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Constitution

Forest and Wood Products Australia Limited

DLA Phillips Fox is a member of DLA Piper Group, an alliance of independent legal practices. It is a separate and distinct legal entity.

DLA Phillips Fox offices are located in Adelaide Auckland Brisbane Canberra Melbourne Perth Sydney and Wellington.

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Corporations Act 2001
Public company limited by guarantee
Forest and Wood Products Australia Limited
ACN 127 114 185

1 Nature of company and liability

Nature of Company

1.1 The Company is a public company limited by guarantee.

Liability of Members and guarantee on winding up

1.2 The liability of the Members is limited. Every Member undertakes to contribute \$1 to the assets of the Company if it is wound up while he or she is a Member, or within one year after he or she ceases to be a Member.

2 Objects and powers

Objects

2.1 The Company has the following objects:

2.1.1 To promote the development of the Industry.

2.1.2 To increase the economic, environmental and social benefits to members of the Industry and to the community in general by improving the production, processing, storage, transport or marketing of the products of the Industry.

2.1.3 To achieve the sustainable use and sustainable management of natural resources by the Industry.

2.1.4 To make more effective use of the resources and skills of the community in general and the scientific community in particular in relation to the Industry.

2.1.5 To improve accountability for expenditure on R&D activities in relation to the Industry.

2.1.6 To investigate and evaluate the requirements for R&D and innovation activities in relation to the Industry.

2.1.7 To investigate and evaluate the requirements for marketing and promotional activities in relation to the Industry and its products.

- 2.1.8 To monitor, evaluate and report to the Members, the Australian Government and the Parliament on:
 - (a) the activities that are coordinated or funded, wholly or partly, by the Company; and
 - (b) the expenditure of the Company's funds.
- 2.1.9 To facilitate or undertake the dissemination and adoption of, and to facilitate the commercialisation of, the results of R&D and innovation activities undertaken in relation to the Industry.
- 2.1.10 To undertake or fund marketing and promotional activities in relation to the Industry and its products which promote the development of the Industry.
- 2.1.11 To undertake such other activities as are incidental to the attainment of all or any of the objects of the Company.

Powers

- 2.2 The Company has power to do all things necessary or convenient to be done for, or in connection with, the performance of its objects or functions and, in particular, may:
 - 2.2.1 enter into agreements with other persons to facilitate the Company's achievement of its objects;
 - 2.2.2 make applications, including joint applications, for the registration of intellectual property rights;
 - 2.2.3 deal with intellectual property rights vested in the Company or jointly in the Company and other persons;
 - 2.2.4 receive payment for services rendered, and goods or information supplied, by the Company;
 - 2.2.5 receive:
 - (a) Commonwealth Levies and appropriations (including matching funds) or other contributions to R&D or related activities made by the Australian Government; and
 - (b) State Growers' Contractual Contributions and Voluntary Levies for use in relation to the Industry;
 - 2.2.6 accept and seek funds including voluntary contributions, gifts, grants, bequests and devises made to the Company;
 - 2.2.7 act as trustee of money or other property vested in the Company on trust;
 - 2.2.8 manage the Company's funds and the risks related to the Company's ongoing funding, expenditure and related activities;

- 2.2.9 acquire, hold and dispose of real and personal property for the purposes of carrying out its activities;
- 2.2.10 arrange for the incorporation of a company and be a shareholder or member of that company; and
- 2.2.11 do anything incidental to any of its powers.

Exercise of powers

- 2.3 Except as specifically contemplated to the contrary in this Constitution, the Company may, in any manner permitted by the Corporations Act, exercise any power, take any action or engage in any conduct or procedure which under the Corporations Act a company limited by guarantee may exercise, take or engage in if authorised by its Constitution. Without limitation, this permits the Company to meet and reimburse any costs associated with its incorporation out of Company funds in accordance with section 122 of the Corporations Act.

Limitations on powers

- 2.4 The Company must not engage in Agripolitical Activity.
- 2.5 The Company may only expend the funds of the Company in a manner which is consistent with:
 - 2.5.1 the Strategic Plan;
 - 2.5.2 the Annual Operational Plan; and
 - 2.5.3 any guidelines relating to the use of the Company's funds agreed by the Members or the Board from time to time.

3 Membership

Classes of Membership

- 3.1 The membership of the Company will be divided into the following classes of membership:
 - 3.1.1 Voting Members.
 - 3.1.2 Associate Members.

