



# Constitution of Bank of Queensland Limited

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**CORPORATIONS LAW**

Company Limited by Shares

**MEMORANDUM OF ASSOCIATION**

of

**BANK OF QUEENSLAND LIMITED**

1. The name of the company is "BANK OF QUEENSLAND LIMITED"
2. The registered office of the company will be in Brisbane or at such other place in the State of Queensland as the directors so determine.
3. The liability of the members is limited.
4. The capital of the company is \$200,000,000 divided into 200,000,000 shares of \$1 each.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set opposite our respective names:-

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NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
JAMES R DICKSON, Auctioneer, Brisbane	1,050
HIRAM WAKEFIELD, Metal Merchant, Brisbane	500
GEORGE HALL, Gentleman, Sandgate	800
JAMES SWAN, Gentleman, Brisbane	4,725
A.J. HOCKINGS, Gentleman, Brisbane	525
GEORGE PRENTICE, Junr., Importer, Brisbane	600
A.R. BRYAM, Gentleman, Brisbane	600

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Dated this first day of September, 1887.

Witness to the above signatures -

B.R. BALE  
Accountant, Brisbane

Registered this second day of September 1887. No. 196.

Book 4.

Willm. BELL

(L.S.)

Registrar of Joint Stock Companies

**ARTICLES OF ASSOCIATION OF  
BANK OF QUEENSLAND LIMITED  
ACN 009 656 740**

**1. INTERPRETATION**

**1.1. Definitions**

In these articles -

"**articles**" means these Articles of Association

"**ASX**" means Australian Stock Exchange Limited

"**the Company**" means Bank of Queensland Limited ACN 009 656 740

"**Listing Rules**" means the official Listing Rules of ASX as they apply to the Company, the SCH business rules as they apply to the Company and any other rules which apply to the Company while admitted to the official list of ASX, each as amended or replaced from time to time.

**1.2. Corporations Law**

These articles are to be construed with reference to the Corporations Law. A word defined in the Corporations Law has the same meaning in these articles.

**1.3. Exclusion of Table A**

The regulations contained in Table A of Schedule 1 to the Corporations Law do not apply and these articles are the articles of the Company.

**2. LISTING RULES**

**2.1. Compliance**

- (a) The Company must comply with the Listing Rules.
- (b) The Company is not permitted or authorised by these articles to breach, contravene or fail to comply with the Listing Rules.
- (c) If any provision of the articles is or becomes inconsistent with the Listing Rules the Company will comply with the Listing Rules and, if necessary, present proposed modifications to the articles to the next annual general meeting.

## 2.2. **Rules requiring an article**

Where the Listing Rules require that the Company's articles contain a certain provision as a condition of the Company being considered for or maintaining admission to the official list of ASX, these articles are deemed to contain that provision.

## 3. **POWERS AND AUTHORITIES**

### 3.1. **Authorisations**

Where the Corporations Law provides that a company or its officers may do a thing, or decline to do a thing, if authorised or otherwise permitted by its articles, that authority and permission is given.

### 3.2. **Share buy back**

deleted (pursuant to special resolution of members passed at annual general meeting on 4 December 1997)

### 3.3. **Powers of directors**

The management and control of the business and affairs of the Company are vested in the directors who may do all things the Company may lawfully do except where the law requires a thing to be done by the Company in general meeting.

### 3.4. **Powers of meeting of directors**

A meeting of the directors at which a quorum is present is competent to exercise all powers under article 3.3.

### 3.5. **Conduct of directors**

The directors will comply with any rules of conduct or procedure prescribed by ASX for officers of entities admitted to the official list of ASX and will provide such information or make such disclosures to the Company as it requires to be able to comply with the Corporations Law and Listing Rules.

### 3.6. **Directors may convene general meeting**

The directors may at any time resolve to convene a general meeting of the Company.

### 3.7 **Employee Share Plan**

As part of an employee share plan approved by members in general meeting in accordance with the requirements of the Listing Rules and the *Corporations Law*, the directors may resolve that ordinary shares in the Company be issued to employees of the Company as fully paid shares in such manner as the directors shall determine.

