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COMPANIES FORM No. 692(1)(a)

Return of alteration in the charter, statutes, etc., of an oversea company

692(1)(a)

Please do not
write in this
margin

Pursuant to section 692(1)(a) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies
(Address overleaf)

For official use

Company number

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FC 4096

Name of company

* enter corporate
name

* QANTAS AIRWAYS LIMITED

§ insert 'Charter',
'Statutes',
'Memorandum and
Articles of
Association' or
other instrument as
the case may be.

Return of alteration in the § ARTICLES OF ASSOCIATION

constituting or defining the constitution of the above company

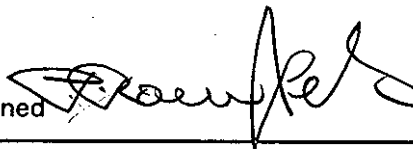
Note

A copy of the alteration or a copy of the new deed, if one has been executed, and a translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

1. TWO EXTRACTS FROM MINUTES OF THE COMPANY'S
EXTRAORDINARY GENERAL MEETING DATED 21 JUNE 1995.
2. AMENDED MEMORANDUM AND ARTICLES OF ASSOCIATION

† delete as
appropriate

Signed



[Director]

[Secretary]

[Person Authorised]

† Date 6 Oct 1995

Note

The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

Presenter's name address and
reference (if any):

DENTON HALL
FIVE CHANCERY LANE
CLIFFORD'S INN
LONDON EC4A 1BU
REF: JXW 6475

For official Use

New Companies Section

Post room



Notes

If the company has established a place of business in England and Wales or Wales, the address is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

and if the company has established a place of business in Scotland, the address is:-

The Registrar of Companies
Companies House
100-102 George Street
Edinburgh
EH2 3DJ

If the company establishes a place of business both in England and Wales or Wales AND in Scotland, whether at the same time or not, separate forms must be sent to the relevant registrars.



FC. 4096

QANTAS AIRWAYS LIMITED

ACN: 009 661 901

CERTIFICATION

I, BRETT STUART JOHNSON, of Qantas Centre, 203 Coward Street, Mascot in the State of New South Wales, Commonwealth of Australia, Secretary of Qantas Airways Limited, do hereby certify that Attachment 'A' is a full and true copy of a Resolution duly passed at the Extraordinary General Meeting of Qantas Airways Limited held on the 21 June 1995, and the said Resolution has not been rescinded nor revoked.

Dated at Sydney this twelfth day of July 1995.

A handwritten signature in dark ink, appearing to read "Brett Stuart Johnson", written over a horizontal dotted line.

FW.484

QANTAS AIRWAYS LIMITED

EXTRAORDINARY GENERAL MEETING
HELD ON WEDNESDAY, 21 JUNE 1995
EXTRACT OF MINUTES

No. 400
SPECIAL
RESOLUTIONS:

It was resolved that:

- (a) the memorandum of association of the Company be amended by:
- deleting clauses 2, 3, 6 and 7;
 - deleting the second sentence in clause 5;
 - renumbering clause 4 as clause 2 and clause 5 as clause 3;

the amendments to take effect from the close of the offer period for the public share offer ("PSO") of the Company's shares by the Commonwealth;

- b) the articles of association, a copy of which is attached and marked "A", be adopted as the new articles of association of the Company as from the date that the Company is listed on the Australian Stock Exchange;

- (c) the following provisions in the new articles of association of the Company be approved:

- the share buy-back provision in article 2.7;
- the proportional takeover schemes provisions in part 15; and
- the provision in article 9.2(d) for selective bonus issues to be made to employees under the Qantas Staff Share Plan ("QSSP") and, following the first issue to employees under the QSSP, to British Airways Investments (Australia) Pty Ltd ("British Airways");

No. 400

SPECIAL

RESOLUTIONS: (Cont'd)

- (d) the Company give financial assistance for the purpose of and in connection with the acquisition by applicants under the PSO of shares in the capital of the Company, the financial assistance and acquisition being more fully set out in this notice;
- (e) the participation of the executive directors of the Company in the QSSP, as more fully set out in this notice, be approved;
- (f) the articles of association of the Company be amended by inserting a new article number 6.7(b)(3) as follows:
 - (3) may include in the case of non-executive Directors travel benefits up to a level determined by the Company in general meeting and to be distributed among them in the manner determined by the Directors.

and by deleting the comma at the end of article 6.7(b)(2) and substituting a semi-colon and the word "and".

7FC 4096.

ANNEXURE A

SPECIAL RESOLUTION

1. That:

- (a) Article 9.2 of the Articles of Association adopted by Shareholders by Special Resolution (b) passed at the Extraordinary General Meeting of Qantas held on 21 June 1995 (the "New Articles") becomes effective immediately upon the Commonwealth executing a transfer of shares on or before 30 July 1995 to all or substantially all of the employees who have elected to participate in the Qantas Staff Share Plan on a 'one share per eligible employee' basis; and
- (b) in any event, if Qantas is not listed on the Australian Stock Exchange on or before 14 August 1995, the aforesaid Article 9.2 will be deleted from Qantas' Articles of Association effective 15 August 1995.

2. That upon the balance of the New Articles becoming effective (from the date that Qantas is listed on the Australian Stock Exchange), amendments be made to new Article 2.5(j)(5) so that it reads:

'Any shares acquired or subscribed for in accordance with paragraph (3) or (4) of this article shall be automatically designated as TSB shares.'

This is the annexure A of 1 page referred to in Form 205, Details of the General Meeting.



S F HEESH
31 July 1995

RESOLUTION

COMPANIES HOUSE 09/09/95

CERTIFIED A TRUE COPY
OF THE ORIGINAL

Denton Hall
DENTON HALL
FIVE CHANCERY LANE
CLIFFORD'S INN
LONDON EC4A 1BU
TEL: 0171-242 1212

CORPORATIONS LAW
Section 1274

I hereby certify this copy of.....².....page/s
sets out

*the whole of a document/certificate

~~*a part of a document/certificate~~

lodged with the Australian Securities Commission

D. Munro
A delegate of the Australian Securities Commission

29/8/95

MEMORANDUM AND ARTICLES OF ASSOCIATION OF QANTAS AIRWAYS LIMITED

MEMORANDUM OF ASSOCIATION

OF

QANTAS AIRWAYS

LIMITED

1. The name of the Company is "Qantas Airways Limited".
2. The liability of the members is limited.
3. The share capital of the Company is \$5,000,000,000 divided into 5,000,000,000 shares of \$1 each.

MEMORANDUM AND ARTICLES OF ASSOCIATION OF QANTAS AIRWAYS LIMITED

Names of Subscribers	Signature of Witness
<p>THE QUEENSLAND AND NORTHERN TERRITORY AERIAL SERVICES LIMITED Air Mail Contractors and Air Line Operators, Wool Exchange, Eagle Street, Brisbane</p> <p>(SEAL) { The Common Seal of the Queensland and Northern Territory Aerial Services Limited was hereunto subscribed by authority of the Directors and in the presence of:-</p> <p>FERGUS McMASTER, Director.</p> <p>HERBERT HENRY HARMAN, Secretary.</p> <p>FERGUS McMASTER. } AINSLIE NEVILE TEMPLETON. } WILMOT HUDSON FYSH. } FREDERICK JAMES SMITH. } WILFRED EDWARD JOHNSON. } ALBERT ERNEST RUDDER } Company Director, } 42 Pitt Street, Sydney. } BURTON BARCLAY DAWSON } (Company Secretary), } 42 Pitt Street, Sydney. }</p>	<p>ROY LIONEL HOWARTH PETERSON, "Blair Lodge", Hamilton Road, Brisbane, Solicitor.</p> <p>ROY LIONEL HOWARTH PETERSON, "Blair Lodge", Hamilton Road, Brisbane, Solicitor.</p> <p>W. NEVILLE JOHNSON, 2 Martin Place, Sydney, Chartered Accountant (Aust.)</p> <p>HILDA O'SHEA, 44 Arden Street, Clovelly, Sydney Stenographer</p>

DATED this sixteenth day of January, 1934.

Registered in the Office of the Registrar of Companies at
Brisbane this eighteenth day of January, 1934.
No. 10 of 1934.

R.B. TEMPLETON,
Deputy-Registrar of Companies.

QANTAS AIRWAYS LIMITED

A company limited by shares

ARTICLES OF ASSOCIATION**Part 1
Preliminary****1.1 Name of company**

The name of the company must contain the expression "Qantas", and for so long as the company conducts scheduled international air transport passenger services it must do so under its company name or under a registered business name that includes the expression "Qantas".

1.2 Location of Head Office

The location of the Head Office of the company shall at all times remain located within Australia.

1.3 Location of principal operational centre

Of the facilities, taken in aggregate, which are used by the company in the provision of scheduled international air transport services (for example, facilities for the maintenance and housing of aircraft, catering, marketing, flight operations, training and administration) the facilities located in Australia, when compared with those located in any other country, must represent the company's principal centre of operations.

1.4 Place of Incorporation

At all times the company's place of incorporation is to remain in Australia.

1.5 Definitions and interpretation

(a) In these articles:

"Affected Share" means any share which is designated as such in accordance with article 4.7;

"aircraft" means any machine or craft that can derive support in the atmosphere from the reactions of the air;

"air service" means a service of providing air transportation of people or goods, or both people and goods, by:

- (a) regular public transport operation; or
- (b) charter operation;

"another country" includes any region:

- (a) that is part of a foreign country; or
- (b) that is under the protection of a foreign country; or
- (c) for whose international relations a foreign country is responsible;

"articles" means these articles of association as originally framed or from time to time altered by special resolution, and (where the context requires) any one or more of the articles herein set out;

"Australian Citizen" means any person who is an Australian citizen as defined in the Australian Citizenship Act 1948;

"Australian international airline" means an international airline (other than the company) that may be permitted to carry people or goods, or both people and goods, under a bilateral arrangement as an airline designated by Australia to operate a scheduled international air service;

"Australian person" means:

- (a) an individual who is an Australian Citizen or is ordinarily resident in Australia; or
- (b) the Commonwealth, a State or a Territory; or
- (c) a person who is a nominee of the Commonwealth or of a State or a Territory; or
- (d) a Commonwealth, State or Territory authority; or
- (e) a person who is a nominee of a Commonwealth, State or Territory authority; or
- (f) a local government body (whether incorporated or not) formed by or under a law of a State or a Territory; or
- (g) a person who is a nominee of a local government body referred to in paragraph (f); or
- (h) a body corporate that:
 - (i) is incorporated by or under a law of the Commonwealth or of a State or a Territory; and
 - (ii) is substantially owned and effectively controlled by persons referred to in paragraph (a), (b), (c), (d), (e), (f), (g) or (i); or
- (i) a person in the capacity of a trustee, or manager, of a fund in which the total interests (if any) of persons referred to in paragraph (a), (b), (c), (d) (e), (f), (g) or (h) represent 60% or more of the total interests in the fund;

"Australian territory" means:

- (a) the territory of Australia and of every external territory; and
- (b) the territorial sea of Australia and of every external territory; and
- (c) the air space over any such territory or sea;

"bilateral arrangement" means an agreement or arrangement between:

- (a) Australia, or an entity or organisation nominated or otherwise similarly authorised by Australia to enter into the agreement or arrangement; and
- (b) another country,

under which the carriage by air of people or goods, or both people and goods, between Australia and the other country is permitted;

"business day" has the meaning given to that term in the Listing Rules;

"charter operation" means an operation of an aircraft for the purpose of:

- (a) a service of providing air transportation of people or goods, or both people and goods, that:
 - (1) is provided for a fee payable by persons using the service; and

- (2) is not available to the general public on a regular basis, whether or not the service is conducted in accordance with fixed schedules to or from fixed terminals over specific routes; or
- (b) a service of providing air transportation of people or goods, or both people and goods, that:
 - (1) is provided for a fee payable by persons using the service; and
 - (2) is available to the general public on a regular basis; and
 - (3) is not conducted in accordance with fixed schedules to or from fixed terminals over specific routes; or
- (c) a service of providing air transportation of people or goods, or both people and goods, that:
 - (1) is not provided for a fee payable by persons using the service; and
 - (2) is conducted in accordance with fixed schedules to or from fixed terminals over specific routes; and
 - (3) is not available to the general public;

"CHESS" has the meaning given to that term in the Listing Rules;

"CHESS approved securities" has the meaning given to that term in the Listing Rules;

"Commonwealth" means the Commonwealth of Australia and its external territories;

"Crown" means the Crown in the right of the Commonwealth;

"entitled" in relation to shares in the company has the meaning given that term in Section 609 of the Corporations Law and "entitlement" shall have a corresponding meaning;

"entity" in relation to the definition of "foreign airline" in the articles has the meaning given to that term in section 243C of the Corporations Law;

"Exchange" means the Australian Stock Exchange Limited;

"foreign airline" means:

- (a) an entity which is an air transport enterprise other than:
 - (1) an Australian international airline;
 - (2) the company;
 - (3) an air transport enterprise offering or operating an air service solely within Australian territory and which, if not incorporated in Australia, does not offer or operate an air service in or to a country other than Australia; or
- (b) an entity which substantially owns and effectively controls an entity referred to in paragraph (a), including, for this purpose, any entity which has a relevant interest in 35% or more of the voting rights or voting shares in an entity referred to in paragraph (a); or
- (c) an entity which is substantially owned and effectively controlled by an entity referred to in paragraph (a), including, for this purpose, any entity 35% or more of the voting rights or voting shares in which the entity referred to in paragraph (a) has a relevant interest;

"foreign person" means:

- (a) a foreign airline; or
- (b) a person (other than a foreign airline) who is not an Australian person;

"Head Office" means the place of business of the company where central management and control are exercised;

"international airline" means an air transport enterprise offering or operating an international air service;

"international air service" means an air service provided by means of a flight:

- (a) from a place within Australia to a place outside Australia; or
- (b) from a place outside Australia to a place within Australia;

"Intervening Act" means the refusal, withholding, suspension, non-renewal or revocation of any operating right granted to, or enjoyed by, the company or any subsidiary of the company, or the imposition of any conditions or limitations upon any such operating right which materially inhibit the exercise thereof, in either case by any state, authority or person, arising out of or relating to the level of foreign ownership and control of the company;

"listed company" has the meaning given to that term in the Listing Rules;

"Listing Rules" means the Official Listing Rules of the Exchange as varied or waived by a body with power to do so as they apply to the company;

"Minister" means the Minister of the Crown for the time being having responsibility for aviation matters;

"Nominations Committee" means the nominations committee referred to in article 6.21;

"Non-TSB director" means a director appointed pursuant to article 6.3;

"operating right" means an authority, permission, licence or privilege, granted or enjoyed pursuant to a bilateral arrangement, which enables an air service to be operated;

"person" includes any individual, body corporate, unincorporated body, government, government department, agency and any municipal, local, statutory or other authority and any combination or association of individuals, bodies corporate, unincorporated bodies, governments, government departments, agencies and municipal, local, statutory or other authorities (in each case whether or not having a separate legal identity);

"regular public transport operation" means an operation of an aircraft for the purpose of an air service that:

- (a) is provided for a fee payable by persons using the service; and
- (b) is conducted in accordance with fixed schedules to or from fixed terminals over specific routes; and
- (c) is available to the general public on a regular basis;

"relevant interest" has the meaning given to that term in part 1.2, division 5 of the Corporations Law in relation to a share but excludes a deemed relevant interest under section 33 of that Law;

"**relevant share**" means any voting share in the company in which a foreign person has a relevant interest;

"**SCH Business Rules**" means the Business Rules of the Securities Clearing House from time to time;

"**Securities Clearing House**" means ASX Settlement and Transfer Corporation Pty Limited (ACN 008 504 532) as approved as the securities clearing house under the Corporations Law;

"**share notice**" means a notice or notices which, pursuant to the Corporations Law or the Listing Rules, provides some or all of the information which would otherwise have been shown on a share certificate for a share;

"**Share Sale Agreement**" means the agreement for the sale of shares in the company between the Commonwealth and Acesun Pty Ltd dated 12 January 1993;

"**State**" means a state of the Commonwealth;

"**subsidiary**" has the same meaning as in the Corporations Law;

"**substantial foreign shareholder**" means any foreign person who has a relevant interest in at least 15% of the issued voting shares of the company;

"**Territory**" means a territory of the Commonwealth;

"**transmission event**" means:

- (1) in respect of a member who is an individual:
 - (A) the death of the member;
 - (B) the bankruptcy of the member, or
 - (C) the member becoming of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health; and
- (2) in respect of a member who is a body corporate, the dissolution of the member or the succession by another body corporate to the assets and liabilities of the member;

"**TSB**" means British Airways plc;

"**TSB director**" means a director appointed pursuant to article 6.4;

"**TSB group**" means TSB and its subsidiaries from time to time;

"**TSB shares**" means, in respect of the TSB group, that number of voting shares in the company designated as such from time to time in accordance with article 2.5;

"**Vendor securities**" has the meaning given that term in the Listing Rules;

"**voting shares**" has the same meaning as in the Corporations Law;

- (d) A reference in an article relating to fully paid shares or to a share or shareholder includes a reference to a stock or stockholder respectively.
- (e) A reference in an article relating to partly paid shares to a call or an amount called in respect of a share includes a reference to a sum that, by the terms of issue of a share, becomes payable on allotment or at a fixed date.