Voting Members and Associate Members

- 3.2 A person is qualified to be a Voting Member of the Company for a Financial Year if:
 - 3.2.1 it has had, and has met its, obligations to pay any applicable Levy during the Financial Year immediately before the Financial Year in which the determination of its qualification to be a Voting Member is made (**Previous Financial Year**); or

- 3.2.2 it had no obligation to pay a Levy during the Previous Financial Year but it has had, and has met its, obligations to pay any applicable Levy during the two Financial Years preceding the Previous Financial Year and:
- (a) the reason that no obligation arose to pay Levy during the Previous Financial Year was because the person had, but did not harvest, relevant produce; and
 - (b) the Board did not exercise its discretion pursuant to clause 5.12 to exclude that person from being a Voting Member of the Company.
- 3.3 A person is qualified to be an Associate Member of the Company for a Financial Year if each of the following are satisfied:
- 3.3.1 It has a relationship with the Industry.
 - 3.3.2 Its objects (if any) are or include representing or other involvement in the Industry or a significant sector of the Industry.
 - 3.3.3 It meets all other criteria for Associate Membership set by the Board from time to time.

Application for membership (Voting Member)

- 3.4 Subject to clause 3.2, an applicant may apply to be a Voting Member by completing and giving to the Company each of the following:
- 3.4.1 A signed Application Form (accompanied by the correct Application Fee) that includes the following items:
 - (a) The applicant's name and address.
 - (b) If the applicant is not an individual, the name, title and contact details of a person who will act as the applicant's Representative.
 - (c) A statement that the applicant has had, and has met its, obligations to pay any applicable Levy during the Financial Year immediately before the Financial Year in which the Application Form is submitted.
 - (d) A statement that the applicant agrees to be bound by the Constitution of the Company.
 - (e) Such other matters as the Board may determine.
 - (f) A statement that to the best of the applicant's knowledge and belief all statements in the Application Form are correct.

Application for membership (Associate Member)

- 3.5 Subject to clause 3.3, an applicant may apply to be an Associate Member by completing and giving to the Company a signed Application Form (accompanied by the correct Application Fee) that includes the following items:
- 3.5.1 The applicant's name and address.
 - 3.5.2 A statement of the applicant's relationship with the Industry.
 - 3.5.3 A statement that the applicant agrees to be bound by the Constitution of the Company.
 - 3.5.4 Such other matters as the Board may determine.
 - 3.5.5 A statement that to the best of the applicant's knowledge and belief all statements in the Application Form are correct.

Members

- 3.6 All Members must do all of the following:
- 3.6.1 In order to become a Member, pay the Application Fee (if any) in accordance with clause 3.4.1 or 3.5 (as applicable).
 - 3.6.2 Otherwise comply with this Constitution and any other rules of membership published by the Company.

4 Admission to Membership**General**

- 4.1 The Members of the Company are the initial Members, as identified in the application for incorporation of the Company to the Australian Securities and Investments Commission, and such other persons as the Company admits to membership in accordance with this Constitution, in each case who have not ceased to be Members.
- 4.2 The Board may at its discretion determine the category of membership suitable for an applicant.
- 4.3 The Board must consider an application for membership as soon as practicable after its receipt and determine, in its discretion, the admission or rejection, and the category, of the applicant.
- 4.4 The Board does not have to give reasons for rejecting an application or granting a particular category of membership.
- 4.5 If an application for membership is rejected, the applicant must be notified of the rejection in writing and any Application Fee must be refunded to the applicant.

- 4.6 If an application for membership is accepted, the Secretary must notify the applicant of admission in the form of a receipt for the Application Fee, if any, or in such other form as the Board determines and the name and details of the applicant must be entered in the Register.

5 Other membership matters

Register of Members

- 5.1 A Register of the Members of the Company must be kept by the Secretary in accordance with the Corporations Act.
- 5.2 The following details must be entered in the Register in respect of each Member:
- 5.2.1 The full name of the Member, including any applicable ACN, ARBN or ABN.
 - 5.2.2 The street, postal and email addresses and telephone and facsimile numbers, as applicable, of the Member.
 - 5.2.3 The category of membership.
 - 5.2.4 The date of admission to and cessation of membership.
 - 5.2.5 The full name, street, postal and email addresses and telephone and facsimile numbers, as applicable, of its nominated Representative.
 - 5.2.6 Such other information as the Board requires.
- 5.3 Each Voting Member and Associate Member must notify the Secretary in writing of any change in any of that Member's details referred to in clause 5.2 within one month after the change.

Audit of information

- 5.4 The Company may by notice given to a Member require the Member to provide to the Company, within 1 month of the date on which the notice is given, evidence in writing demonstrating either of the following:
- 5.4.1 That the Member continues to be qualified to be a Member in accordance with the eligibility requirements in clause 3.2 or 3.3 (as applicable).
 - 5.4.2 The accuracy of any information provided by the Member to the Company including pursuant to clauses 3.4 or 3.5 (as applicable).
- 5.5 The Company may require that information referred to in clause 5.4 be verified by statutory declaration made by the Member or an officer of a Member or by a certificate given by an independent person approved by the Company.