### 3.8 **Preference Shares**

The Company may exercise its powers to issue shares with:

- (a) any preferential, deferred or special rights, privileges or conditions; or
- (b) any restrictions in regard to dividends, voting, return of capital or otherwise, including, without limitation, preference shares with the rights set out in Schedule 1.

## 4. **GENERAL MEETINGS**

### 4.1. **Meeting procedure**

The procedures to be adopted at general meetings are as determined by the directors by resolution from time to time. If no resolution is made, the chairman of the meeting will determine procedures. A directors' resolution or a chairman's determination may include, but is not limited to, procedures for -

- (a) the appointment of the chairman of the meeting
- (b) adjournment of meetings and notice of adjourned meetings
- (c) postponement or cancellation of meetings
- (d) the conduct of elections and polls
- (e) the form of proxy
- (f) the right of a proxy to vote on a show of hands, or where a member and the proxy both attend
- (g) the time for deposit or receipt of instruments of appointment of proxies, representatives or attorneys.

The directors must ensure that any notice of a meeting contains a statement that a copy of any resolution made under this article is available to members free of charge upon request.

### 4.2. **Quorum**

A quorum for any general meeting of the Company is five members present in person or by proxy, representative or attorney.

### 4.3. **Absence of quorum**

If within 30 minutes from the time appointed for the commencement of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, must be dissolved. In any other case, the meeting is to be postponed to the same day in the next week at the same time and place or to another day and at another time and place as the directors determine. If at the postponed meeting a quorum is not present within 30 minutes from the time appointed for the commencement of the meeting, the meeting will proceed with whatever number of

members may be present, and those members present will constitute a quorum.

#### 4.4. **Joint members**

Where persons are registered as joint holders of a share, any one of them but only one of them may vote at any meeting, and if there is a dispute among them the member whose name appears first in the share register has the vote.

#### 4.5. **Objections to any vote**

No objection may be raised to the qualification of a vote except at the meeting or adjourned meeting at which the vote is given or tendered. Subject to article 2.1, a vote not disallowed at the meeting is valid. An objection made in due time must be referred to the chairman of the meeting whose decision is final.

#### 4.6. **Member may instruct proxy**

A member may instruct his proxy or proxies to vote for or against resolutions.

#### 4.7. **Duration of proxies**

A proxy is not valid after the expiration of 3 months from the date of its execution, unless the proxy is incorporated in a power of attorney.

#### 4.8. **Partly paid shares**

A member holding shares in respect of which all calls due to the company have not been paid is not entitled to attend and vote at general meetings in respect of those shares.

### 5. **DIRECTORS**

#### 5.1. **Number of directors**

The number of directors must not be more than 10, or such other number as the Company in general meeting determines.

#### 5.2. **Share qualification**

Each director must hold at least 1000 shares in the Company.

#### 5.3. **Annual retirement**

At each annual general meeting of the company, at least one third of the directors for the time being or if their number is not a multiple of 3 then the number nearest to but not exceeding one third, must retire from office. For the purposes of this article 5.3, the following rules apply -

- (a) The expression "the directors for the time being" means the number of directors who hold office at the commencement of the annual general meeting, excluding:

- (i) directors appointed under article 5.5 who are required to retire at that meeting; and
  - (ii) directors who are required to retire at that meeting under section 228 of the Corporations Law.
- (b) The directors who are to retire under this article 5.3 are those of the directors for the time being who have spent the longest time in office.
  - (c) Where 2 or more directors have been in office for an equal length of time, the directors to retire will, in the absence of agreement between them, be determined by lot.
  - (d) The length of time a director has been in office is to be computed from his election or appointment or last re-election or re-appointment.

#### 5.4. **Vacation of office**

The office of director is vacated if the director -

- (a) becomes of unsound mind or a person whose person or estate is liable to be dealt with under a law relating to mental health;
- (b) resigns his office by giving 14 days' notice in writing to the Company of his intention to do so, such resignation taking effect upon the expiration of that period of notice or its earlier acceptance by the board of directors;
- (c) for a continuous period of more than 3 months is absent without the permission of the directors from meetings of the directors; attendance by an alternate director is not absence of a director for the purposes of this paragraph.

#### 5.5. **Vacancies and additions**

The directors may appoint a person either to fill a casual vacancy or as an addition to the board of directors, subject to the maximum number of directors allowed under article 5.1.