- (f) A member is to be taken to be present at a general meeting if the member is present in person or by proxy, attorney or representative.
- (g) A director is to be taken to be present at a meeting of directors if the director is present in person or by alternate director.
- (h) In these articles unless the context otherwise requires a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, varying, consolidating or replacing them, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws under that statute.
- (i) Headings are inserted for convenience and do not affect the interpretation of these articles.
- (j) Notwithstanding anything else in these articles, a reference to a member for a particular purpose is, where the Corporations Law empowers the company to determine who is a member for that purpose by using a particular method or by acting in a particular way, a reference to a member determined by the company for that purpose by using that method or by acting in that way.

1.6 Application of the Corporations Law and Listing Rules

- (a) These articles are to be interpreted subject to the Corporations Law and, whilst the company is a listed company, the Listing Rules.
- (b) The company and the directors must notwithstanding any contrary provision in these articles comply with the obligations respectively imposed on them under the Corporations Law and, whilst the company is a listed company, the Listing Rules.
- (c) The company and the directors must, whilst the company is a listed company, exercise their powers in such a way as to ensure the Listing Rules are complied with unless so to do would be unlawful or a breach of duty. This obligation does not detract from or alter the power of the company and the directors to cause the company to cease to be a listed company.
- (d) Unless the contrary intention appears, an expression in an article which is defined by or that deals with a matter dealt with by:
 - (1) a provision of the Corporations Law has the same meaning as in that provision of the Corporations Law; or
 - (2) a provision of the Listing Rules has the same meaning as in that provision of the Listing Rules.
- (e) Whilst any of the securities of the company are CHES approved securities, the company must comply with the SCH Business Rules.

1.7 Exercise of powers

The company may exercise any power which under the Corporations Law a company limited by shares may exercise if authorised by its articles of association.

1.8 Table A not to apply

The regulations contained in Table A in Schedule 1 to the Corporations Law or in any corresponding previous law do not apply to the company except in so far as they are repeated in these articles.

Part 2 Share Capital

2.1 Shares

Without prejudice to any special rights conferred on the holders of any shares or class of shares and subject to these articles, the Corporations Law and the Listing Rules, the directors may:

- (a) issue, or grant options in respect of, or otherwise dispose of, shares to such persons, for such price, on such conditions, at such times and with such preferred, deferred or other special rights or special restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the directors think fit;
- (b) issue redeemable preference shares; and
- (c) on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the time of payment.

2.2 Limit on foreign ownership

- (a) At no time can any one foreign person have a relevant interest in shares in the company which exceeds 25% of the company's issued share capital.
- (b) At no time can foreign persons have relevant interests in shares in the company which, in aggregate, exceed 49% of the company's issued share capital.
- (c) At no time can foreign airlines have relevant interests in shares in the company which, in aggregate, exceed 35% of the company's issued share capital.

2.3 Overriding articles

The provisions of articles 2.2, 4.7 and 4.8 apply notwithstanding any other provision of these articles. All other provisions of these articles are to be read subject to articles 2.2, 4.7 and 4.8 and this article.

2.4 Redeemable preference shares

- (a) The certificate or share notice issued by the company for each redeemable preference share must specify or provide for the determination of:
 - (1) the rate of dividend applicable to the share and the times at which dividends are to be paid;
 - (2) the par value of the share;
 - (3) the premium (if any) paid or payable on the issue of the share;
 - (4) the number of votes that may be exercised by the holder in respect of the share on a poll;
 - (5) the time and place for redemption of the share; and
 - (6) whether the dividend is cumulative or non-cumulative.
- (b) Each redeemable preference share confers on its holder:
 - (1) the right to a preferential dividend at the rate and at the times and on a cumulative or non cumulative basis as specified in, or determined in accordance with, the certificate for the share in priority to the payment of any dividend on any other class of shares; and

- (2) the right on redemption and in a winding up to payment in cash in priority to any other class of shares of:
 - (A) the amount of any dividend accrued but unpaid on the share (whether declared or not) at the date of redemption or winding up;
 - (B) the par value of the share; and
 - (C) any premium paid on the share.

A redeemable preference share does not confer on its holder any further rights to participate in the assets or profits of the company.

- (c) A redeemable preference share does not entitle its holder to vote at any general meeting of the company except in the following circumstances:
 - (1) on a proposal:
 - (A) to reduce the share capital of the company;
 - (B) that affects rights attached to the share;
 - (C) to wind up the company; or
 - (D) for the disposal of the whole of the property, business and undertaking of the company;
 - (2) during a period in which a dividend or part of a dividend on the share has been in arrears for more than 6 months; or
 - (3) during the winding up of the company.
- (d) The holder of a redeemable preference share who is entitled to vote in respect of that share under article 2.4(c) is, on a poll, entitled to the number of votes specified in, or determined in accordance with, the certificate for the share.
- (e) The company must, at the time and place for redemption specified in, or determined in accordance with, the certificate for the share, redeem the share and, on receiving the certificate of the share, pay to or at the direction of the holder the amount payable on redemption of the share.
- (f) The holder of a preference share has the same right as the holder of an ordinary share to receive notice of and to attend a general meeting and to receive a copy of any documents to be laid before that meeting.

2.5 TSB shares

- (a) As at the date of these articles becoming effective the issued ordinary share capital of the company registered in the name of British Airways Investments (Australia) Pty Ltd acquired by the TSB group pursuant to the Share Sale Agreement, are initially designated as TSB shares in respect of the TSB group.
- (b) A TSB share will automatically cease to be designated as a TSB share upon any person, other than any person within the TSB group, acquiring a relevant interest in that share as a result of any member of the TSB group entering into a transaction or arrangement which results in that acquisition.
- (c) If a holder of TSB shares fails to provide the information requested by the directors under article 4.5 or paragraph (h) below within 14 days after written notice to do so, the directors may, by further written notice to the holder, declare that the relevant TSB shares specified in the notice will cease to be designated as TSB shares. Such cessation

will take effect on and from the date on which the notice is given to the holder or on such later date as is specified in the notice.

- (d) Once any TSB shares have ceased to be designated as TSB shares under this article they can never be redesignated as TSB shares except as expressly provided in this article. Where TSB shares cease to be designated as TSB shares pursuant to paragraph (c), then the directors shall, by written notice to the holder, redesignate such shares as TSB shares where the failure to provide information referred to in paragraph (c) arises by reason of honest mistake or for reasons beyond the reasonable control of the holder. Such redesignation will take effect on and from the date on which the notice is given to the holder or on such later date as is specified in the notice.
- (e) Where a member holds both TSB shares and other voting shares in the company, and a third party acquires a relevant interest in some (but not all) of the shares held by the member, the relevant interest acquired by the third party will be deemed to apply first to the other voting shares and then (if applicable) to the TSB shares.
- (f)
 - (1) Subject to article 2.5(f)(2), no further shares acquired by a person within the TSB group shall be designated as TSB shares unless, and to the extent that, paragraphs (i) and (j) of this article provide otherwise or unless provided under the terms of any dividend reinvestment plan, dividend selection plan or bonus share plan implemented by the company.
 - (2) Shares acquired by a person within the TSB group under article 9.2(d)(2) will automatically be designated as TSB shares.
- (g) A holder of TSB shares must notify the directors if it becomes aware that:
 - (1) any person (other than any person within the TSB group) has acquired any relevant interest in any of the TSB shares which it holds; or
 - (2) it has ceased to be a person within the TSB group.
- (h) In addition to any power or right of the company to seek information under the Corporations Law and under article 4.5, the directors may, by written notice, request a holder of TSB shares to provide any or all of the following information:
 - (1) the total number of TSB shares or other voting shares in which the holder held a relevant interest at any date;
 - (2) details of any sale or disposal of any relevant interest in shares in the company by the holder or any person in the TSB group between any dates;
 - (3) confirmation that no event referred to in paragraph (g)(1) or (g)(2) in this article has occurred in relation to shares held by the TSB group; and
 - (4) any other information which the directors reasonably consider necessary for the purposes of the proper operation of article 6.4 and which could reasonably be expected to be within the knowledge of the holder.
- (i)
 - (1) If the company makes or offers to all holders of voting shares in the company an allotment of voting shares whether by way of bonus or rights, or otherwise, pro rata to their respective holdings (and for this purpose a dividend reinvestment plan, bonus share plan or dividend selection plan offer will be taken as a pro rata offer) and a member who holds TSB shares takes up part or all of its entitlement, then subject to article 2.5(i)(3), further shares acquired by that member shall, to the extent of the pro rata entitlement referable to the number of TSB shares held by that member, be designated as TSB shares. Where a member holds both TSB

shares and other voting shares in the company and elects only to take up part of that member's entitlement, then:

- (A) the member may elect by giving the company notice prior to the allotment of the voting shares whether such further shares, or any of them shall, to the extent of the pro rata entitlement referable to TSB shares or other voting shares held by that member be regarded as TSB shares or other voting shares (as the case requires); and
 - (B) if the member does not give notice in accordance with subparagraph (A) above then any entitlement taken up by that member shall be deemed first to apply in respect of the TSB shares and then (if applicable) to the other shares.
- (2) Each holder of TSB shares may, by notice in writing to the directors, elect, on the company making or offering to all holders of voting shares in the company an allotment of voting shares whether by bonus or rights, or otherwise, pro rata to their respective holdings, to take up the number of voting shares, to be automatically designated as TSB shares, necessary for it to maintain, after the allotment, the proportion that the TSB shares held by the holder represented of all the voting shares in the company immediately before the allotment.
- (3) If a holder of TSB shares makes an election under article 2.5(i)(2), the designation procedure under article 2.5(i)(1) will not apply to any shares acquired by the holder under article 2.5(i)(2).
- (j) If the company proposes to make an allotment of voting shares other than by way of pro rata offer to all holders of voting shares in the company, including an allotment under an employee share plan or share option plan (whether by bonus issue or for value), or proposes to make an allotment pursuant to any dividend reinvestment plan, dividend selection plan or bonus share plan introduced by the company, with the effect that any TSB shares held by a member will, following that allotment, represent a smaller proportion of all the voting shares in the company than the proportion immediately prior to the allotment then:
- (1) the directors must, on that allotment notify each member who holds TSB shares of the further number of TSB shares (the "Specified Number") which is necessary for it to maintain, after the allotment, the proportion applicable immediately prior to the allotment and must, not less than 7 days before the allotment, provide each member who holds TSB shares with an estimate of what the Specified Number will be;
 - (2) any other voting shares then held by that member up to the Specified Number shall be automatically designated as TSB shares on notification of the Specified Number; and
 - (3) if the member holds no other voting shares or holds a number less than the Specified Number, then the member may, subject to the Corporations Law and the Listing Rules:
 - (i) within 30 days following receipt of notice of the Specified Number referred to in article 2.5(j)(1), acquire further voting shares in the company on the Exchange up to the Specified Number (after taking account of any shares designated as TSB shares under paragraph (2) above); or

- (ii) on the expiry of 30 days of receipt of notice of the Specified Number referred to in article 2.5(j)(1), if unable to acquire further voting shares on the Exchange pursuant to article 2.5(j)(3)(i) or, if able to acquire further voting shares on the Exchange, but at a price greater than the market price of the shares (before any applicable discount) upon which the allotment is based, or if that allotment is not based on a market price, the market price at the time of allotment, which gives rise to the member exercising its rights under this paragraph (j), subscribe for and be issued with new voting shares, at a price not greater than the market price of the shares (before any applicable discount) upon which the allotment is based, or if that allotment is not based on a market price, the market price at the time of the allotment which gives rise to the member exercising its right under this paragraph (j), up to the Specified Number (after taking account of any shares designated as TSB shares under paragraph (2) above) and such further number so that, after the issue contemplated by this paragraph, the member maintains the proportion of all the voting shares in the company held immediately prior to the allotment first referred to. If the company is prohibited from issuing shares as contemplated by this paragraph, the company must allot the shares as soon as it is permitted to do so.
- (4) If a member who holds TSB shares is unable to maintain its proportionate interest under paragraph (3) by reason of fractional entitlements then, at the time of a further allotment of shares to which article 2.5(j) applies, and provided the member has not sold any TSB shares in the intervening period, the member may purchase or be allotted further shares so as to restore its proportionate interest to the original proportion.
- (5) Any shares acquired or subscribed for in accordance with paragraph (3) or (4) of this article shall be automatically designated as TSB shares.
- (k) If the TSB group's TSB shares cease to constitute at least 10 per cent of the total number of voting shares in the company and, in the case only where paragraph (j) above applies, a percentage of 10 per cent or more is not restored pursuant to paragraph (j) within the time period referred to in that paragraph, then all of those TSB shares shall automatically cease to be designated as TSB shares.
- (l) The directors must keep a separate record of TSB shares and dealings in TSB shares and must provide information to bona fide enquiries from prospective purchasers of shares in the company as to the number of TSB shares from time to time on the register. If required under the Listing Rules, the directors must simultaneously provide this information to the Exchange.

2.6 Variation of class rights

Unless otherwise provided by the terms of issue of a class of shares:

- (a) all or any of the rights or privileges attached to the class may be varied, whether or not the company is being wound up, only with the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class;
- (b) the provisions of these articles relating to general meetings apply, so far as they can and with such changes as are necessary, to each separate meeting of the holders of the issued shares of that class; and

- (c) the rights conferred upon the holders of the shares of the class are not to be taken as having been varied by the creation or issue of further shares ranking equally with them except in the case of preference shares where any issue of securities ranking in priority, or any conversion of existing securities to securities ranking equally or in priority, to an existing class of preference shares will be taken to be a variation or abrogation of the rights attached to that existing class of preference shares.

2.7 Power to buy back ordinary shares

- (a) The company may buy ordinary shares in itself in any manner authorised by the Corporations Law.
- (b) Article 2.7(a) ceases to have effect at the end of 3 years beginning:
 - (1) where the authorisation referred to in article 2.7(a) has not been renewed in accordance with the Corporations Law, on the date that these articles were adopted by the company; or
 - (2) where the authorisation contained in article 2.7(a) has been renewed in accordance with the Corporations Law, on the date the authorisation was last renewed.