- 5.6 If:
- 5.6.1 a Member fails to provide to the Company the information required pursuant to clause 5.4 within the period specified in the notice; or
 - 5.6.2 the Board, after considering the information provided by a Member pursuant to clause 5.4, is satisfied that the Member has ceased to be eligible to be a Member,
- the Member will, upon determination by the Board that these circumstances have occurred, be subject to the operation of clauses 7.8 to 7.15.
- 5.7 If the Board, after considering the information provided by a Voting Member pursuant to clause 5.4, determines that the Levy Amount that the Voting Member paid during a Financial Year preceding the date on which notice was given pursuant to clause 5.4 differs from the amounts (if any) previously determined or estimated by the Company and that the difference would affect the Voting Member's present voting entitlement, then the Company must do both of the following:
- 5.7.1 Alter the Voting Entitlements Register to record the Voting Member's voting entitlement as determined based on the information provided pursuant to clause 5.4 and by reference to clause 8.1.
 - 5.7.2 Give the Voting Member a written notice that includes the content specified in clause 8.2.
- 5.8 In respect of any change that is made to a Voting Member's voting entitlement in accordance with clause 5.7, the following apply:
- 5.8.1 The review process in clauses 8.3, 8.4 and 8.5 applies.
 - 5.8.2 The change has effect from the date the Company alters the Voting Entitlements Register.
 - 5.8.3 The change has no effect on previous votes taken by the Members of the Company.

Membership not transferable

- 5.9 Unless otherwise provided by the terms of membership or approved by the Board, membership of the Company is personal to a Member and is not transferable.
- 5.10 Where the terms of membership permit the transfer of membership, a Member must not transfer or purport to transfer its membership if the transfer would contravene those terms.
- 5.11 The Board's approval of the transfer of a membership may be subject to conditions and, if the Board approves the transfer of a membership subject to conditions, a Member must not transfer or purport to transfer its membership in reliance on that approval if the transfer would contravene those conditions.

No Levy paid

- 5.12 If a Voting Member continues to be a part of the Industry but does not have a requirement to pay Levy in any one or more years, the Board has the power (in its absolute discretion) to determine that one of the following things will apply to the person:
- 5.12.1 If the person has paid Levy in any of the previous three Financial Years, that the person:
- (a) will become an Associate Member until they recommence paying Levy;
 - (b) will remain a Voting Member but will have no entitlement to vote at general meetings until they recommence paying Levy; or
 - (c) will cease to be a Member, in which case the provisions of clauses 7.8 to 7.15 will apply.
- 5.12.2 If the person has not paid Levy in any of the previous three Financial Years, that the person will cease to be a Member, in which case the provisions of clauses 7.8 to 7.15 will apply.

6 State Growers' Contractual Contributions and Voluntary Payments**Agreement of State Growers' Contractual Contributions and Voluntary Payments**

- 6.1 The Company may agree the amount and manner of collection of a State Growers' Contractual Contribution or a Voluntary Payment with any person. In so doing the Company must use its best endeavours to agree with the person that, to the extent that the person has the right to terminate the agreement to make payment of State Growers' Contractual Contributions or Voluntary Payments, the person will give not less than six months' notice of such termination.

Termination of State Growers' Contractual Contributions or Voluntary Payments

- 6.2 In the event that the Company receives notice that any Voting Member which pays a State Growers' Contractual Contribution or a Voluntary Payment is proposing to terminate, or has terminated, its agreement to pay the State Growers' Contractual Contribution or Voluntary Payment (as applicable), the Company must promptly take the following steps:
- 6.2.1 Seek to persuade the Member to continue to make payment in accordance with the agreement and not to terminate, or to withdraw its termination, of that agreement.
- 6.2.2 Advise the National Representative Bodies.

7 Termination and cessation of membership

Termination of membership

- 7.1 A Member may terminate their membership of the Company by giving written notice to the Secretary.
- 7.2 The termination by a Member of their membership is deemed to take effect from the date of receipt of the notice of termination or such later date as is provided in the notice.
- 7.3 Upon termination of their membership, a Member will not be entitled to repayment of any amount.