#### 5.6. **Office of profit**

A director may hold any other office or place of profit under the Company or in connection with the Company's business on terms as to remuneration and otherwise that the directors may decide but the remuneration must not be a commission on or percentage of operating revenue.

#### 5.7. **Conclusion of term**

A retiring director retains office until the conclusion of the meeting at which his successor is elected, and a person (other than a re-elected retiring director) elected as a director will assume his office at the conclusion of the meeting at which he is elected.

#### 5.8. **Election of directors**

At any general meeting at which directors retire the Company may elect the same number of persons to fill the vacancies left by the retiring directors and may also fill any other vacancies as long as all nominees for election have given to the Company the required notice of their nomination for election.

#### 5.9. **Notice of nomination**

A director appointed under article 5.5 who is required to retire at an Annual General Meeting, and a director retiring under article 5.3, are eligible for re-election but are not required to lodge a notice of nomination. Notice of nomination of a person recommended by the directors for election as a director, may be left at the registered office of the Company at any time until the 25th business day before the meeting.

#### 5.10. **Remuneration**

The directors are entitled to remuneration for their services including benefits given to a director or his legal personal representative in connection with the death, retirement or ceasing to hold office of the director.

#### 5.11. **Alternate directors**

A director may by notice in writing and with the approval of the majority of the other directors appoint a person as an alternate director for a period set out in the notice, to act in his place whenever he is unable to attend to his duties as a director. The following provisions apply to an alternate director -

- (a) he is entitled to vote only if the appointing director is not present
- (b) he may not appoint a further alternate director
- (c) his office as alternate director is vacated if the appointing director ceases to be a director of the Company
- (d) when acting as an alternate director, he is responsible to the Company for his own acts and defaults and is not the agent of the appointing director
- (e) he is not entitled to receive remuneration except for special services outside the scope of the ordinary duties of a director
- (f) he is not to be taken into account in determining the number of directors to retire by rotation
- (g) he is to be taken into account to determine a quorum if the appointing director is not present, and
- (h) he may be removed or suspended from office by written notice or fax sent by the appointing director to the registered office of the Company.

#### 5.12 **Managing Director**

- (a) The directors may appoint a director to the office of managing director on such terms as they think fit.

- (b) The directors may, subject to the terms of the managing director's employment contract, suspend, remove or dismiss the managing director from executive office and appoint another director in his or her place.
- (c) If the managing director ceases to hold an executive office of the Company, then, unless the directors otherwise resolve, the managing director also ceases to be a director from the same date.
- (d) If a managing director is suspended from executive office of the Company, his or her duties and obligations as a director are suspended for the same period.
- (e) A managing director is not subject to retirement by rotation and is not to be taken into account in determining the rotation of retirement of directors.

## 6. **DIRECTORS' MEETINGS**

### 6.1. **Meeting procedures**

The directors may regulate and establish procedures for their meetings as they think fit, including, but not limited to, making regulations about -

- (a) the conduct of voting and polls,
- (b) the appointment of the chairman of directors,
- (c) the appointment of the chairman of meetings,
- (d) the removal of the chairman of directors, and
- (e) the conduct of meetings by telephone.

### 6.2. **Power to convene meetings**

A director may at any time and the secretary will upon the request of a director convene a meeting of the directors.

### 6.3. **Notice of meeting**

Every director is entitled to notice of meeting of directors and must provide to the secretary an address within Australia for this purpose. Notice of every meeting of director is to be given by delivery, post or fax to each director at that address.

### 6.4. **Casting vote**

In case of an equality of votes the chairman of the meeting, when more than two directors including the chairman are present and competent to vote on the question at issue, has a second or casting vote.

### 6.5. **Telephone meetings**

Directors who would constitute a quorum may conduct a meeting of directors and pass valid resolutions by telephone.

## 6.6. **Resolution in writing in lieu of meeting**

A resolution in writing which is signed and dated by all the directors for the time being in Australia, is as valid as if duly passed at a meeting of directors. If any director is unable to sign the resolution because he is absent from Australia or otherwise, the resolution may be signed and dated by his alternate director, if any. A resolution may consist of several documents in similar form and having the same material content, each signed by one or more directors.