2.8 Power to alter share capital

The company may by resolution:

- (a) increase its authorised share capital by the creation of new shares of such amount as is specified in the resolution;
- (b) consolidate and divide all or any of its authorised share capital into shares of a larger amount than its existing shares;
- (c) subdivide all or any of its shares into shares of a smaller amount than is fixed by the memorandum but so that in a subdivision of partly paid shares the proportion between the amount paid and the amount (including any premium) unpaid on each share of a smaller amount is the same as it was for the share from which the share of the smaller amount is derived;
- (d) cancel shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited and reduce its authorised share capital by the amount of the shares so cancelled; and
- (e) reclassify or convert unissued shares from one class to another.

2.9 Power to reduce share capital

The company may, by special resolution, reduce its share capital, any capital redemption reserve or any share premium account in any manner permitted by the Corporations Law.

2.10 Power to pay brokerage, commission and interest on share capital

- (a) The company may make payments by way of brokerage or commission in the manner provided by the Corporations Law.
- (b) Payments by way of brokerage or commission may be satisfied by the payment of cash, by the allotment of fully paid shares, by the allotment of partly paid shares or by any combination of the above.
- (c) The company may pay interest on its share capital in the manner provided by the Corporations Law.

2.11 Joint holders of shares

Where two or more persons are registered as the holders of a share they hold it as joint tenants with rights of survivorship subject to the following provisions:

- (a) they and their respective legal personal representatives are liable severally as well as jointly for all payments, including calls, which ought to be made in respect of the share;
- (b) subject to article 2.11(a), on the death of any one of them the survivor or survivors are the only person or persons the company will recognise as having any title to the share;
- (c) any one of them may give effectual receipts for any dividend, interest or other distribution or payment in respect of the share,
- (d) in the case of persons jointly entitled to be registered as the holders of a share the company is not bound to register more than 3 persons as joint holders of the share;
- (e) the company is not bound to issue more than one certificate in respect of the share; and
- (f) delivery of a certificate for the share to any one of them is sufficient delivery to all of them.

2.12 Equitable and other claims

- (a) Except as otherwise required by law or provided by these articles, the company is entitled to treat the registered holder of a share as the absolute owner of that share and is not:
 - (1) compelled in any way to recognise a person as holding a share upon any trust, even if the company has notice of that trust; or
 - (2) compelled in any way to recognise, or be bound by, any equitable, contingent, future or partial claim to or interest in a share on the part of any other person except an absolute right of ownership in the registered holder, even if the company has notice of that claim or interest.
- (b) With the consent of the directors, shares held by a trustee may be marked in the register in such a way as to identify them as being held subject to the relevant trust.
- (c) Nothing in article 2.12(b) limits the operation of article 2.12(a).

2.13 Employee share plans

Subject to the Corporations Law and the Listing Rules, the directors may, by resolution in accordance with these Articles:

- (a) implement an employee share plan on such terms as they think fit under which securities of the company or of a related body corporate may be issued or otherwise provided to or for the benefit of any officer (including any director) of the company or of a related body corporate or to a relative of that officer or to a company or trust in which that officer or a relative of that officer has an interest;
- (b) amend, suspend or terminate any employee share plan so implemented; and
- (c) cause the company to give financial assistance in connection with the acquisition of securities of the company or of a related body corporate under any employee share plan in any manner permitted by the Corporations Law.

2.14 Share top up plans

Subject to the Corporations Law and the Listing Rules, the directors may, by resolution in accordance with these Articles:

- (a) implement a share top up plan on such terms as they think fit under which shares in the company may be issued to holders of unmarketable or uneconomic parcels of shares in the company to top up the holder's holding of shares up to a marketable or economic parcel; and
- (b) amend, suspend or terminate any share top up plan so implemented.

Part 3

Calls, forfeiture, indemnities and lien

3.1 Calls

- (a) Subject to the Listing Rules, these articles and the terms upon which any shares may be issued, the directors may make calls upon the members in respect of any money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) which is not by the terms of issue of those shares made payable at fixed times.
- (b) A call may be required by the directors to be paid by instalments.
- (c) Upon receiving such notice as the Listing Rules require, and in the absence of any requirement under the Listing Rules, at least 10 business days notice specifying the time and place of payment, each member must pay to the company by the time and at the place so specified the amount called on the member's shares.
- (d) A call is to be taken as having been made when the resolution of the directors authorising the call was passed.
- (e) The directors may revoke or postpone a call or extend the time for payment.
- (f) The non-receipt of a notice of a call by, or the accidental omission to give notice of a call to, any member does not invalidate the call.
- (g) If a sum called in respect of a share is not paid in full by the day appointed for payment for the sum, the person from whom the sum is due must pay:
 - (1) interest on so much of the sum as is unpaid from time to time, from the date appointed for payment of the sum to the date of actual payment, at a rate determined under article 3.8; and
 - (2) any costs or expenses incurred by the company in relation to the non-payment or late payment of the sum.
- (h) Any sum unpaid on a share (whether on account of the nominal value of the share or by way of premium) that, by the terms of issue of the share, becomes payable on allotment or at a fixed date:
 - (1) is to be treated for the purposes of these articles as if that sum was payable pursuant to a call duly made and notified; and
 - (2) must be paid on the date on which it is payable under the terms of issue of the share.
- (i) The directors may, to the extent permitted by law, waive all or any part of any payment due to the company under the terms of issue of a share or under this article 3.1.

3.2 Proceedings for recovery of calls

- (a) In an action or other proceedings for the recovery of a call, or interest or costs or expenses incurred in relation to the non-payment or late payment of a call, proof that:

- (1) the name of the defendant is entered in the register as the holder or one of the holders of the share in respect of which the call is claimed;
 - (2) the resolution making the call is recorded in the minute book; and
 - (3) notice of the call was given to the defendant in accordance with these articles, is conclusive evidence of the debt and it is not necessary to prove the appointment of the directors who made the call or any other matter.
- (b) In article 3.2(a), defendant includes a person against whom a set-off or counter-claim is alleged by the company and action or other proceedings for the recovery of a call is to be construed accordingly.

3.3 Payments in advance of calls

- (a) The directors may accept from a member the whole or a part of the amount unpaid on a share (whether on account of the nominal value of the share or by way of premium) although no part of that amount has been called.
- (b) The directors may authorise payment by the company of interest upon the whole or any part of an amount accepted under article 3.3(a), until the amount becomes payable, at a rate, not exceeding the prescribed rate, agreed between the directors and the member paying the amount.
- (c) For the purposes of article 3.3(b), the prescribed rate of interest is:
 - (1) if the directors have fixed a rate, the rate so fixed; or
 - (2) in any other case, equal to the weighted average yield set at the most recent weekly tender for the thirteen week Treasury Note.
- (d) The directors may repay to a member all or any of the amount accepted under article 3.3(a).

3.4 Forfeiture of partly paid shares

- (a) If a member fails to pay the whole of a call or instalment of a call by the day appointed for payment of the call or instalment, the directors may serve a notice on that member:
 - (1) requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all costs or expenses that may have been incurred by the company by reason of the non-payment or late payment of the call or instalment;
 - (2) naming a further day (not earlier than the end of 14 days from the date of service of the notice) by which, and a place at which, the amount payable under article 3.4(a)(1) is to be paid; and
 - (3) stating that, in the event of non-payment of the whole of the amount payable under article 3.4(a)(1) by the time and at the place named, the shares in respect of which the call was made will be liable to be forfeited.
- (b) If the requirements of a notice served under article 3.4(a) are not complied with, the directors may by resolution forfeit any share in respect of which the notice was given at any time after the day named in the notice and before the payment required by the notice is made.
- (c) A forfeiture under article 3.4(b) will include all dividends, interest and other money payable by the company in respect of the forfeited share and not actually paid before the forfeiture.

- (d) Where a share has been forfeited:
 - (1) notice of the resolution must be given to the member in whose name the share stood immediately before the forfeiture together with any notice required under the SCH Business Rules; and
 - (2) subject to complying with the SCH Business Rules, an entry of the forfeiture, with the date, must be made in the register of members.
- (e) Failure to give the notice or to make the entry required under article 3.4(d) does not invalidate the forfeiture.
- (f) A forfeited share becomes the property of the company and the directors may sell or reallocate the share in such manner as they think fit and, in the case of re-allotment, with or without any money paid on the share by any former holder being credited as paid up.
- (g)
 - (1) A person whose shares have been forfeited ceases to be a member in respect of the forfeited shares, but remains liable to pay, and must immediately pay, to the company;
 - (A) all calls, instalments, interest, costs and expenses owing in respect of the shares at the time of the forfeiture; and
 - (B) interest on so much of the amount payable under article 3.4(g)(1)(A) as is unpaid from time to time, from the date of the forfeiture to the date of actual payment, at a rate determined under article 3.8.
 - (2) Except as otherwise provided by these articles, the forfeiture of a share extinguishes all interest in, and all claims and demands against the company in respect of, the forfeited share and all other rights incident to the share.
- (h) A statement in writing declaring that the person making the statement is a director or a secretary of the company and that a share in the company has been duly forfeited on a date stated in the statement is conclusive evidence of the facts stated in the statement as against all persons claiming to be entitled to the share.
- (i) The directors may:
 - (1) exempt a share from all or any part of this article 3.4;
 - (2) waive all or any part of any payment due to the company under this article 3.4; and
 - (3) before a forfeited share has been sold or re-allotted, annul the forfeiture upon such conditions as they think fit.

3.5 Indemnity for taxation

If the company becomes liable under any law to make any payment:

- (a) in respect of shares held solely or jointly by a member;
- (b) in respect of a transfer or transmission of shares by a member;
- (c) in respect of dividends, bonuses or other money due or payable or which may become due and payable to a member; or
- (d) otherwise for or on account of or in respect of a member, whether as a consequence of:
 - (e) the death of that member;

- (f) the non-payment of any income tax, capital gains tax, wealth tax or other tax by that member or the legal personal representative of that member;
- (g) the non-payment of any estate, probate, succession, death, stamp or other duty by that member or the legal personal representative of that member; or
- (h) any other act or thing,

then, in addition to any right or remedy that law may confer on the company:

- (i) the member or, if the member is dead, the member's legal personal representative must:
 - (1) fully indemnify the company against that liability;
 - (2) reimburse the company for any payment made under or as a consequence of that law immediately on demand by the company; and
 - (3) pay interest on so much of the amount payable to the company under article 3.5(i)(2) as is unpaid from time to time, from the date the company makes a payment under that law until the date the company is reimbursed in full for that payment under article 3.5(i)(2), at a rate determined under article 3.8;
- (j) the directors may:
 - (1) exempt a share from all or any part of this article 3.5; and
 - (2) waive all or any part of any payment due to the company under this article 3.5.

3.6 Lien on shares

- (a) The company has a first and paramount lien on:
 - (1) each partly paid share for all unpaid calls and instalments due and unpaid in respect of that share; and
 - (2) each share for such amounts (if any) as the company may be called upon by law to pay in respect of that share.
- (b) The company's lien on a share extends to all dividends payable in respect of the share and to the proceeds of sale of the share.
- (c) The directors may sell any share on which the company has a lien in such manner as they think fit where:
 - (1) an amount in respect of which a lien exists under this article 3.6 is presently payable; and
 - (2) the company has, not less than 14 days before the date of the sale, given to the registered holder of the share a notice in writing setting out, and demanding payment of, such amount in respect of which the lien exists as is presently payable.
- (d) Registration by the company of a transfer of shares on which the company has a lien without giving to the transferee notice of its claim releases the company's lien insofar as it relates to sums owing by the transferor or any predecessor in title.
- (e) The directors may:
 - (1) exempt a share from all or any part of this article 3.6; and
 - (2) waive all or any part of any payment due to the company under this article 3.6.

3.7 Sale or allotment of forfeited shares and sale of shares on which the company has a lien

- (a) The directors may:
 - (1) receive the purchase money or consideration given for the shares on; and
 - (2) appoint a person to execute an instrument of transfer or allotment of the shares or to take any action necessary or appropriate (including effecting a transfer in accordance with the SCH Business Rules) for the purpose of giving effect to, any sale or allotment under article 3.4(f) or any sale under article 3.6(c).
- (b) The company must register the purchaser or allottee as the holder of the shares sold or allotted under article 3.4(f) or sold under article 3.6(c).
- (c) The purchaser or allottee is not bound to see to the regularity or validity of the proceedings or to the application of the purchase money or consideration on any sale or allotment under article 3.4(f) or on any sale under article 3.6(c) and the title of the purchaser or allottee to the shares is not affected by any irregularity or invalidity in the proceedings.
- (d) The remedy of any person aggrieved by a sale or allotment under article 3.4(f) or a sale under article 3.6(c) is limited to damages only and is against the company exclusively.
- (e) The proceeds of a sale or allotment under article 3.4(f) or a sale under article 3.6(c) must be applied in the payment of:
 - (1) first, the expenses of the sale or allotment;
 - (2) second, all money presently payable by the former holder whose shares have been sold or allotted;

and the balance (if any) must be paid (subject to any lien that exists under article 3.6 in respect of money due and unpaid) to the former holder on the former holder delivering to the company the certificate (if any) for the shares that have been sold or allotted or taking such other action as the company requires to relinquish the former holder's claim on such shares and to surrender all evidence of any such claim.

3.8 Interest payable by member

- (a) For the purposes of articles 3.1(g)(1), 3.4(g)(1)(B) and 3.5(i)(3), the rate of interest payable to the company is:
 - (1) if the directors have fixed a rate, the rate so fixed; or
 - (2) in any other case, the rate as fixed pursuant to article 3.3(c)(2) plus 2%.
- (b) Interest payable under articles 3.1(g)(1), 3.4(g)(1)(B) and 3.5(i)(3) accrues daily and may be capitalised monthly or at such other intervals as the directors think fit.

Part 4

Transfer and transmission of shares

4.1 Transfer of shares

- (a) Subject to these articles, a member may transfer all or any of the member's shares by an instrument in writing in any usual form or in any other form or by any other lawful method that the directors approve.

- (b) An instrument of transfer referred to in article 4.1 (a) must be:
- (1) signed by or on behalf of both the transferor and the transferee unless:
 - (A) the instrument of transfer relates only to fully paid shares and signature by the transferee has been dispensed with by the directors; or
 - (B) the transfer of the shares is effected by a document which is, or documents which together are, a sufficient transfer of those shares under Part 7.13 Division 3 of the Corporations Law;
 - (2) if required by law to be stamped, duly stamped; and
 - (3) left for registration at the registered office of the company, or at such other place as the directors determine, accompanied by the certificate (if any) for the shares to which it relates and such other evidence as the directors require to prove the title of the transferor or the transferor's right to the shares and to prove the right of the transferee to be registered as the owner of the shares.
- (c) Subject to any contrary provision of these articles, where the company receives an instrument of transfer in accordance with article 4.1(b), the company must register the transferee named in the instrument as the holder of the shares to which it relates.
- (d) A transferor of shares remains the holder of the shares transferred until the transfer is registered and the name of the transferee is entered in the register of members in respect of the shares or until the transfer is effected in accordance with the SCH Business Rules.
- (e) The company must not charge a fee for the registration of a transfer of shares.
- (f) The company may retain any registered instrument of transfer for such period as the directors think fit.
- (g) Except in the case of fraud, the company must return any instrument of transfer which the directors decline to register to the person who deposited it with the company.
- (h) The directors may, to the extent permitted by law, waive all or any of the requirements of this article 4.1 to enable the company to participate in CHESSE or any other computerised, electronic or other system for facilitating the clearing and settlement of transactions in shares.