Cessation of membership

- 7.4 A Member ceases to be a Member on any Termination Event occurring in respect of the Member.
- 7.5 A Member ceases to be a Member in any other circumstances prescribed in the terms of membership applicable to the Member or in any undertaking given by the Member upon its admission to membership.
- 7.6 A Member ceases to be a Voting Member at the beginning of a Financial Year if the Member has failed to pay any applicable Levy during the previous Financial Year not including any failure to pay in either of the following circumstances:
- 7.6.1 When clause 3.2.2 applies.
- 7.6.2 When there is a bona fide dispute by the Member as to the amount of Levy payable.
- 7.7 A Member ceases to be an Associate Member if the Member ceases to have a relationship with the Industry.

Removal from Membership

- 7.8 The Board may at its discretion convene a meeting of Members to consider the removal of a Member from the Register if either of the following occur:
- 7.8.1 The Board is satisfied that the Member has ceased to be qualified or eligible to be a Member.
- 7.8.2 The Member is no longer considered suitable for membership of the Company by a majority of the Directors.
- 7.9 The Board must provide at least two months' written notice to any Member of any intention to remove the person from the Register so as to enable the Member to provide written representations to the Company.

- 7.10 If any written representations are made by the Member and the Member requests that the representations be notified to Members of the Company, the Secretary must do both of the following:
- 7.10.1 State, in any notice of the resolution given to Members of the Company, that the representations have been made.
- 7.10.2 Send a copy of the representations to every Member of the Company to whom the notice of the meeting has been or is sent.
- 7.11 The requirements in clause 7.10 do not apply to the Company if the representations are received by it too late for it to satisfy those requirements.
- 7.12 If a copy of the representations is not so sent because they were received too late or because of the Company's default, the Member may, without affecting any right to be heard orally, require that the representations be distributed or read out at the meeting.
- 7.13 Copies of the representations need not be sent out and the representations need not be distributed or read out at the meeting if the Board is satisfied on reasonable grounds that the rights conferred by clause 7.10 are being abused to secure needless publicity for defamatory or inappropriate matters.
- 7.14 The Board does not have to give reasons for recommending the removal of any Member from the Register.
- 7.15 An ordinary resolution of Members is sufficient to pass the resolution to remove a Member pursuant to clause 7.8.

8 Rights of Voting Members

Determination of voting rights

- 8.1 The Board must determine the number of votes to which a Voting Member is entitled for each Financial Year, in accordance with this Constitution and by reference to the following things:
- 8.1.1 Information as to the Levy Amount paid by any Member or applicant for membership:
- (a) provided to the Company by the Levies Revenue Service of the Department [section 27 of the *Primary Industries Levies and Charges Collection Act 1991*] (upon which information the Board may rely without further enquiry); or
- (b) determined by the Board by other means (such as requiring Members to furnish that information or obtaining that information from any other available source).
- 8.1.2 Table 1 below, having regard to each whole dollar paid as a Levy Amount in respect of the Voting Member in respect of the Financial Year immediately

before the Financial Year in which the determination of the number of votes is made.

Table 1 - Voting Entitlements

Levy Amount	Votes
\$1 to \$100	1
\$101 to \$25,000	4
\$25,001 to \$50,000	8
\$50,001 to \$75,000	12
\$75,001 to \$100,000	16
\$100,001 to \$150,000	19
\$150,001 to \$200,000	23
\$200,001 to \$250,000	27
\$250,001 to \$300,000	31
\$300,001 to \$350,000	35
\$350,001 to \$400,000	39
\$400,001 to \$450,000	42
\$450,001 to \$500,000	46
\$500,001 plus	50

8.1.3 Such other information as the Board considers appropriate.

8.2 At least once in each Financial Year, and before the annual general meeting to be held in that year, the Board must give each Voting Member a written notice with the following content:

8.2.1 The Board's determination of the number of votes to which the Voting Member is entitled for the Financial Year.

8.2.2 A statement that the Voting Member may ask for a review of the determination within 21 days after the date of the notice.

8.3 If a Voting Member asks for review of a determination notified pursuant to clause 5.7 or 8.2 within 21 days of the date of the notice, the Board must review the determination, taking into account any matter put to the Board by the Voting Member, and confirm the determination, or make a fresh determination under clause 8.1. The

confirmation or fresh determination must be made within 1 month after the request for review, and the Voting Member must be notified accordingly.

- 8.4 A determination made under clause 8.1 is conclusive if no request for review is made by the end of the 21 day period referred to in clause 8.3 (unless changed by a subsequent determination of the Board pursuant to clause 5.7).
- 8.5 A determination confirmed or made under clause 8.3 is conclusive (unless changed by a subsequent determination of the Board pursuant to clause 5.7).