## 6.7. **Date of resolution**

A resolution under article 6.6 is passed on the day (according to the dates of signing) when the resolution is signed by all the directors. If a signed copy of the resolution is returned to the secretary undated, the secretary must fill in the date on which it is received and the resolution is taken as signed on that day.

## 6.8. **Explanation of terms**

For the purposes of articles 6.6 and 6.7 -

- (a) a fax sent by a director is taken to be signed and dated by the director,
- (b) a reference to all the directors for the time being within Australia does not include a reference to a director who, at a meeting of directors, would not be entitled to vote on the resolution.

## 6.9. **Vacancy**

If the number of directors falls below the required quorum, the directors may:

- (a) act to increase the number of directors to the number required for a quorum, or
- (b) summon a general meeting of the Company.

## 6.10. **Quorum**

The quorum for any meeting of directors is three directors who at any given time are able to vote on the particular matter before the meeting at that time.

## 7. **COMMON SEALS**

### 7.1. **Common seal**

The directors must provide a common seal for the Company.

### 7.2. **Use of common seal**

The common seal may only be used by the authority of the directors.

### 7.3. **Signing instruments under common seal**

Every instrument to which the common seal is affixed must be signed by a director and by the secretary, a second director, or some other person appointed by the directors for that purpose.

## 8. **LIEN ON SHARES**

### 8.1. **Company has lien on every share**

The Company has a first and paramount lien for:

- (a) unpaid capital, unpaid calls and unpaid instalments;
- (b) unpaid loans made under an employee share scheme; and
- (c) any amount the Company is entitled to recover from a member under article 8.16,

in respect of the specific shares in relation to which the capital, calls, instalments, loans or amounts are due and unpaid, and upon the proceeds of sale of those shares and any dividends from time to time declared in respect of those shares.

### 8.2. **Directors may declare share exempt**

The directors may declare at any time any share to be wholly or in part exempt from the provisions of article 8.1.

### 8.3. **Liability to continue after transfer**

Unless otherwise agreed the registration of a transfer operates as a waiver of the Company's lien on a share provided that the transferor will always remain liable to pay to the Company all money which, at the date of registration of the transfer, was payable by him to the Company in respect of the share until the Company receives payment of all money outstanding in respect of the share.

### 8.4. **Power of sale**

The Company may sell in any manner the directors think fit any shares on which the Company has a lien, but no sale may be made unless -

- (a) a sum in respect to which the lien exists is presently payable,
- (b) a notice in writing specifying the sum payable and demanding payment has been given to the holder or a person entitled by transmission,
- (c) the notice states that unless that sum is paid within a period of 14 days after the giving of the notice, the shares will be sold, and
- (d) a period of 14 days has elapsed since the giving of the notice.

#### 8.5. **Purchaser takes clear title**

The directors are appointed as the attorneys of the holder of the shares referred to in article 8.4 and may, in that capacity, take whatever steps they resolve are necessary to give effect to the sale, including authorising a person to effect a transfer of the shares to the purchaser. The purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity of the sale. The purchaser will hold the shares free from all calls, instalments, interest and expenses due prior to the transfer.

#### 8.6. **Application of proceeds of sale**

The proceeds of sale of shares under article 8.4 are to be applied as follows -

- (a) first in payment of all expenses of the sale,
- (b) secondly, in payment of any sum due to the Company in respect of the shares,
- (c) thirdly, any remaining amount will be paid to the person entitled to the shares immediately before the sale.

#### 8.7. **Protecting lien**

The Directors may take any action they think fit to protect the Company's lien.

#### 8.8. **Forfeiture on non-payment of call**

If any member fails to pay any call or instalment by the day appointed for payment, the directors may, during the time that the call or instalment remains unpaid, serve a notice (the forfeiture notice) on the member which:

- (a) requires him to pay the unpaid call or instalment at a specified place and on a specified date, being not less than 14 days or 10 business days, whichever is the greater, from the date of the forfeiture notice;
- (b) requires payment of any interest accrued on the unpaid call or instalment and any expenses that have been incurred by the company by reason of the non-payment; and
- (c) advises the member that in the event of non-payment of the amount stated in the notice, the shares in respect of which the call was made or instalment is payable are liable to be forfeited.