4.2 Registration of transfers

- (a) Subject to paragraphs (b) and (c) below, the directors must register each transfer of shares.
- (b) The directors may decline to register a transfer of shares which are not CHESSE approved securities if:
- (1) the transfer is not in registrable form; or
 - (2) the Listing Rules provide or would require that registration of the transfer may or should be refused.
- (c) In relation to securities of the company which are CHESSE approved securities:
- (1) subject to sub-paragraphs (2) and (3) of this article 4.2(c), the company shall not prevent, delay or in any way interfere with the registration of a proper SCH transfer;
 - (2) the company may apply a holding lock to specified CHESSE approved securities where permitted to do so by the Listing Rules;

- (3) the company may refuse to register a transfer where permitted to do so by the Listing Rules and must refuse to register a transfer if required to do so by the Listing Rules.
- (d) If the directors decline to register a transfer, the company must give to the party lodging the transfer written notice of the refusal and the precise reasons therefor within 5 business days after the date on which the transfer was lodged with the company, but failure to do so will not invalidate the decision of the directors to decline to register the transfer.

4.3 Power to suspend registration of transfers

The directors may suspend the registration of transfers at such times and for such periods, not exceeding in total 30 days in any year, as they think fit.

4.4 Transmission of shares

- (a) In the case of the death of a member, the only persons the company will recognise as having any title to the member's shares are:
 - (1) the legal personal representative of the deceased where the deceased was a sole holder, and
 - (2) the survivor or survivors where the deceased was a joint holder.
- (b) Nothing contained in article 4.4(a) releases the estate of a deceased member from any liability in respect of a share, whether that share was held by the deceased solely or jointly with other persons.
- (c) A person who becomes entitled to a share in consequence of a transmission event may upon producing the certificate for the share and such other evidence as the directors may require to prove that person's entitlement to the share, elect:
 - (1) to be registered as the holder of the share by signing and serving on the company a notice in writing stating that election; or
 - (2) to have some other person nominated by that person registered as the transferee of the share by effecting a transfer of the share to that other person.
- (d) The provisions of these articles relating to the right to transfer, and the registration of transfers of, shares apply, so far as they can and with such changes as are necessary, to any notice or transfer under article 4.4(c) as if the relevant transmission event had not occurred and the notice or transfer were a transfer effected by the registered holder of the share.
- (e) For the purposes of these articles, where 2 or more persons are jointly entitled to any share in consequence of a transmission event they will, upon being registered as the holders of the share, be taken to be joint holders of the share.

4.4A Divestiture

- (a) The directors may at any time, by notice in writing to a member, require that member to sell, within a period nominated by the directors in the notice, not being less than thirty (30) days, any shares held by that member which have been transferred to that member if the circumstances are such that the directors would have been entitled to prevent that transfer occurring or to decline to register that transfer in accordance with article 4.2(c)(2) or (3) (assuming for this purpose, if necessary, that article 4.2(c)(2) and/or (3) had applied).

- (b) If a member fails to comply with a notice given under article 4.4A(a) within the time specified by that notice, the directors may sell any shares specified in the notice given under article 4.4A(a) in any manner the directors think fit. The directors may appoint a person to execute an instrument of transfer of such shares or any other instrument or to take any other action necessary or appropriate for the purpose of giving effect to such sale including effecting a transfer in accordance with the SCH Business Rules.
- (c) The directors may receive the purchase money or consideration given for the shares on any sale under article 4.4A(b).
- (d) The company must register as the holder of the shares the person to whom the shares are sold under article 4.4A(b).
- (e) A person to whom shares are sold under article 4.4A(b) is not bound to see to the regularity or validity of, or to the application of the purchase money or consideration on, any sale under article 4.4A(b) and the title of that person to the shares is not affected by any irregularity or invalidity in the sale.
- (f) The remedy (if any) of any person aggrieved by a sale under article 4.4A(b) is limited to damages only and is against the company exclusively.
- (g) The proceeds of a sale under article 4.4A(b) must be applied in the payment of:
 - (1) first, the expenses of the sale;
 - (2) second, all money presently payable to the company (if any) by the former holder whose shares have been sold,

and the balance (if any) must be paid (subject to any lien in respect of money due and unpaid) to the former holder on the former holder delivering to the company the certificates for the shares that have been sold or taking such other action as the company requires to relinquish the former holder's claim on such shares and to surrender all evidence of any such claim.

4.5 Member's information

- (a) In addition to any power or right of the company to seek information under the Corporations Law, the directors may, by written notice, request a member to provide any or all of the following information:
 - (1) the total number of shares in the company in which the member has a relevant interest;
 - (2) the names, addresses and relevant interests of all other persons known, after making reasonable inquiries, to have a relevant interest in shares in the company in respect of which the member is the registered holder;
 - (3) whether or not the member is a foreign person or a foreign airline;
 - (4) which, if any, of the persons referred to in sub-paragraph (2) above are foreign persons or foreign airlines; and
 - (5) any other information which the directors reasonably consider necessary for the purposes of the proper operation of articles 4.7 and 4.8 and which could reasonably be expected to be within the knowledge of the member.
- (b) If a member does not provide the requested information referred to in paragraph (a) above within 14 days after written notice to do so, the directors may serve a notice (the "default notice") on the registered holder and may exercise all of the powers set out in

article 4.7 in respect of the member's shares as if they were Affected Shares. A registered holder on whom a default notice has been served and not withdrawn shall not be entitled to vote at any general meeting or any meeting of holders of any class of shares of the company, but may attend at that meeting. The directors shall, by written notice to the holder, withdraw a default notice where the failure to provide information referred to in paragraph (a) arises by reason of honest mistake or for reasons beyond the reasonable control of the member. Until the default notice is withdrawn the votes attached to the shares held by the registered holder on whom the default notice has been served vest in the chairperson of directors and the chairperson may exercise those votes in any manner the chairperson thinks fit.

4.6 Separate records

- (a) The directors shall maintain a separate register or a sub-register forming part of its main register in which shall be entered such particulars as the directors consider appropriate in respect of any share which:

- (1) has been acknowledged by the registered holder to be a relevant share and whether a foreign airline has a relevant interest in that share; or
- (2) the directors consider may be a relevant share and whether a foreign airline has a relevant interest in that share, where the directors have not, after making reasonable inquiries, been otherwise satisfied within 14 days of notice (or such longer period specified in the notice) to the registered holder or to any other person who appears to them to have a relevant interest in that share, other than any share which they determine is not, or should not be treated as, a relevant share; and

in either case which has not, to the satisfaction of the directors, ceased to be a relevant share.

- (b) A foreign person must within 10 days of becoming a registered holder of shares, notify the directors or such other persons as the directors nominate that the shares acquired by the foreign person are relevant shares.
- (c) A foreign airline must within 10 days of becoming a registered holder of shares, notify the directors or such other persons as the directors nominate that it has acquired the shares.
- (d)
 - (1) A person must within 10 days of becoming a registered holder of shares, notify the directors or such other persons as the directors nominate of any relevant interest of foreign persons and foreign airlines in those shares of which the person is aware.
 - (2) Registered holders of shares which have not been acknowledged to be relevant shares must within 10 days of becoming aware under this article 4.6(d)(2) notify the directors or such other persons as the directors may nominate if they become aware that a foreign person has a relevant interest in shares held by them and whether that foreign person is a foreign airline.
- (e) The directors shall remove from the separate register or sub-register maintained in accordance with paragraph (a) above particulars of any share in respect to which the holder of such share or such other person as the directors think appropriate provides a declaration together with such evidence as the directors may require (and which is satisfactory to them) that such share is no longer a relevant share.

- (f) The directors shall from time to time publish information as to the number of shares particulars of which have been entered in the separate register or sub register maintained in accordance with the provisions of article 4.6(a). Subject to the provisions of any law to the contrary the directors will not be required to make the separate register available for inspection but will provide information to bona fide enquiries from prospective purchasers of shares in the company as to the number of relevant shares from time to time on such register. If required under the Listing Rules, the directors must simultaneously provide this information to the Exchange.

4.7 Affected Shares

- (a) The provisions of paragraphs (b) to (n) below shall apply if the directors are notified by an appropriate person that:
- (1) an Intervening Act has taken place or is imminent; or
 - (2) the foreign ownership or control of the company is such that an Intervening Act is likely to occur.
- (b) The directors shall take such of the following steps as seem to them necessary to overcome, prevent or avoid an Intervening Act:
- (1) subject to paragraph (i) remove a director from office; or
 - (2) seek to identify those shares the acquisition of which caused the Intervening Act to occur or resulted in an Intervening Act becoming imminent or caused the foreign ownership or control of the company to be such that an Intervening Act is likely to occur.
- (c) The directors may determine to treat as Affected Shares the shares identified pursuant to paragraph (b) (2) above. In making such a determination, the directors are not limited to relevant shares, but may, for example, take account of any arrangements or understandings between shareholders or entitlements to shares. The directors shall give a written notice to the registered holder of any share which they determine to deal with as an Affected Share and to any other person who appears to the directors to be entitled to that share setting out the provisions of paragraphs (d) and (e) below. The holder and any such other person may make representations to the directors as to why any share so identified should not be treated as an Affected Share. If after considering the representations and any other information the directors consider relevant, the directors reasonably consider that such shares specified in the notice should not be treated as Affected Shares or should no longer be treated as Affected Shares they shall forthwith withdraw such notice.
- (d) A registered holder of an Affected Share on whom a notice pursuant to paragraph (c) above has been served and not withdrawn shall not be entitled to vote in respect of such share at any general meeting of the company but shall be entitled to attend the meeting. Until the notice is withdrawn or the share ceases to be an Affected Share the vote attached to the Affected Share vests in the chairperson of directors and the chairperson may exercise that vote in any manner the chairperson thinks fit.
- (e) The persons on whom a notice pursuant to paragraph (c) above has been served and not withdrawn shall within 30 days after service of the notice dispose of either the Affected Share or any relevant interest set out in such notice therein such that it ceases to be an Affected Share and if, after the 30 day period the directors are not satisfied that a suitable disposal has been made, the directors may arrange for the sale of the Affected Share on behalf of the registered holder so that it is no longer capable of being treated as an

Affected Share at the best price reasonably obtainable at the relevant time, based upon advice obtained by them for the purpose. The directors shall not be liable to any person for any consequence of reliance on such advice. The net proceeds of sale shall be held on trust by the company for and paid (together with interest at such rate as the directors deem appropriate) to the former registered holder.

- (f) For the purpose of any sale pursuant to paragraph (e) above, the directors may appoint any person to effect as transferor a transfer in favour of the transferee and may enter the name of the transferee in respect of the transferred share in the share register kept in accordance with these articles notwithstanding the absence of a share certificate (if any) and such transfer shall be effective as if it had been effected by the registered holder and title of the transferee shall not be affected by any irregularity or invalidity in the proceedings related thereto.
- (g) In deciding which shares are to be dealt with as Affected Shares the directors shall have regard to the chronological order in which particulars of relevant shares have been entered in the register or sub-register kept in accordance with the provisions of article 4.6(a) above, on the basis that the last registered share (other than a TSB share) is to be the first treated as an Affected Share, except where in their opinion to do so would be inequitable, in which case the directors shall apply such other criteria in their absolute discretion as they may consider appropriate. Other than in accordance with paragraph (h) below, TSB shares cannot be treated as Affected Shares by the directors under this article, but any other shares may be.
- (h) Notwithstanding any other provision in this article, the directors may pursuant to paragraph (c) above determine that TSB shares may be treated as Affected Shares where:
 - (1) the directors have notwithstanding paragraph (g) above, determined that those TSB shares should be treated as Affected Shares in accordance with paragraph (b) (2) above; and
 - (2) the directors form the reasonable opinion that the Intervening Act cannot be overcome, prevented or avoided other than by treating some or all of the TSB shares as Affected Shares.
- (i) The directors shall not remove any TSB director pursuant to paragraph (b)(1) above unless they form the reasonable opinion that the Intervening Act cannot be overcome, prevented or avoided other than by the removal of the TSB director.
- (j) Subject to any other provision in these articles, unless contrary information is provided to the directors, they shall be entitled to assume without inquiry that all shares are not relevant shares.
- (k) The directors are not obliged to serve any notice required under this article upon any person if they do not know his identity or address. The absence of a notice in such circumstance or any accidental error or failure to give any notice to any person upon whom notice is required to be served under this article shall not prevent the implementation or validity of any procedure or action taken under this article.
- (l) The directors shall, so long as they act reasonably and in good faith, be under no liability to the company or to any other person for failing to treat any share, or erroneously determining that any share should be treated, as an Affected Share or relevant share in accordance with the provisions of this article or article 4.6(a) or, if on the basis of any such determination they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this article in relation to such share.

- (m) If at any time when a determination has been made and not withdrawn anyone enquires of the directors whether any shares which he proposes to buy or in which he proposes to acquire an interest would, in the opinion of the directors, be capable on acquisition of becoming Affected Shares, the directors may, on sufficient information being given to them, notify the inquirer whether in their opinion the shares would in such circumstances be capable of becoming Affected Shares. Such notification shall not, however, be binding on the directors of the company.
- (n) Any resolution, determination or decision to exercise any discretion or power by the directors under this article shall be final and conclusive in the absence of bad faith or manifest error on the part of the directors.

4.8 Enforcement of foreign ownership limitations

- (a) On the directors becoming aware of a breach of article 2.2 occurring, the directors must determine which shares give rise to the breach (the "offending shares"), and when they make a determination, they must promptly give notice in accordance with paragraph (c) below which, in accordance with the provisions of this article:
 - (1) will lead to the registered holder of the offending shares not being able to vote in respect of those shares; and
 - (2) may lead to the disposal of the offending shares.
- (b) In determining which shares are the offending shares, the directors must, unless in their opinion it would be inequitable to do so, have regard to the chronological order in which particulars of relevant shares have been entered in the register or sub-register kept in accordance with the provisions of article 4.6(a) above, on the basis that the last registered share (other than a TSB share) is to be first treated as an offending share. Other than in accordance with article 4.8(g) below, TSB shares cannot be treated as offending shares by the directors under this article, but any other shares may be.
- (c) The directors must give written notice to the registered holder of any offending share and to any other foreign person who appears to the directors to have a relevant interest in that share setting out the provisions of articles 4.8(d) - (m). The holder and any such other person may make representations to the directors as to why any share so identified should not be regarded as having given rise to a breach of article 2.2 or, if having given rise to the breach, should not be dealt with as an offending share because the breach is not continuing. If after considering the representations and any other information which the directors reasonably consider relevant, the directors consider that such shares specified in the notice should not be regarded as having given rise to a breach of article 2.2 or, having given rise to the breach, should not be dealt with as an offending share because the breach is not continuing they must promptly withdraw such notice.
- (d) A registered holder of an offending share on whom a notice pursuant to paragraph (c) above has been served and not withdrawn is not entitled to vote in respect of such share at any general meeting of the company but is entitled to attend the meeting and be heard. Until the notice is withdrawn or the share ceases to be an offending share, the vote attached to the offending share vests in the chairperson of directors and the chairperson may exercise that vote in any manner the chairperson thinks fit.
- (e) The persons on whom a notice pursuant to paragraph (c) above has been served and not withdrawn must within 30 days after service of the notice dispose of either that offending share or any relevant interest set out in notice therein such that it ceases to be an offending share and if, after the 30 day period the directors are not satisfied that a

suitable disposal has been made, the directors may arrange for the sale of the offending share on behalf of the registered holder so that it is no longer capable of being treated as an offending share at the best price reasonably obtainable at the relevant time, based upon advice obtained by them for the purpose. The directors shall not be liable to any person for any consequence of reliance on such advice. The net proceeds of sale shall be held on trust by the company for and paid (together with interest at such rate as the directors deem appropriate) to the former registered holder as soon as practicable after the sale.

