by email, when the information system from which the email was sent produces a confirmation of delivery report which indicates that the email has entered the information system of the recipient, unless the sender receives a delivery failure notification, indicating that the email has not been delivered to the information system of the recipient.

29.6 After hours communications

If a communication is given:

- (a) after 5:00 pm in the place of receipt; or
- (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9:00 am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

30 INDEMNITY AND INSURANCE

30.1 Indemnity

- (a) To the extent permitted by the Corporations Act and subject to the Corporations Act, the Company must indemnify any officer, Director or Secretary or any person who has been an officer, Director or Secretary of the Company out of the assets of the Company against any liability, loss, damage, cost, or expenses incurred or to be incurred by the officer, each Director or Secretary in or arising out of the conduct of any activity of the Company or in or arising out of the proper performance of the officer's, Director's or Secretary's duties including any liability, loss, damage, cost, charge and expense incurred by that officer, Director or Secretary in defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted to be done by the officer, Director or Secretary, in which judgment is given in the officer's, Director's or Secretary's favour or in which the officer, Director or Secretary is acquitted or in connection with any application in relation to any such proceedings in which relief is granted by the court to the officer, Director or Secretary.
- (b) This indemnity is not intended to indemnify any officer, Director or Secretary in respect of any liability in respect of which the Company must not give an indemnity, and should be construed and, if necessary, read down accordingly.

30.2 Documenting indemnity

The Company may enter into an agreement containing an indemnity in favour of any officer, Director or Secretary. The Board will determine the terms of the indemnity contained in the agreement.

30.3 Insurance

- (a) To the extent permitted by the Corporations Act and subject to the Corporations Act, the Company may pay any premium in respect of a contract of insurance between an insurer and an officer, Director or Secretary in respect of the liability suffered or incurred in or arising out of the conduct of any activity of the Company and the proper performance by the officer, Director or Secretary of any duty.
- (b) If the Board determines, the Company may execute a document containing provisions under which the Company agrees to pay any premium in relation to such a contract of insurance.

31 ALTERATION OF CONSTITUTION

Subject to **clause 25.1(c)**, this Constitution may be altered, rescinded or added to only by a special resolution of the Company.

32 FINANCIAL YEAR

The financial year of the Company commences on the 1st day of November in each year and ends on the 31st day of October in the following year.

33 NON-PROFIT CLAUSE

The assets and income of the Company must be applied solely in furtherance of its above mentioned objects and no portion must be distributed directly or indirectly to the Members of the Company except as bona fide compensation for services rendered or expenses incurred on behalf of the Company.

34 WINDING UP

If the Company is wound up any property that remains (after satisfaction of all debts and liabilities of the Company, the payment of the costs, charges and expenses of winding up and any adjustment of the rights of the contributories among Members) must be distributed to an entity chosen by the Members with objects similar to the objects of the Company and must not be distributed amongst the Members.