#### 8.9. **Forfeiture follows non-compliance**

If a member fails to comply with a forfeiture notice, the directors may, during the time that the amount payable under the forfeiture notice remains unpaid, resolve that the shares in respect of which the forfeiture notice was given be forfeited. Such forfeiture shall include all dividends declared on the forfeited shares but not actually paid before the forfeiture.

8.10. **Notice of forfeiture**

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The directors will give notice of a resolution passed under article 8.9 to the member and make an entry recording the forfeiture in the company's share register. Failure to give notice or make an entry in the register under this article 8.10 will not invalidate the forfeiture of shares under article 8.9.

8.11. **Dealing with forfeited shares**

The directors may sell any shares forfeited under article 8.9 in any manner they think fit and may take whatever steps they resolve are necessary to give effect to the sale, including authorising a person to effect a transfer of the shares to the purchaser. The provisions of article 8.5 relating to the purchaser's title to the shares sold and the provisions of article 8.6 relating to the application of proceeds apply as if a reference in those articles to a sale of shares was a reference to a sale of shares under this article 8.11.

8.12. **Annulment of forfeiture**

The directors may, at any time before any forfeited shares are sold under article 8.11, or are otherwise disposed of, annul the forfeiture of those shares upon such conditions as they think fit.

8.13. **Liability continues after forfeiture**

A member whose shares have been forfeited under article 8.9 shall, despite the forfeiture, continue to be liable to pay to the Company all calls, instalments, interest and expenses owing in respect of the shares at the time of forfeiture together with interest on that amount from the time of forfeiture until payment at the rate of 1 percent per annum in excess of the prevailing overdraft rate presently being charged by the Company on overdrawn accounts of like amount or at such other rate as the directors determine. The directors may enforce the payment of all or any part of the amount outstanding as they think fit but shall not be under any obligation to do so.

8.14. **Sales of forfeited shares**

The following provisions apply to shares forfeited under article 8.9:

- (a) the provisions of articles 8.5 and 8.6 apply to sales of forfeited shares under article 8.11;
- (b) a statutory declaration by a director or the secretary that a call or instalment in respect of any share was made and that notice was served and default in payment of the call or instalment had occurred and that the shares had been duly forfeited shall be sufficient evidence of the facts stated against all persons claiming to be entitled to those shares and of the title of the company to dispose of those shares;

8.15. **Application of forfeiture provisions**

The provisions of these articles as to forfeiture apply in the case of non-payment of any sum which by the terms of issue of the share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if that amount had been payable by virtue of a call duly made and notified.

8.16. **Indemnity for liabilities on shares**

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Where the Company incurs a liability in respect of a share under the law for the time being of any State or Territory, the Commonwealth or any other country, the Company shall in respect of that liability be indemnified by the member to whose shares the liability attaches. Any amount the Company is called upon by those laws to pay on behalf of the member in respect of the shares may be recovered by the Company from that member as a debt due by the member to the Company with interest at the rate of 1 percent per annum in excess of the prevailing overdraft rate presently being charged by the Company on overdrawn accounts of like amount or at such other rate as the directors may determine. Nothing in this article prejudices any other right or remedy which the Company may have to recover from the member a payment made by the Company in respect of shares held by that member.

9. **DIVESTITURE OF SECURITIES**

9.1. **Notice of disposal**

Where the directors have registered a Proper SCH Transfer of securities and that registration causes a contravention of or failure to observe the provisions of a law of a State or Territory or of the Commonwealth by any person the directors may give notice to the transferee requiring him to sell or otherwise dispose of the appropriate

number of securities so that the person then complies with the relevant law within 30 business days of the date of the notice, and the transferee is bound by this article 9.1 to comply with that notice.

9.2. **Failure to comply with notice**

If a holder of securities fails to comply with a notice given under article 9.1, the directors may sell the securities the subject of the notice in accordance with the provisions of articles 9.3.

9.3. **Sale of shares**

Articles 8.5 and 8.6 apply to a sale of securities under article 9.2 as if a reference in those articles to article 8.4 was a reference to article 9.2.