- (f) For the purpose of any sale pursuant to paragraph (e) above, the directors may appoint any person to effect as transferor a transfer in favour of the transferee and may enter the name of the transferee in respect of the transferred share in the share register kept in accordance with these articles notwithstanding the absence of a share certificate (if any). The transfer is effective as if it had been effected by the registered holder and title of the transferee is not affected by any irregularity or invalidity in the proceedings.
- (g) Notwithstanding any other provision in this article, the directors may pursuant to paragraph (c) above determine that TSB shares may be treated as offending shares where:
 - (1) the directors have notwithstanding paragraph (b) above, determined that those TSB shares should be treated as offending shares; and
 - (2) the directors form the reasonable opinion that the breach of article 2.2 cannot be rectified other than by treating some or all of the TSB shares as offending shares.
- (h) Subject to any other provision in these articles, unless contrary information is provided to the directors, they shall be entitled to assume without inquiry that all shares are not relevant shares.
- (i) The directors are not obliged to serve any notice required under this article upon any person if they do not know that person's identity or address. The absence of a notice in such circumstance or any accidental error or failure to give any notice to any person upon whom notice is required to be served under this article shall not prevent the implementation or validity of any procedure or action taken under this article.
- (j) The directors shall, so long as they act reasonably and in good faith, be under no liability to the company or to any other person for failing to treat any share, or erroneously determining that any share should be treated, as an offending share or relevant share in accordance with the provisions of this article or article 4.6(a) or, if on the basis of any such determination they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this article in relation to such share.
- (k) If at any time when a determination has been made and not withdrawn anyone enquires of the directors whether any shares which he proposes to buy or in which he proposes to acquire an interest would, in the opinion of the directors, be capable on acquisition of becoming offending shares, the directors may, on sufficient information being given to them, notify the inquirer whether in their opinion the shares would in such circumstances be capable of becoming offending shares. Such notification shall not, however, be binding on the directors of the company.
- (l) Any resolution, determination or decision to exercise any discretion or power by the directors under this article shall be final and conclusive in the absence of bad faith or manifest error on the part of the directors.

Part 5 General Meetings

5.1 Convening of general meetings

- (a) Subject to these articles, the directors may, whenever they think fit, convene a general meeting.
- (b) A general meeting may be convened only as provided by this article 5.1, or as provided by section 246 of the Corporations Law.

5.2 Notice of general meetings

- (a) Subject to the Listing Rules, the provisions of the Corporations Law relating to special notice, special resolutions and agreements for shorter notice, and to the rights or restrictions attached to any shares or class of shares, at least 14 days notice of a general meeting (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day appointed for the meeting) must be given in the manner authorised by part 13 to each person who is at the time of giving the notice:
 - (1) a member;
 - (2) entitled under these articles to be registered as the holder of, or to the transfer of, any shares and who has satisfied the directors of his or her right to be registered as the holder of, or to the transferee of, the shares;
 - (3) a director; or
 - (4) an auditor of the company.
- (b) No other person is entitled to receive notices of general meetings provided that, where required by the Listing Rules, the Exchange shall be entitled to receive such notices.
- (c) A notice of a general meeting must:
 - (1) specify the time and place of the meeting and, except as provided in article 5.2(d), state the general nature of the business to be transacted at the meeting; and
 - (2) be accompanied by a proxy form which will:
 - (A) enable the shareholder to vote for or against each resolution to be put to the meeting; and
 - (B) allow for the insertion by the shareholder of the name of the person to be primarily appointed as proxy and may also provide that, in such circumstances and on such conditions specified in the form as are not inconsistent with these articles, the chairperson of the relevant meeting (or another person specified in the proxy form) is appointed as proxy.
- (d) It is not necessary for a notice of an annual general meeting to state that the business to be transacted at the meeting includes the consideration of accounts and the reports of the directors and auditor or the appointment of the auditor of the company.
- (e) A person may waive notice of any general meeting by notice in writing to the company.
- (f) Failure to give notice of a general meeting or a proxy form to any person entitled to receive notice of a general meeting under this article 5.2(e) or (g) does not invalidate any act, matter or thing done or resolution passed at the general meeting if:
 - (1) the failure occurred by accident or error; or

- (2) before or after the meeting, the person:
 - (A) has waived or waives notice of that meeting under article 5.2(e) or (g);
 - (B) has notified or notifies the company of the person's agreement to that act, matter, thing or resolution by notice in writing to the company.
- (g) A person's attendance at a general meeting:
 - (1) waives any objection that person may have to a failure to give notice, or the giving of a defective notice, of the meeting unless the person at the beginning of the meeting objects to the holding of the meeting; and
 - (2) waives any objection that person may have to the consideration of a particular matter at the meeting which is not within the business referred to in the notice of the meeting or in article 5.2(c), unless the person objects to considering the matter when it is presented.

5.3 Admission to general meetings

The chairperson of a general meeting may refuse admission to, or require to leave and remain out of, the meeting any person:

- (a) in possession of a pictorial-recording or sound-recording device;
- (b) in possession of a placard or banner;
- (c) in possession of an article considered by the chairperson to be dangerous, offensive or liable to cause disruption;
- (d) who refuses to produce or to permit examination of any article, or the contents of any article, in the person's possession;
- (e) who behaves or threatens to behave in a dangerous, offensive or disruptive manner; or
- (f) who is not a member, director or auditor of the company or a person referred to in article 5.2(a)(2).

5.4 Quorum at general meetings

- (a) No business may be transacted at any general meeting, except the election of a chairperson and the adjournment of the meeting, unless a quorum of members is present when the meeting proceeds to business.
- (b) A quorum consists of 2 members entitled to vote and be present at the meeting.
- (c) If a quorum is not present within 30 minutes after the time appointed for the general meeting:
 - (1) where the meeting was convened upon the requisition of members, the meeting must be dissolved; or
 - (2) in any other case:
 - (A) the meeting stands adjourned to such day, and at such time and place, as the directors determine or, if no determination is made by the directors, to the same day in the next week at the same time and place; and
 - (B) if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting must be dissolved.

5.5 Chairperson of general meetings

- (a) The chairperson of directors must (if present within 15 minutes after the time appointed for the meeting and willing to act) preside as chairperson at each general meeting.

- (b) If at a general meeting:

- (1) there is no chairperson of directors;
- (2) the chairperson of directors is not present within 15 minutes after the time appointed for the meeting; or
- (3) the chairperson of directors is present within that time but is not willing to act as chairperson of the meeting,

then if the directors have elected a deputy chairperson of directors, the deputy chairperson of directors must (if present within 15 minutes after the time appointed for the meeting and willing to act) preside as chairperson at the meeting.

- (c) Subject to article 5.5(a), if at a general meeting:

- (1) there is no chairperson of directors;
- (2) the deputy chairperson of directors is not present within 15 minutes after the time appointed for the meeting; or
- (3) the deputy chairperson of directors is present within that time but is not willing to act as chairperson of the meeting,

the members present must elect as chairperson of the meeting:

- (4) another director who is present and willing to act, or
- (5) if no other director willing to act is present at the meeting, a member who is present and willing to act.

5.6 Adjournment of general meetings

- (a) The chairperson of a general meeting may with the consent of the meeting, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (b) Where 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.
- (c) Except as provided by article 5.6(b), it is not necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

5.7 Decisions at general meetings

- (a) Except in the case of any resolution which as a matter of law requires a special majority, questions arising at a general meeting are to be decided by a majority of votes cast by the members present at the meeting and any such decision is for all purposes a decision of the members.
- (b) In the case of an equality of votes upon any proposed resolution:
 - (1) the chairperson of the meeting will not have a second or casting vote; and
 - (2) the proposed resolution is to be taken as having been lost.

- (c) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is demanded before or immediately after the declaration of the result of the show of hands:
 - (1) by the chairperson of the meeting; or
 - (2) by any member present at the meeting and having the right to vote on the resolution.
- (d) A demand for a poll does not prevent the continuance of a general meeting for the transaction of any business other than the question on which the poll has been demanded.
- (e) Unless a poll is duly demanded, a declaration by the chairperson of a general meeting that a resolution has on a show of hands been carried or carried unanimously, or carried by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- (f) If a poll is duly demanded at a general meeting, it will be taken in such manner and (subject to article 5.7(g)) either at once or after an interval or adjournment or otherwise as the chairperson of the meeting directs, and the result of the poll will be the resolution of the meeting at which the poll was demanded.
- (g) A poll demanded at a general meeting on the election of a chairperson of the meeting or on a question of adjournment must be taken immediately.

(h) The demand for a poll may be withdrawn.

5.8 Voting rights

- (a) Subject to the Listing Rules, these articles and to any rights or restrictions attached to any shares or class of shares, at a general meeting:
 - (1) on a show of hands, every member present has one vote; and
 - (2) on a poll, every member present has:
 - (A) one vote for each fully paid share held by the member; and
 - (B) a fraction of a vote for each partly paid share held by the member, equivalent to the proportion which the amount paid up on the share bears to the total issue price of the share.
- (b) Where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member:
 - (1) on a show of hands the person is entitled to one vote only despite the number of members the person represents; and
 - (2) that vote will be taken as having been cast for all the members the person represents; and
 - (3) the person must not exercise that vote in a way which would contravene any direction given to the person in accordance with article 5.9(g) in any instrument appointing the person as a proxy or attorney.
- (c) Where a member appoints two proxies or attorneys to vote in respect of shares held by the member and both are in attendance:

- (1) on a show of hands, only the first person named in the instrument appointing the proxies or attorneys or, if they are named in separate instruments, the person whose name is earlier in alphabetical sequence, may vote; and
 - (2) on a poll, each proxy or attorney may only exercise votes in respect of those shares for which the proxy or attorney has been validly appointed proxy or attorney.
- (d) In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, attorney or representative, must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is to be determined by the order in which names stand in the register of members (the member whose name appears first in the register being taken to be the senior to the other or others of them).
- (e) The parent or guardian of an infant member may vote at any general meeting upon such evidence being produced of the relationship or of the appointment of the guardian as the directors may require and any vote tendered by a parent or guardian of an infant member in accordance with this article 5.8(e) must be accepted to the exclusion of the vote of the infant member.
- (f) A person entitled under article 4.4(c) to be registered as the holder of, or to the transfer of any shares may vote at any general meeting in respect of those shares in the same manner as if that person were the registered holder of those shares if, before the meeting, the directors have:
- (1) admitted that person's right to vote at the meeting in respect of those shares; or
 - (2) been satisfied of that person's right to be registered as the holder of, or transferee of, those shares,
- and any vote tendered by such a person in accordance with this article 5.8(f) must be accepted to the exclusion of any other vote purported to be cast for the registered holder of those shares.
- (g) Where a member holds any share upon which any call or other sum of money payable to the company has not been duly paid:
- (1) that member is only entitled to be present at a general meeting and vote if other shares are held by that member upon which no money is then due and payable; and
 - (2) upon a poll, that member is not entitled to vote in respect of that share but may vote in respect of any other shares held upon which no money is then due and payable.
- (h) A member is not entitled to vote on any resolution for the purposes of the Listing Rules if the Listing Rules provide:
- (1) the member must not vote or must abstain from voting on the resolution; or
 - (2) a vote on the resolution by the member must be disregarded for the purposes of the Listing Rules,
- and if the member does vote on such a resolution, his or her vote must not be counted.
- (i) An objection to the qualification of a person to vote at a general meeting:
- (1) must be raised before or at the meeting at which the vote objected to is given or tendered; and

(2) must be referred:

(A) if it is raised before the meeting, to the directors; or

(B) if it is raised at the meeting, to the chairperson of the meeting,

whose decision is final.

(j) A vote not disallowed by the directors or the chairperson of a meeting under article 5.8(i) is valid for all purposes.

5.9 Representation at general meetings

(a) Subject to these articles, each member entitled to vote at a meeting of members may vote:

(1) in person;

(2) by not more than 2 proxies;

(3) by not more than 2 attorneys; or

(4) where the member is a body corporate, by its representative.

(b) A proxy, attorney or representative may be appointed for all general meetings, or for any number of general meetings, or for a particular general meeting.

(c) A proxy, attorney or representative may, but need not, be a member of the company.

(d) Subject to article 5.2(c)(2)(B), an instrument appointing a proxy, attorney or representative may be in any usual form or any other form that the directors approve.

(e) Unless otherwise provided in the instrument an instrument appointing a proxy, attorney or representative will be taken to confer authority:

(1) to agree to a meeting being convened by shorter notice than is required by the Corporations Law or by these articles;

(2) to agree to a resolution being proposed and passed as a special resolution at a meeting of which less than 21 days notice has been given;

(3) even though the instrument may refer to specific resolutions and may direct the proxy, attorney or representative how to vote on those resolutions:

(A) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion; and

(B) to vote on any procedural motion, including any motion to elect the chairperson, to vacate the chair or to adjourn the meeting,

(C) to speak to any proposed resolution on which the proxy, attorneys or representative may vote; and

(D) to demand or join in demanding a poll on any resolution on which the proxy, attorney or representative may vote.

(f) Where a member appoints 2 proxies or attorneys to vote in respect of the member's shares at the same general meeting, the appointment is of no effect and neither of them may vote unless each proxy or attorney, as the case may be, is appointed to represent a specified proportion of the member's voting rights.

(g) An instrument appointing a proxy or attorney may direct the manner in which the proxy or attorney is to vote in respect of a particular resolution and, where an instrument so

provides, the proxy or attorney is not entitled to vote on the proposed resolution except as directed in the instrument.

- (h) Subject to article 5.9(j), an appointment of a proxy or attorney must be in writing and:
 - (1) in the case of a natural person, signed by the appointer;
 - (2) in the case of a body corporate, executed under the seal of the appointer; or
 - (3) in either case, signed by the appointer's duly authorised attorney.
- (i) Subject to article 5.9(j), a proxy or attorney may not vote at a general meeting unless the instrument appointing the proxy or attorney, and a copy of the power of attorney or other authority (if any) under which the instrument is signed, are:
 - (1) deposited at the registered office of the company or at such other place specified for that purpose in the notice convening the meeting not less than 48 hours before:
 - (A) in the case of a meeting or an adjourned meeting, the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (B) in the case of a poll, the time appointed for the taking of the poll; and
 - (2) in the case of a meeting or an adjourned meeting, tabled at the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (3) in the case of a poll, produced when the poll is taken.
- (j) The directors may waive all or any of the requirements of articles 5.9(h) and (i) and in particular may, upon the production of such other evidence as the directors require to prove the validity of the appointment of a proxy or attorney, accept:
 - (1) an oral appointment of a proxy or attorney;
 - (2) an appointment of a proxy or attorney which is not signed or executed in the manner required by article 5.9(h); and
 - (3) the deposit, tabling or production of a copy (including a copy sent by facsimile) of an instrument appointing a proxy or attorney.
- (k) A vote given in accordance with the terms of an instrument appointing a proxy or attorney is valid despite:
 - (1) the previous death, lunacy or bankruptcy of the appointer; or
 - (2) the revocation of the instrument or of the authority under which the instrument was executed,

if no notice in writing of the death, lunacy, bankruptcy or revocation has been received by the company by the time and at one of the places at which the instrument appointing the proxy or attorney is required to be deposited, tabled or produced under article 5.9(i).
- (l) A vote given in accordance with the terms of an instrument appointing a proxy or attorney is valid despite the transfer of the share in respect of which the instrument was given if the transfer is not registered by the time at which the instrument appointing the proxy or attorney is required to be deposited, tabled or produced under article 5.9(i).
- (m) The appointment of a proxy or attorney is not revoked by the appointer attending and taking part in the general meeting but, if the appointer votes on any resolution, the person

or persons acting as proxy or attorney for the appointer are not entitled to vote, and must not vote, as the appointer's proxy or attorney on the resolution.

Part 6

Directors

6.1 Number of directors

- (a) The number of directors must not be less than 3 and, until otherwise resolved by the company by special resolution, not more than 12.
- (b) Subject to article 6.1(a), the company may by special resolution increase or reduce the number of directors.
- (c) Notwithstanding any provision in these articles to the contrary, at all times, at least two thirds of the company's directors must be Australian Citizens.
- (d) Substantial foreign shareholders in aggregate may not vote to appoint any more than one third of the company's directors.
- (e) Subject to the provisions of article 6.1(d) the right of the TSB group to appoint a director pursuant to article 6.4 shall take precedence over any right of a substantial foreign shareholder to vote to appoint a director pursuant to article 6.3.
- (f) The remaining directors shall remove any director appointed pursuant to a resolution or notice of appointment in breach of this article 6.1.
- (g) Except as provided for pursuant to article 6.4, no holder of TSB shares can vote in respect of its shares to appoint a director of the company.

6.2 TSB directors and Non-TSB directors

- (a) The board of directors shall comprise:
 - (1) TSB directors appointed in accordance with article 6.4.
 - (2) Non-TSB directors, not exceeding the number arrived at by subtracting the maximum number of TSB directors permitted under article 6.4 from the maximum number of directors permitted under article 6.1(a).
- (b) Where, by reason of a change in the number of TSB shares required for the appointment of TSB directors pursuant to article 6.4, (and in the case only where article 2.5(j) applies a percentage of TSB shares is not restored pursuant to article 2.5(j) within the time period referred to in that article) there is a reduction in the number of TSB directors or Non-TSB directors permitted by this article (including without limitation a reduction in the number of TSB shares held by a member), then:
 - (1) that number of TSB directors or Non-TSB directors (as the case requires) as exceeds the permitted number must forthwith vacate office;
 - (2) the Non-TSB director to vacate office shall be decided by agreement amongst them, or in the absence of agreement, by lot;
 - (3) the TSB director to vacate office shall be decided by agreement amongst them, or in the absence of agreement, by lot.

6.3 Appointment and removal of Non-TSB directors

- (a) (1) This article is to be read subject to article 6.1.

- (2) The company may by ordinary resolution appoint or remove a Non-TSB director.
- (b) (1) At the annual general meeting of the company one third (1/3) of the Non-TSB directors (rounded down, if required, to the nearest whole number) but excluding the chief financial officer as at the date these articles are adopted and the managing director shall retire from office such one third (1/3) not to include any Non-TSB director retiring pursuant to articles 6.2(b) or 6.5(b).
- (2) The Non-TSB 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 shall (unless they otherwise agreed among themselves) be determined by lot.
- (3) A Non-TSB director retiring under this article or article 6.5(b) shall be eligible for re-election and shall act as a director throughout the meeting at which he or she retires.
- (4) No Non-TSB director (other than the chief financial officer as at the date these articles are adopted and a managing director) shall remain in office for a period in excess of 3 years or after the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.
- (5) Subject to paragraph (6) below and articles 6.2(a) and 6.2(b), the company may, at the meeting at which a Non-TSB director retires, by ordinary resolution fill the vacated office by electing a person to that office.
- (6) If the vacated office is not so filled, the retiring Non-TSB director shall, if offering himself or herself for re-election and not being disqualified under the Corporations Law or these articles from holding office as a director, be deemed to have been re-elected unless at that meeting:
 - (A) it is expressly resolved not to fill the vacated office; or
 - (B) a resolution for the re-election of that director is put and lost.
- (7) A person may only be elected to the office of a Non-TSB director at a general meeting if:
 - (A) he or she is a director retiring from office under article 6.5(b) and standing for re-election at that meeting;
 - (B) he or she has been nominated by the directors for election at that meeting;
 - (C) he or she has been nominated by special notice under Section 227 of the Corporations Law;
 - (D) if the person is a member, he or she has at least 30 business days before the meeting served on the company a notice signed by him or her signifying his or her desire to be a candidate for election at that meeting; or
 - (E) whether or not the person is a member, some member intending to nominate him or her for election at that meeting has at least 30 business days before the meeting served on the company a notice signed by the member and signifying the member's intention to nominate the person for election, which is accompanied by a notice signed by the person and signifying his or her consent to the nomination.

- (c) In any decision of the company in general meeting to appoint or remove a Non-TSB director pursuant to this article 6.3 or otherwise, the only members entitled to vote are holders of voting shares other than TSB shares.
- (d) For the purposes only of articles 6.3 and 6.4, voting shares in the company other than TSB shares constitute a separate class of share.

6.4 Appointment and removal of TSB directors

- (a) Subject to the provisions of article 6.1, where the TSB group holds in aggregate TSB shares constituting at least ten (10) per cent or more of all the voting shares in the company, the TSB group may appoint or remove such number of TSB directors as is calculated as follows:
 - (1) for as long as the TSB group holds in aggregate TSB shares constituting more than twenty-two and a half (22.5) per cent of all the voting shares in the company, the TSB group may appoint or remove up to three directors;
 - (2) for as long as the TSB group holds in aggregate TSB shares constituting more than fifteen (15) per cent but not more than twenty-two and a half (22.5) per cent of all the voting shares in the company, the TSB group may appoint or remove up to two directors; and
 - (3) for as long as the TSB group holds in aggregate TSB shares constituting at least ten (10) per cent but not more than fifteen (15) per cent of all the voting shares in the company, the TSB group may appoint or remove up to one director;
- (b) The directors must keep records from time to time so as to enable calculations to be made in accordance with the formula set out in paragraph (a) above to determine, as at that date, the entitlement of the TSB group to appoint a TSB director.
- (c) Appointment and removal of a TSB director under this article may be effected by written notice to the company signed by the holder of the majority of the TSB shares. Subject to paragraph (a) above no TSB director shall be obliged to retire and submit himself for re-election by virtue of section 228 of the Corporations Law, but must retire at the conclusion of the annual general meeting beginning next after the director attains the age of 72 years.
- (d) For the purposes of determining the entitlement of the TSB group to appoint a TSB director, the directors' determination is final and binding.
- (e) If a resolution in general meeting is adopted to remove a TSB director the TSB group may appoint a successor in accordance with this article and the company in general meeting may not appoint a successor.
- (f) For the purposes only of articles 6.3 and 6.4, the TSB shares constitute a separate class of share.

6.5 Casual vacancy

- (a) Subject to articles 6.1(a) and 6.2(a), the directors may at any time appoint any natural person to be a Non-TSB director, either to fill a casual vacancy or as an addition to the existing directors.
- (b) Any director appointed pursuant to article 6.5(a) shall hold office only until the next general meeting of the company.

6.6 Vacation of office

The office of a director becomes vacant:

- (a) in the circumstances prescribed by the Corporations Law;
- (b) if the director becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
- (c) if the director resigns by notice in writing to the company.

6.7 Remuneration of directors

- (a) Each director is entitled to such remuneration out of the funds of the company as the directors determine, but the remuneration of non-executive directors may not exceed in aggregate in any year the amount fixed by the company in general meeting for that purpose.
- (b) The remuneration of directors:
 - (1) may be a stated salary or a fixed sum for attendance at each meeting of directors or both; or
 - (2) may in the case of non-executive directors be a share of a fixed sum determined by the company in general meeting to be the remuneration payable to all non-executive directors, to be divided among them in the manner and in the proportion determined by the directors and in default equally; and
 - (3) may include in the case of non-executive directors travel benefits up to a level determined by the company in general meeting and to be distributed among them in the manner determined by the directors,

and if it is a stated salary under article 6.7(b)(1) or a share of a fixed sum under article 6.7(b)(2), will be taken to accrue from day to day.
- (c) The remuneration payable by the company to a director (other than a managing director, deputy managing director or executive director) must not include a commission on, or percentage of, profits or operating revenue.
- (d) The directors are entitled to be paid all travelling and other expenses properly incurred by them in connection with the affairs of the company, including attending and returning from general meetings of the company or meetings of the directors or of committees of the directors.
- (e) If a director renders or is called upon to perform extra services or to make any special exertions in connection with the affairs of the company, the directors may arrange for a special remuneration to be paid to that director, either in addition to or in substitution for that director's remuneration under article 6.7(a).
- (f) If a director is also an officer of the company or of a related body corporate in a capacity other than director, any remuneration that director may receive for acting as that officer may be either in addition to or in substitution for that director's remuneration under article 6.7(a).
- (g) The directors may make a lump sum payment in respect of past services to any director or to the widow or widower or dependants of any director on or at any time after the director ceases to hold office as director.

- (h) The directors may establish or support or assist in the establishment or support of funds and trusts to provide pension, retirement, superannuation or similar payments or benefits to the directors.

6.8 Share qualifications

- (a) A director is not required to hold any shares in the company by way of qualification.
- (b) A director who is not a member of the company is nevertheless entitled to attend and speak at general meetings.

6.9 Interested directors

- (a) A director may hold any other office or place of profit in the company (other than auditor) in conjunction with his or her directorship and may be appointed to that office or place upon such terms as to remuneration, tenure of office and otherwise as the directors think fit.
- (b) A director of the company may be or become a director or other officer of, or otherwise interested in, any related body corporate or any other body corporate promoted by the company or in which the company may be interested as a shareholder or otherwise and is not accountable to the company for any remuneration or other benefits received by the director as a director or officer of, or from having an interest in, that body corporate.
- (c) A director is not disqualified merely because of being a director from contracting with the company in any respect including, without limitation:
 - (1) selling any property to, or purchasing any property from, the company;
 - (2) lending any money to, or borrowing any money from, the company with or without interest and with or without security;
 - (3) guaranteeing the repayment of any money borrowed by the company for a commission or profit;
 - (4) underwriting or guaranteeing the subscription for shares in the company or in any related body corporate or any other body corporate promoted by the company or in which the company may be interested as a shareholder or otherwise, for a commission or profit; or
 - (5) being employed by the company or acting in any professional capacity (other than auditor) on behalf of the company.
- (d) No contract made by a director with the company and no contract or arrangement entered into by or on behalf of the company in which any director may be in any way interested is avoided or rendered voidable merely because of the director holding office as a director or of the fiduciary obligations arising out of that office.
- (e) No director contracting with or being interested in any arrangement involving the company is liable to account to the company for any profit realised by or under any such contract or arrangement merely because of the director holding office as a director or of the fiduciary obligations arising out of that office.
- (f) A director who is in any way interested in any contract or arrangement or proposed contract or arrangement may, despite that interest;
 - (1) be counted in determining whether or not a quorum is present at any meeting of directors considering that contract or arrangement or proposed contract or arrangement;

- (2) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement provided that a director shall not vote at a meeting of directors in regard to any contract or proposed contract or arrangement in which he has directly or indirectly a material interest; and
 - (3) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement to which the seal is affixed.
- (g) Nothing in this article 6.9 affects the duty of a director:
- (1) who has a direct or indirect interest in a contract or proposed contract with the company to declare the nature of the director's interest at a meeting of the directors;
 - (2) who holds any office or possesses any property whereby, directly or indirectly, duties or interests might be created in conflict with the directors duties or interests as director, to declare at a meeting of the directors the fact and the nature, character and extent of the conflict; or
 - (3) to comply with the Listing Rules.

6.10 Powers and duties of directors

- (a) The directors are responsible for managing the business of the company and may exercise to the exclusion of the company in general meeting all the powers of the company which are not required, by the Corporations Law, by the Listing Rules or by these articles, to be exercised by the company in general meeting.
- (b) Without limiting the generality of article 6.10(a) the directors may exercise all the powers of the company to borrow or otherwise raise money, to charge any property or business of the company or all or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of the company or of any other person.
- (c) The directors may determine how cheques, promissory notes, bankers drafts, bills of exchange or other negotiable instruments must be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by or on behalf of the company.
- (d) The directors may:
 - (1) appoint or employ any person to be an officer, agent or attorney of the company for such purposes with such powers, discretions and duties (including powers, discretions and duties vested in or exercisable by the directors), for such period and upon such conditions as they think fit;
 - (2) authorise an officer, agent or attorney to delegate all or any of the powers, discretions and duties vested in the officer, agent or attorney; and
 - (3) subject to any agreement entered into with the relevant officer, agent or attorney, remove or dismiss any officer, agent or attorney of the company at any time, with or without cause.
- (e) A power of attorney may contain such provisions for the protection and convenience of the attorney or persons dealing with the attorney as the directors think fit.

6.11 Proceedings of directors

- (a) The directors may meet together for the despatch of business and adjourn and otherwise regulate their meetings as they think fit.

- (b) The contemporaneous linking together by telephone or other method of audio or audio visual communication of a number of the directors sufficient to constitute a quorum, constitutes a meeting of the directors and all the provisions in these articles relating to meetings of the directors apply, so far as they can and with such changes as are necessary, to meetings of the directors by telephone or audio or audio visual communication.
- (c) A director participating in a meeting by telephone or audio or audio visual communication is to be taken to be present in person at the meeting.
- (d) A director must not leave a meeting by telephone or audio or audio visual communication by disconnecting the directors telephone or audio or audio visual communication device unless the director has previously obtained the consent of the chairperson of the meeting and will be conclusively presumed to have been present and to have formed part of the quorum at all times during the meeting unless the director has previously obtained such consent.

6.12 Convening of meetings of directors

- (a) A director may, whenever the director thinks fit, convene a meeting of the directors.
- (b) A secretary must, on the requisition of a director, convene a meeting of the directors.

6.13 Notice of meetings of directors

- (a) Subject to these articles, notice of a meeting of directors must be given to each person who is at the time of giving the notice:
 - (1) a director; or
 - (2) an alternate director appointed under article 6.19.
- (b) A notice of a meeting of directors:
 - (1) must specify the time and place of the meeting;
 - (2) must state the nature of any business to be transacted at the meeting which is of the type referred to in article 6.17(c);
 - (3) must be given not less than 7 days before the meeting; and
 - (4) may be given in person or by post, telex, facsimile transmission, telephone or other method of written, audio or audio visual communication.
- (c) A director or alternate director may waive notice of any meeting of directors by notifying the company to that effect in person or by post, telex, facsimile transmission, telephone or other method of written, audio or audio visual communication.
- (d) Failure to give notice of a meeting of directors to a director does not invalidate any act, matter or thing done or resolution passed at the meeting if:
 - (1) the failure occurred by accident or error;
 - (2) before or after the meeting, the director or an alternate director appointed by the director:
 - (A) has waived or waives notice of that meeting under article 6.13(c); or
 - (B) has notified or notifies the company of his or her agreement to that act, matter, thing or resolution personally or by post, telex, facsimile

transmission, telephone or other method of written, audio or audio visual communication; or

- (3) the director or an alternate director appointed by the director attended the meeting.
- (e) Failure to give notice of a meeting of directors to an alternate director of a director does not invalidate any act, matter or thing done or resolution passed at the meeting if:
 - (1) the failure occurred by accident or error;
 - (2) (A) before or after the meeting, the alternate director or the director who appointed the alternate director or another alternate director appointed by that director:
 - (B) has waived or waives notice of that meeting under article 6.13(c); or
 - (C) has notified or notifies the company of his or her agreement to that act, matter, thing or resolution personally or by post, telex, facsimile transmission, telephone or other method of written, audio or audio visual communication; or
 - (3) the alternate director or the director who appointed the alternate director or another alternate director appointed by that director attended the meeting.
- (f) Attendance by a person at a meeting of directors waives any objection that person may have to a failure to give notice of the meeting and;
 - (1) if the person is a director, any objection that alternate director appointed by that person; or
 - (2) if the person is an alternate director, any objection that director who appointed that person as alternate director and any other alternate director appointed by that director,

may have to a failure to give notice of the meeting.

6.14 Quorum at meetings of directors

- (a) No business may be transacted at a meeting of directors unless a quorum of directors is present at the time the meeting proceeds to business.
- (b) A quorum consists of:
 - (1) if the directors have fixed a number for the quorum that number of directors and in any other case, 3 directors; and
 - (2) such quorum must always consist of a majority of Non-TSB directors who are Australian Citizens; and
 - (3) such quorum must always consist of one TSB director or an alternate director of a TSB director, unless the holder of the majority of the TSB shares waives that requirement, or unless no TSB directors have been appointed pursuant to article 6.4.
- (c) In the event of a vacancy in the office of a director or vacancies in the offices of directors, the remaining director or directors may act but, if the number of remaining directors is not sufficient to constitute a quorum at a meeting of directors, the remaining director or directors may act only for the purpose of increasing the number of directors to

a number sufficient to constitute a quorum or of convening a general meeting of the company.