9.4. **Member may not exercise rights**

From the date of the notice given to a holder of securities under article 9.1 that holder shall cease to be entitled to any dividends and to any voting rights in respect of those securities the subject of the notice.

10. **NOTICES**

10.1. **Registered address**

Every member and every person entitled to a share must provide to the secretary an address for service of notices to be registered as his address for the purposes of the Corporations Law and these articles.

10.2. **Service of notices**

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A notice to be given by the Company to a member may be served personally, or delivered or sent by post to his registered address.

10.3. **Provisions about notices**

The following provisions apply to notices -

- (a) the signature on each notice to be given by the Company may be written, typewritten or printed;
- (b) if a member does not provide an address for the purposes of article 10.1, a notice exhibited in the office for a period of 48 hours is taken to be duly served on the member;
- (c) notice to joint holders may be given to the one first named in the register;
- (d) every person who by operation of law, transfer or other means becomes entitled to a share is bound by every notice in respect of the share which, before his name and address are entered on the register, is duly given to the person from whom he derives his title to the share;
- (e) a notice or document delivered or sent by post or left at the registered address of a member who was then deceased, is taken to be duly served if at the time the Company had no notice of the death.

11. **INDEMNITIES**

11.1. **Officers are indemnified**

All officers of the Company are indemnified by the Company against liabilities incurred by them in the capacity of officer to the full extent permitted by the Corporations Law.

## SCHEDULE 1

### PREFERENCE SHARES

#### 1. **Rights of Preference Shareholders**

A Preference Share confers upon its holder the following rights:

##### 1.1 **Repayment of Capital**

The right on a winding up of the Company to the payment of:

- (a) the amount of capital paid up on the Preference Share specified in the Issue Terms; and
- (b) the amount of any dividend (whether declared or not) accrued but unpaid before the date of commencing the winding up,

in priority to the ordinary shares and any other class of shares specified in the Issue Terms.

##### 1.1A **Rights on Redemption**

If the Issue Terms for the Preference Share state that the Preference Share is redeemable, the right on redemption to payment of:

- (a) the amount of any dividend (whether declared or not) accrued on the Preference Share but unpaid at the date of redemption; and
- (b) any additional amount (which may include the amount of capital paid up on the Preference Share) specified in the Issue Terms as payable on redemption,

in priority to the ordinary shares and any other class of shares specified in the Issue Terms.

##### 1.2 **Non-cumulative Dividends**

The right to a non-cumulative preferential dividend:

- (a) calculated in accordance with the Issue Terms; and
- (b) payable on the dates specified in the Issue Terms,

in priority to the payment of any dividend on ordinary shares or on any other class of shares specified in the Issue Terms.

##### 1.3 **Voting in Meetings**

The same rights as the holder of an ordinary share to attend any general meeting of shareholders and the right to vote at a general meeting of shareholders in each of the following circumstances but in no other circumstances:

- (a) at a meeting called during a period during which a dividend (or part of a dividend) in respect of the Preference Share is unpaid;

- (b) on a proposal to reduce the Company's share capital;
- (c) on a resolution to approve the terms of a buy back agreement in respect of the Company;
- (d) on a proposal that affects rights attached to the Preference Share;
- (e) on a proposal to wind up the Company;
- (f) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (g) during the winding up of the Company; and
- (h) in any other circumstances in relation to which, at any time, the Listing Rules require the holders of Preference Shares to be entitled to vote.

In the case of a proposal to vary or cancel rights attached to a Preference Share, the procedure for varying or cancelling those rights will be in accordance with section 246B of the Corporations Law.

#### 1.4 **Voting Rights**

If Clause 1.3 permits voting at a general meeting of shareholders, each Preference Shareholder will have the following voting rights at that general meeting:

- (a) on a show of hands, one vote per Preference Shareholder; and
- (b) on a poll, one vote per fully-paid Preference Share or a fraction of a vote per partly-paid Preference Share equivalent to the proportion the amount paid is to the total amounts paid and payable.

#### 1.5 **Accounts and Reports**

The same rights as the holder of an ordinary share to receive notices, reports and audited accounts.