6.15 Chairperson and deputy chairperson of directors

Subject to the provisions of articles 6.16 and 6.17:

- (a) The directors may, if the person is an Australian citizen, elect one of the directors (provided the director is approved by the Nominations Committee) to the office of chairperson of directors and may determine the period for which that director is to be chairperson of directors.
- (b) The office of chairperson of directors or deputy chairperson of directors is not to be treated as an extra service or special exertion performed by the director holding that office for the purposes of article 6.7(e).
- (c) The chairperson of directors must (if present within 10 minutes after the time appointed for the holding of the meeting and willing to act) preside as chairperson at each meeting of directors.
- (d) If at a meeting of directors:
 - (1) there is no chairperson of directors;
 - (2) the chairperson of directors is not present within 10 minutes after the time appointed for the holding of the meeting; or
 - (3) the chairperson of directors is present within that time but is not willing to act as chairperson of the meeting,
 then if the directors have elected a deputy chairperson of directors, the deputy chairperson of directors must (if present within 10 minutes after the time appointed for the holding of the meeting and willing to act) preside as the chairperson of the meeting.
- (e) Subject to article 6.15(d), if at a meeting of directors:
 - (1) there is no deputy chairperson of directors;
 - (2) the deputy chairperson of directors is not present within 10 minutes after the time appointed for the holding of the meeting; or
 - (3) the deputy chairperson of directors is present within that time but is not willing to act as chairperson of the meeting,

the directors present must elect one of themselves to be chairperson of the meeting.

6.16 Chairperson to be Australian Citizen

At all times the person presiding as chairperson at a meeting of directors, must be an Australian Citizen.

6.17 Decisions of directors

- (a) A meeting of directors at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the directors under these articles.
- (b) Questions arising at a meeting of directors are to be decided by a majority of votes cast by the directors present and any such decision is for all purposes a determination of the directors.

- (c) For the specific purpose of ensuring that the company both maximises its profitability and operates in a manner otherwise consistent with the objective of maintaining a strong, viable and dynamic Australian aviation industry, the following actions by the company or any of its subsidiaries requires the approval of two thirds of all the directors of the company, and in the case of the action referred to in paragraph 6.17(c)(6) the approval of a majority of votes in accordance with paragraph 6.17(b) as well as the approval of all the TSB directors:
- (1) The adoption by the directors of the annual operating budget of the company;
 - (2) Any capital or other expenditure, incurrence of debt (other than drawing on existing debt facilities) or any other actions by the company or its subsidiaries in excess, for any item (but aggregating all amounts for such item) of \$50,000,000 except as provided for in the annual operating budget for the company and its subsidiaries previously approved by the directors;
 - (3) The entry by the company into any major commercial or joint venture agreement, merger, takeover or business acquisition which may be reasonably expected to materially adversely affect the value of the TSB's shareholding in the company or be materially inconsistent with the TSB's commercial agreements with the company;
 - (4) The disposal for value by the company of material operating rights including slots or route licences;
 - (5) The issue of shares or options in respect of shares;
 - (6) The delegation of any powers of the Board to a director or any committee of the board insofar as they concern matters which are referred to in this article 6.17(c);
 - (7) The buyback by the company of ordinary shares in itself under article 2.7.

The TSB directors may grant the approval or not in their absolute discretion.

- (d) In the case of an equality of votes upon any proposed resolution the chairperson of the meeting will not have a second or casting vote and the proposed resolution is to be taken as having been lost.

6.18 Written resolutions

- (a) If a document containing a statement to the effect that an act, matter or thing has been done or resolution has been passed, is assented to by:
- (1) the necessary majority of directors, and in the case of a resolution requiring approval of the TSB directors in accordance with these articles the approval of the TSB directors; and
 - (2) the number and identity of directors necessary to constitute a quorum at a meeting of directors;

that act, matter, thing or resolution is to be taken as having been done at or passed by a meeting of the directors.

- (b) For the purposes of article 6.18(a):

- (1) the meeting is to be taken as having been held:
 - (A) if the directors assented to the document on the same day, on the day on which the document was assented to and the time at which the document was last assented to by a director; or

- (B) if the directors assented to the document on different days, on the day on which, and at the time at which, the document was last assented to by a director;
- (2) 2 or more separate documents in identical terms each of which is assented to by one or more directors are to be taken as constituting one document; and
- (3) a director may signify assent to a document by signing the document or by notifying the company of the director's assent in person or by post, telex, facsimile transmission, telephone or other method of written, audio or audio visual communication.
- (c) Where a director signifies assent to a document otherwise than by signing the document, the director must by way of confirmation sign the document at the next meeting of the directors attended by that director, but failure to do so does not invalidate the act, matter, or thing or resolution to which the document relates.
- (d) Where a document is assented to in accordance with article 6.18(a), the document is to be taken as a minute of a meeting of directors.

6.19 Alternate directors

- (a) A director may appoint:
 - (1) a person to be the director's alternate director for such period as the director thinks fit; and
 - (2) another person to be the director's alternate director in the absence of any alternate director appointed under article 6.19(a)(1).
- (b) An alternate director must be:
 - (1) a director of the company; or
 - (2) any other person (including, without limitation, a member of the company) who is approved by the Nominations Committee.
- (c) One person may act as alternate director to more than one director.
- (d) An alternate director is entitled, if the appointer does not attend a meeting of directors, to attend and vote in place of and on behalf of the appointer.
- (e) An alternate director is entitled to a separate vote for each director the alternate director represents in addition to any vote the alternate director may have as director in his or her own right.
- (f) In the absence of the appointer, an alternate director may exercise any powers that the appointer may exercise and the exercise of any such power by the alternate director is to be taken to be the exercise of the power by the appointer.
- (g) The office of an alternate director is vacated if and when the appointer vacates office as a director.
- (h) The appointment of an alternate director may be terminated at any time by the appointer even though the period of the appointment of the alternate director has not expired.
- (i) An appointment, or the termination of an appointment, of an alternate director must be in writing signed by the director who makes or made the appointment and does not take effect unless and until the company has received notice in writing of the appointment or termination.

- (j) An alternate director is not to be taken into account in determining the minimum or maximum number of directors allowed under these articles.
- (k) In determining whether a quorum is present at a meeting of directors, an alternate director who attends the meeting is to be counted as a director for each director on whose behalf the alternate director is attending the meeting.
- (l) An alternate director is entitled to be paid such remuneration as the directors think fit either, as determined by the directors, in addition to or in reduction of the remuneration payable to the director for whom the alternate director acts as alternate.

6.20 Committees of directors

- (a) Subject to article 6.17(c) the directors may delegate any of their powers to a committee or committees consisting of such number of directors as they think fit.
- (b) A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the directors.
- (c) The provisions of these articles applying to meetings of directors apply, so far as they can and with such changes as are necessary, to meetings of a committee of directors including the requirement that the quorum shall include one TSB director, unless the holder of TSB shares waives that requirement.
- (d) Membership of a committee of directors may, if the directors so resolve, be treated as an extra service or special exertion performed by the members for the purposes of article 6.7(e).

6.21 Nominations Committee

- (a) There shall be a Nominations Committee comprising three non-executive directors of the company, at least one of whom shall be a TSB Director, and the other two of whom must be Non-TSB directors and shall be elected by all directors of the company.
- (b) The Nominations Committee must approve a person to be appointed as chairperson and shall only be taken as approving a chairperson if at least two members of the committee, including the TSB director, have approved that person for that position.
- (c) The Nominations Committee must approve a person to be appointed as an alternate director and shall only be taken as approving an alternate director if at least two members of the committee have approved that person for that position.

6.22 Delegation to individual directors

- (a) Subject to article 6.17(c) the directors may delegate any of their powers to one director.
- (b) A director to whom any powers have been so delegated must exercise the powers delegated in accordance with any directions of the directors.
- (c) Acceptance of such a delegation may, if the directors so resolve, be treated as an extra service or special exertion performed by the delegate for the purposes of article 6.7(e).

6.23 Validity of Acts

- (a) All acts done by any person acting as a director are, even if it is discovered afterwards that there was a defect in the person's appointment as a director or that the person was disqualified to be a director, as valid as if the person has been duly appointed as, and was qualified to be, a director.

- (b) All acts done by a meeting of directors or a committee of directors are, even if it is discovered afterwards that there was a defect in the appointment of a person as a director or that a person appointed as a director was disqualified to be a director, as valid as if the person had been duly appointed as, and was qualified to be, a director.

Part 7

Executive Officers

7.1 Managing Director

- (a) The directors shall appoint a director who is a Non-TSB director, to the office of managing director. That person shall be the chief executive officer of the company.
- (b) The managing director's appointment as managing director automatically terminates if the managing director ceases to be a director.

7.2 Deputy managing directors

- (a) The directors may appoint a director to the office of deputy managing director.
- (b) A deputy managing director's appointment as deputy managing director automatically terminates if the deputy managing director ceases to be a director.

7.3 Chief financial officer

- (a) The directors shall appoint a director who is a Non-TSB director, to the office of chief financial officer of the company.
- (b) The chief financial officer's appointment as chief financial officer automatically terminates if the chief financial officer ceases to be a director.

7.4 Executive directors

- (a) A reference in this article 7.4 to an executive director is a reference to a director who is also an officer of the company or of a related body corporate in a capacity other than director.
- (b) The directors may confer on an executive director such titles as they think fit.
- (c) An executive director may be appointed on the basis that the executive director's appointment:
 - (1) as a director automatically terminates if the executive director ceases to be an officer of the company or of a related body corporate in a capacity other than director; or
 - (2) as an officer of the company or of a related body corporate in a capacity other than director automatically terminates if the executive director ceases to be a director.

7.5 Secretaries

- (a) The directors may appoint one or more secretaries.
- (b) The directors may appoint one or more assistant secretaries.

7.6 Provisions applicable to all executive officers

- (a) A reference in this article 7.6 to an executive officer is a reference to a managing director, deputy managing director, chief financial officer, executive director, secretary or assistant secretary appointed under this part 7.
- (b) The appointment of an executive officer may be for such period, at such remuneration and upon such conditions as the directors think fit.
- (c) The remuneration payable by the company to an executive officer who is also a director must not include a commission on, or percentage of, operating revenue.
- (d) Subject to the terms of any agreement entered into between the company and the relevant executive officer, any executive officer of the company may be removed or dismissed by the directors at any time, with or without cause.
- (e) The directors may, subject to article 6.17(c):
 - (1) confer on an executive officer such powers, discretions and duties (including any powers, discretions and duties vested in or exercisable by the directors) as they think fit; and
 - (2) withdraw, suspend or vary any of the powers, discretions and duties conferred on an executive officer; and
 - (3) authorise the executive officer to delegate all or any of the powers, discretions and duties conferred on the executive officer.
- (f) An executive officer is not required to hold any shares to qualify for appointment.
- (g) All acts done by any person acting as an executive officer are, even if it is discovered afterwards that there was a defect in the person's appointment as an executive officer or that the person was disqualified to be an executive officer, as valid as if the person had been duly appointed as, and was qualified to be, an executive officer.

Part 8 Seals

8.1 Safe custody of seal

The directors must provide for the safe custody of the seal.

8.2 Use of seal

- (a) The seal must be used only by the authority of the directors or of a committee of the directors authorised by the directors to authorise the use of the seal.
- (b) The authority to use the seal may be given before or after the seal is used.
- (c) Subject to article 8.6, every document to which the seal is affixed must be signed by a director and countersigned by another director, a secretary or another person appointed by the directors to countersign that document or class of documents in which that document is included.

8.3 Seal register

- (a) The company must keep a seal register and, upon the affixing of the seal to any document (other than a certificate for securities of the company), must enter in the register particulars of the document, giving in each case the date of the document, the

names of the parties to the document, a short description of the document and the names of the persons signing and countersigning the document under article 8.2(c).

- (b) The register must be produced at meetings of directors for confirmation of the use of the seal since confirmation was last given under this article 8.3.

8.4 Official seal

- (a) The company may have for use in place of its common seal outside the state or territory where its common seal is kept one or more official seals, each of which must be a facsimile of the common seal of the company with the addition on its face of the name of the place where it is to be used.
- (b) The document sealed with an official seal is to be taken as having been sealed with the common seal of the company.

8.5 Share seal or certificate seal

- (a) The company may have for use on certificates for securities of the company in place of its common seal one or more seals, each of which must be a facsimile of the common seal of the company with the addition on its face of the words share seal or certificate seal.
- (b) A certificate for securities of the company sealed with a share seal or certificate seal is to be taken as having been sealed with the common seal of the company.

8.6 Sealing and signing of certificates

The directors may determine either generally or in a particular case that the seal and the signature of any director or secretary is to be affixed to any certificate for securities in the company by some mechanical or other means.

Part 9 Distribution of profits

9.1 Dividends

- (a) Subject to the rights of persons entitled to shares with special rights to dividends, the directors may declare a dividend.
- (b) The directors may declare and authorise the payment by the company to the members of such interim dividends as appear to the directors to be justified by the financial position of the company.
- (c) Interest is not payable by the company in respect of any dividend.
- (d)
 - (1) The directors may, before declaring any dividend, set aside out of the profits of the company such sums as they think proper as reserves, to be applied, at the discretion of the directors, for any purpose for which the profits of the company may be properly applied.
 - (2) Pending any such application, the reserves may, at the discretion of the directors, be used in the business of the company or be invested in such investments as the directors think fit.
 - (3) The directors may carry forward so much of the profits remaining as they consider ought not to be distributed as dividends without transferring those to a reserve.

- (e) The directors may, subject to the Listing Rules, fix a books closing date in respect of a dividend, with or without suspending the registration of transfers from the date under article 4.3.
- (f) A transfer of shares does not pass the right to any dividend declared on the shares unless the transfer is registered or left with the company for registration in accordance with article 4.2 on or before:
 - (1) where the directors have fixed a books closing date in respect of that dividend, that date; or
 - (2) where the directors have not fixed a books closing date in respect of that dividend, the date the dividend was declared.
- (g)
 - (1) Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid.
 - (2) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it will rank for dividend as from a particular date, that share ranks for dividend accordingly.
 - (3) An amount paid or credited as paid on a share in advance of a call shall not be taken for the purposes of this article to be paid or credited as paid on the share.
- (h) The directors may deduct from any dividend payable to a member all sums of money (if any) presently payable by the member to the company on account of calls or otherwise in relation to shares in the company.
- (i)
 - (1) When declaring a dividend the directors may direct payment of the dividend wholly or partly by the distribution of specific assets, including paid up shares in, or debentures of, any other corporation.
 - (2) Where a difficulty arises in regard to such a distribution, the directors may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any members on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the directors consider expedient.
- (j)
 - (1) Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque sent through the post directed to:
 - (A) the address of the holder as shown in the register of members, or in the case of joint holders, to the address shown in the register of members as the address shown of the joint holder just first named in that register; or
 - (B) to such other address as the holder or joint holders in writing directs or direct.
 - (2) Any one or 2 or more joint holders may give effectual receipts for any dividends, interest or other money payable in respect of the shares held by them as joint holders.

9.2 Capitalisation of Profits

- (a) Subject to any rights and restrictions attaching to any shares or any class of shares, the directors may capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any reserve accounts (including share premium reserve) or the profit and loss account or otherwise available for distribution to members, in the proportions to which those members would have been entitled in a distribution of that sum by way of dividend, in accordance with article 9.2(d) or under the terms of a bonus share plan implemented under article 9.6.
- (b) The ways in which a sum may be applied for the benefit of members under article 9.2(a) are:
 - (1) in paying up any amounts unpaid on shares held by members;
 - (2) in paying up in full unissued shares or debentures to be issued to members as fully paid; or
 - (3) partly as mentioned in paragraph (1) and partly as mentioned in paragraph (2), and such an application must be accepted by the members entitled to share in the distribution in full satisfaction of their interest in the capitalised amount.
- (c) The directors may do all things necessary to give effect to their decision under article 9.2(a) and, in particular, to the extent necessary to adjust the rights of the members among themselves, may:
 - (1) issue fractional certificates or make cash payments in cases where shares or debentures become issuable in fractions; and
 - (2) authorise any person to make, on behalf of all the members entitled to any further shares or debentures upon the capitalisation, an agreement with the company providing for the issue to them, credited as fully paid up, of any such further shares or debentures or for the payment up by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised; and any agreement made under an authority referred to in paragraph (2) is effective and binding on all the members concerned.
- (d) Subject to obtaining any approvals required under the Listing Rules, the directors may capitalise the sum referred to in article 9.2(a):
 - (1) by applying the sum in paying up in full unissued shares and issuing them as fully paid:
 - (A) to members who are eligible to participate in an employee share plan approved by the company and, subject to article 9.2(d)(2), not to other members; and
 - (B) to each of those members without regard to the number of shares held by those members or the amount paid or credited as paid on those shares, in accordance with the terms and conditions of the employee share plan; and
 - (2) following the first issue of shares under the Qantas Staff Share Plan contemplated by article 9.2(d)(1), by applying the sum in paying up in full unissued shares and issuing them as fully paid to each member who holds TSB shares that number of shares required to be issued to that member so that the proportion that those shares and the TSB shares held by that member bears to all the voting shares

(including the shares issued under this article 9.2(d)(2)) after the issue is equal to the proportion that any TSB shares held by that member bore to all the voting shares in the company immediately before that issue.

- (e) Subject to article 9.2(d), articles 9.1(f) and (g) apply, so far as they can and with such changes as are necessary, to a capitalisation of an amount under this article 9.2 as if references in those articles to a dividend and to the date a dividend is declared were references to a capitalisation of an amount and to the date the directors resolve to capitalise the amount under this article 9.2 respectively.

9.3 Ancillary powers

For the purpose of giving effect to any resolution for the satisfaction of a dividend by the distribution of specific assets under article 9.1(e)(1) or the capitalisation of any amount under article 9.2, the directors may:

- (a) settle as they think expedient any difficulty that may arise in making the distribution or capitalisation and in particular:
 - (1) issue fractional certificates; and
 - (2) determine that amounts or fractions of less than a particular value determined by the directors may be disregarded in order to adjust the rights of all parties;
- (b) fix the value for distribution of any specific assets;
- (c) pay cash or issue debentures to any members in order to adjust the rights of all parties;
- (d) vest any such specific assets or cash or debentures in trustees upon such trusts for the persons entitled to the dividend or capitalised amount as may seem expedient to the directors; and
- (e) authorise any person to make, on behalf of all the members entitled to any further shares or other securities as a result of the distribution or capitalisation, an agreement with the company or another body corporate providing, as appropriate:
 - (1) for the issue to them of such further shares or other securities; or
 - (2) for the payment by the company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised.

9.4 Dividend reinvestment plans

Subject to the Corporations Law and the Listing Rules, the directors may:

- (a) implement a dividend reinvestment plan under which the whole or any part of any dividend due to members who participate in the plan on their shares or any class of shares may be applied in subscribing for securities of the company or of a related body corporate; and
- (b) amend, suspend or terminate any dividend reinvestment plan so implemented.

9.5 Dividend selection plan

Subject to the Corporations Law and the Listing Rules the directors may:

- (a) implement a dividend selection plan on such terms as they think fit under which participants may elect: .

- (1) to receive a dividend from the company paid wholly or partly out of any particular fund or reserve or out of profits derived from any particular source; or
- (2) to forego a dividend from the company in place of some other form of distribution from the company or another body corporate or a trust; and
- (b) amend, suspend or terminate any dividend selection plan so implemented.

9.6 Bonus share plans

Subject to the Corporations Law and the Listing Rules the directors may:

- (a) implement a bonus share plan on such terms as they think fit under which participants may elect to forego the whole or any part of any dividend due to them on their shares and, in lieu of that dividend, be issued bonus shares in the company paid up out of the share premium reserve of the company; and
- (b) amend, suspend or terminate any bonus share plan so implemented.

Part 10 Winding Up

10.1 Distribution of surplus

Subject to the rights or restrictions attached to any shares or class of shares, if the company is wound up and the property of the company available for distribution among the members is more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, any excess must be divided among the members in proportion to the shares held by them, irrespective of the amounts paid or credited as paid on the shares.

10.2 Division of property

- (a) If the company is wound up, the liquidator may, with the sanction of a special resolution:
 - (1) divide among the members the whole or any part of the property of the company; and
 - (2) determine how the division is to be carried out as between the members or different classes of members.
- (b) Any division under article 10.2(a) may be otherwise than in accordance with the legal rights of the members and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part.
- (c) Where a division under article 10.2(a) is otherwise than in accordance with the legal rights of the members, a member is entitled to dissent and to exercise the same rights as if the special resolution sanctioning that division were a special resolution passed under section 507 of the Corporations Law.
- (d) If any of the property to be divided under article 10.2(a) includes securities with a liability to calls, any person entitled under the division to any of the securities may within 10 days after the passing of the special resolution referred to in that article, by notice in writing direct the liquidator to sell the person's proportion of the securities and to account for the net proceeds and the liquidator must, if practicable, act accordingly.
- (e) Nothing in this article 10.2 derogates from or affects any right to exercise any statutory or other power which would have existed if this article were omitted.

- (f) Article 9.3 applies, so far as it can and with such changes as are necessary, to a division by a liquidator under article 10.2(a) as if references in article 9.3 to the directors and to a distribution or capitalisation were references to the liquidator and to the division under article 10.2(a) respectively.

Part 11 Minutes and Records

11.1 Minutes

The directors must cause minutes of all proceedings of general meetings and of meetings of the directors and of committees of the directors to be entered, within one month after the relevant meeting is held, in books kept for that purpose.

11.2 Signing of minutes

Except in the case of documents which are taken to be minutes under article 6.18(d), those minutes must be signed by the chairperson of the meeting at which the proceedings took place or by the chairperson of the next succeeding meeting.

11.3 Minutes as evidence

Any minutes of a meeting purporting to be signed by the chairperson of the meeting or of the next succeeding meeting are (in the absence of proof of the contrary) sufficient evidence of:

- (a) the matters stated in the minutes of the meeting;
- (b) the meeting having been duly convened and held; and
- (c) the validity of all proceedings at the meeting.

11.4 Inspection of records

- (a) The directors may determine whether and to what extent and at what time and places and under what conditions, the minute books, accounting records and other documents of the company or any of them will be open to the inspection of members other than directors.
- (b) A member other than a director does not have the right to inspect any books, records or documents of the company except as provided by law, or as authorised by the directors pursuant to article 11.4(a).

Part 12 Protection of certain officers

12.1 Indemnity

To the extent permitted by law, the company must indemnify each officer acting as such on a full indemnity basis against:

- (a) any liability incurred to another person (other than the company or a related body corporate), including a liability for negligence, except where the liability arises out of conduct involving a lack of good faith, wilful misconduct or reckless behaviour; and
- (b) any liability for costs and expenses reasonably incurred by the officer:
 - (1) in defending proceedings, whether civil or criminal, in which judgment is given in favour of the officer or in which the officer is acquitted; or

- (2) in connection with an application, in relation to such proceedings, in which the Court grants relief to the officer under the Law.

12.2 Insurance

To the extent permitted by law, the company may pay a premium directly or indirectly in respect of a contract insuring a person who is or has been an officer of the company or of a related body corporate of the company against a liability incurred by the person as such an officer, including a liability for negligence and a liability for costs and expenses incurred by a person in defending proceedings, whether civil or criminal, and whatever their outcome, but excluding a liability arising out of conduct involving:

- (a) a wilful breach of duty in relation to the company; or
- (b) wilful misconduct or reckless behaviour.

12.3 "Officers"

In articles 12.1 and 12.2 "officer" means any person occupying or who has occupied any position of the kind referred to in section 241(4) of the Law and includes any "eligible officer" for the purposes of section 180 of the Law.

12.4 Meetings of directors

A director may be present at a meeting of the directors of the company while a matter relating to an indemnity referred to in article 12.1 or an existing or proposed contract of insurance of a kind permitted by article 12.2 is being considered and may vote on the matter and on a resolution in relation to the matter notwithstanding that the director may have an interest in or benefit under the indemnity or insurance contract.

Part 13

Notices

13.1 Notices by the company to members

- (a) A notice must be given by the company to a member by serving it personally at, or by sending it by post in a prepaid envelope to, the member's address as shown in the register of members or such other address, or by telex or facsimile transmission to such telex or facsimile number, as the member has supplied to the company for the giving of notices. All notices to a member in the TSB group must be given by facsimile and followed by post by airmail.
- (b) A notice may be given by the company to the joint holders of a share by giving the notice in the manner authorised by article 13.1(a) to the joint holder first named in the register of members in respect of the share.
- (c) A notice must be given by the company to a person referred to in article 5.2(a)(2) by serving it or sending it in the manner authorised by article 13.1(a) addressed to the name or title of the person, at or to such address or telex or facsimile number supplied to the company for the giving of notices to that person, or if no address or telex or facsimile number has been supplied, at or to the address or telex or facsimile number to which the notice might have been sent if the relevant transmission event had not occurred.
- (d) Except as provided in article 13.1(a) the fact that a member or a person referred to in article 5.2(a)(2) has supplied a telex or facsimile number for the giving of notices does not require the company to give any notice to that member or person by telex or facsimile.

- (e) A notice given to a member in accordance with articles 13.1(a) or (b) is, despite the occurrence of a transmission event and whether or not the company has notice of that occurrence:
 - (1) duly given in respect of any shares registered in that person's name, whether solely or jointly with another person; and
 - (2) sufficient service on any person entitled to the shares in consequence of the transmission event.
- (f) A notice given to a person who is entitled to be registered as the holder of, or to a transfer of, any shares is sufficient service on the member in whose name the shares are registered.
- (g) Any person who because of a transfer of shares, becomes entitled to any shares registered in the name of a member is bound by every notice which, before that person's name and address is entered in the register of members in respect of those shares, is given to the member in accordance with this article 13.1.

13.2 Notices by the company to directors

Subject to these articles, a notice must be given by the company to any director or alternate director either by serving it personally at, or by sending it by post in a prepaid envelope to, the director's or alternate director's usual residential or business address, or such other address, or by telex or facsimile transmission to such telex or facsimile number, as the director or alternate director has supplied to the company for the giving of notices. All notices of meeting must be sent by facsimile transmission to each TSB director.

13.3 Notices by members or directors to the company

Subject to these articles, a notice may be given by a member, director or alternate director to the company by serving it on the company at, or by sending it by post in a prepaid envelope to, the registered office of the company or by telex or facsimile transmission to the principal telex or facsimile number at the registered office of the company.

13.4 Notices posted to addresses outside the Commonwealth

A notice sent by post to an address outside the Commonwealth must be sent by airmail.

13.5 Time of service

- (a) Where a notice is sent by post, service of the notice is to be taken to be effected if a prepaid envelope containing the notice is properly addressed and placed in the post and to have been effected:
 - (1) in the case of a notice of a general meeting, on the day after the date of its posting; or
 - (2) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (b) Where a notice is sent by telex, service of the notice is to be taken to be effected if the correct answer back code appears at the commencement and the end of the telex message and to have been effected at the time the telex is sent.
- (c) Where a notice is sent by facsimile transmission, service of the notice is to be taken to be effected if the correct facsimile number appears on the facsimile transmission report generated by the sender's facsimile machine and to have been effected at the time the facsimile transmission is sent.

13.6 Other communications and documents

Articles 13.1 to 13.5 (inclusive) apply, so far as they can and with such changes as are necessary, to the service of any communication or document.

13.7 Notices in writing

A reference in these articles to a notice in writing includes a notice given by telex or facsimile transmission or any other form of written communication.

Part 14 General

14.1 Submission to jurisdiction

Each member submits to the non-exclusive jurisdiction of the Supreme Court of the State or Territory in which the registered office of the company is located, the Federal Court of Australia and the Courts which may hear appeals from those Courts.

14.2 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, these articles which is prohibited in any place is, in that place, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, these articles which is void, illegal or unenforceable in any place does not affect the validity, legality or enforceability of that provision in any other place or of the remaining provisions in that or any other place.

14.3 Vendor securities

Notwithstanding any other provisions of these articles:

- (a) the company shall refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of Vendor securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by the company under the Listing Rules in relation to the Vendor securities and must, in relation to Vendor securities which are CHES approved securities, take such steps as are open to it under the SCH Business Rules to give effect to such an escrow agreement;
- (b) on a winding up of the company, the holders of shares which are Vendor securities and which are subject to escrow restrictions at the commencement of the winding up shall rank on a return of capital behind all other shares in the company; and
- (c) in the event of a breach of any escrow agreement entered into by the company under the Listing Rules in relation to shares which are Vendor securities, the member holding the shares in question shall cease to be entitled to any dividends and to any voting rights in respect of those shares for so long as the breach subsists.

Part 15 Plebiscite to approve proportional takeover schemes

15.1 Definitions

In this part 15:

- (a) "associate" has the meaning given to that term in the Corporations Law;

- (b) **"prescribed resolution"**, in relation to a proportional takeover scheme, means a resolution to approve the proportional takeover scheme passed in accordance with article 15.3;
- (c) **"proportional takeover scheme"** means a takeover scheme that is made or purports to be made under section 635(b) of the Corporations Law in respect of shares included in a class of shares in the company;
- (d) **"relevant class"**, in relation to a proportional takeover scheme, means the class of shares in the company in respect of which offers are made under the proportional takeover scheme; and
- (e) **"relevant day"**, in relation to a proportional takeover scheme, means the day that is 14 days before the end of the period during which the offers under the proportional takeover scheme remain open.

15.2 Transfers not to be registered

Notwithstanding articles 4.1(c) and 4.2, a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover scheme must not be registered unless and until a prescribed resolution to approve the proportional takeover scheme has been passed or is taken to have been passed in accordance with article 15.3.

15.3 Resolution

- (a) Where offers have been made under a proportional takeover scheme, the directors must:
 - (1) convene a meeting of the persons entitled to vote on the prescribed resolution for the purpose of considering and, if thought fit, passing a prescribed resolution to approve the proportional takeover scheme; and
 - (2) ensure that such a resolution is voted on in accordance with this article 15.3, before the relevant day in relation to that proportional takeover scheme.
- (b) The provisions of these articles relating to general meetings apply, so far as they can and with such changes as are necessary, to a meeting that is convened pursuant to article 15.3(a).
- (c) The offeror under a proportional takeover scheme and any associates of the offeror are not entitled to vote on the prescribed resolution relating to that proportional takeover scheme and if they do vote, their votes must not be counted.
- (d) Subject to article 15.3(c), a person who, as at the end of the day on which the first offer under the proportional takeover scheme was made, held shares of the relevant class is entitled to vote on the prescribed resolution relating to the proportional takeover scheme and, for the purposes of so voting, is entitled to one vote for each such share held at that time.
- (e) A prescribed resolution is to be taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one half, and otherwise is to be taken to have been rejected.
- (f) If a prescribed resolution to approve a proportional takeover scheme has not been voted on in accordance with this article 15.3 before the relevant day, a prescribed resolution to approve the proportional takeover scheme will be taken to have been passed in accordance with this article 15.3 on the relevant day.

15.4 Sunset

Articles 15.1, 15.2 and 15.3 cease to have effect at the end of 3 years beginning:

- (a) where those articles have not been renewed in accordance with the Corporations Law, on the date that those articles were adopted by the company; or
- (b) where those articles have been renewed in accordance with the Corporations Law, on the date those articles were last renewed.