## 2. **Issue Terms**

The Board may only resolve to issue a Preference Share if it resolves to do so no issue terms which specify the following:

### 2.1 **Dividend**

- (a) The dates for payment of the dividend on the Preference Share.
- (b) The rate of dividend payable on the Preference Share which may:
  - (i) be fixed;
  - (ii) be franked to an extent specified in the Issue Terms;
  - (iii) be unfranked;

- (iv) be variable depending on any formula set out in the Issue Terms or depending on other facts or circumstances specified in the Issue Terms (including, without limitation, changes to rates of taxation or other taxation circumstances).
- (c) The method of the calculation of the dividend which may, without limitation:
  - (i) specify an increase in the amount of the dividend if it is not franked to the extent specified in the Issue Terms; or
  - (ii) specify other consequences if a dividend is not franked to the extent specified in the Issue Terms.

## 2.2 **Priority**

The priority of the Preference Share as to payment of capital and payment of dividend.

## 2.3 **Conversion**

If the Preference Share is to have rights of conversion to another class of securities:

- (a) the class of security into which the Preference Share converts;
- (b) whether, and in what circumstances, conversion is at the option of the holder or the Company or is fixed to some other date or event;
- (c) the dates on, or circumstances in which, the Preference Share will convert, or may be converted;
- (d) the method of conversion of the Preference Share, which may include, without limitation:
  - (i) the manner in which the number of securities into which the Preference Share converts is to be calculated; and
  - (ii) any right to be issued with additional securities of the class into which the Preference Share may be converted and the manner in which that number of securities is to be calculated.
- (e) the treatment of the Preference Share and conversion rights on the occurrence of specified events in respect of the class of securities into which the Preference Share may convert, which may include, without limitation:
  - (i) the announcement of any dividend or distribution or other entitlement in respect of those securities;
  - (ii) a new issue of those securities;
  - (iii) a bonus or rights issue of those securities; and
  - (iv) a return or reorganisation of capital in respect of those securities.

## 2.4 **Redemption**

If the Preference Share is to be redeemable:

- (a) whether, and in what circumstances, redemption is at the option of the holder or the Company or is fixed to some other date or event;
- (b) the dates on, or circumstances in which, the Preference Shares will, or may be, redeemed;
- (c) the method or methods by which the Preference Share will or might be redeemed, which may include redemption, cancellation or buy back;
- (d) the method by which the amount payable on redemption will or may be calculated or otherwise determined, including amounts payable or not payable at the discretion of the Board, and the manner and time for payment;
- (e) the treatment of the redemption terms attaching to the Preference Share on the occurrence of specified events, including the payment or non-payment of dividends or obtaining or not obtaining regulatory approvals; and
- (f) the extent to which voting rights attaching to the Preference Share may not apply in respect of the redemption, cancellation or buy back of the Preference Share in accordance with the Issue Terms.

## 3. **Conversion Rights**

The Company must give effect to a conversion of a Preference Share on the date specified in the Issue Terms for that conversion to take place. On conversion, the holder must surrender the certificate (if any) for the Preference Share to the Company in accordance with the Issue Terms.

### 3A. **Redemption Rights**

The Company must give effect to a redemption of a Preference Share at the time specified in the Issue Terms for that redemption to take place. On redemption, the holder must surrender the certificate (if any) for the Preference Share and provide such other information and do such things as are required by the Company in accordance with the Issue Terms.

## 4. **Surplus Assets or Profits**

A Preference Share does not confer on the holder any further right beyond the rights in Clause 1 to participate in surplus assets or profits of the Company whether in winding up or otherwise.

## 5. **Transfer of Preference Shares**

Unless otherwise specified in the Issue Terms, a Preference Share is transferable in any manner permitted by the Corporations Law and, in the case of Preference Shares which are quoted on ASX, in any manner permitted by the Listing Rules or the SCH Business Rules.

## 6. **Reorganisation of Capital**

If the Company reorganises its capital, in respect of Preference Shares with rights of conversion to another class of share, those shares must be treated in the reorganisation in accordance with the Listing Rules.

## 7. **Definitions**

In this Schedule 1:

*'Issue Terms'* means the terms of issue of a Preference Share which are the subject of a resolution of the Board under Clause 2.

*'Preference Share'* means a share issued under the Company's powers in the Corporations Law and Article 3.8.