Voting Entitlements Register

- 8.6 As well as the Register of Members required to be kept in accordance with clause 5 and the Corporations Act, the Board must cause a register (**Voting Entitlements Register**) to be kept of the number of votes to which each Voting Member has been determined to be entitled pursuant to clause 8.1, for the then current Financial Year. The Company must not use or disclose to any person information on the Voting Entitlements Register except in the following circumstances:

- 8.6.1 The use or disclosure is required by law.
- 8.6.2 The use or disclosure is made for the purposes of the conduct of, or voting at, a general meeting.

Voting rights at general meetings

- 8.7 A Voting Member is entitled (subject to this Constitution and the Corporations Act) to cast, at a general meeting, the number of votes determined by the Board in accordance with clause 8.1.

Annual Reports

- 8.8 Each Voting Member is entitled to receive an annual report. Subject to the Corporations Act, the form of the annual report and the time the annual report is sent to the Voting Members, will be determined by the Board from time to time.
- 8.9 At the same time as each Voting Member is given an annual report, the Company must provide a copy of the annual report to the Minister.

Other rights

- 8.10 Each Voting Member will have the following rights:
- 8.10.1 To receive notices of general meetings and all other documents sent to Members in respect of general meetings.
- 8.10.2 To attend and speak at general meetings.
- 8.10.3 To vote at general meetings on any matter.
- 8.10.4 Such other rights as are conferred on members of companies limited by guarantee by the Corporations Act.

Voluntary contributions

- 8.11 Any person may pay, and the Company may receive any amount as, a voluntary contribution.

9 Rights of Associate Members**No voting rights**

- 9.1 Associate Members will have no voting rights.

Annual Reports

- 9.2 Each Associate Member is entitled to receive a copy of the annual report.

Meeting rights

- 9.3 Each Associate Member is entitled to each of the following:
- 9.3.1 To receive notice of general meetings and all other documents sent to Voting Members in respect of general meetings.
 - 9.3.2 To attend and speak at general meetings, but only with the leave of the chairperson of that meeting or if approved by a simple majority of those present and entitled to vote.

Associate Members not Members

- 9.4 An Associate Member is not a Voting Member of the Company for the purposes of the Corporations Act. An Associate Member's only rights and obligations are the rights and obligations set out in this Constitution. This Constitution is intended to operate as a contract between the Company and an Associate Member.

10 No profits for Members**Transfer of income or property**

- 10.1 The income and property of the Company must be applied solely towards the promotion of the objects of the Company as set out in this Constitution and no income or property of the Company may be paid or transferred, directly or indirectly, to any Member.

Payments, services and information

- 10.2 Nothing in this clause 10 prevents the payment in good faith of any of the following:
- 10.2.1 Remuneration to any officers or employees of the Company for services actually rendered to the Company (including payment of Directors' fees in accordance with clause 15).

- 10.2.2 An amount to any Member in return for any services actually rendered to the Company or for goods supplied in the ordinary and usual course of business.
- 10.2.3 Reasonable and proper interest on money borrowed from any Member.
- 10.2.4 Reasonable and proper rent for premises let by any Member to the Company.
- 10.3 Nothing in this clause 10 prevents the distribution of government grant monies to Members where the grant is expressly on the basis that the monies be used for the benefit of persons including Members.
- 10.4 Nothing in this clause 10 prevents the Company from providing services or information to the Members on terms which are different from the terms on which services or information are provided to persons who are not Members.

11 General meetings

Convening of meetings by a Director

- 11.1 Any Director may, or may require the Secretary to, call and arrange to hold a general meeting.

Convening of meetings by Members

- 11.2 The Board must, or must require the Secretary to, call and arrange to hold a general meeting (including an annual general meeting) if required to do so under the Corporations Act.

Notice of general meeting

- 11.3 Written notice of a general meeting must specify the following things:
 - 11.3.1 The place, the day and the hour of meeting and, if the meeting is to be held in two or more places, the technology that will be used to facilitate the meeting.
 - 11.3.2 The general nature of the business to be transacted at the meeting.
 - 11.3.3 Any other matters required to be specified by the Corporations Act.
- 11.4 A notice of a general meeting may be given by any form of communication permitted by the Corporations Act.
- 11.5 The accidental omission to give notice of any general meeting to, or the non receipt of a notice by, a person entitled to receive notice does not invalidate a resolution passed at the general meeting.

Cancellation of general meetings

- 11.6 The Board may cancel a general meeting, other than a general meeting which the Company is required to convene and hold under the Corporations Act.
- 11.7 A meeting may only be cancelled pursuant to clause 11.6 if notice of the cancellation is given to all persons entitled to receive notice of the meeting at least two business days prior to the time of the meeting as specified in notice of meeting.

Quorum at general meetings

- 11.8 Business may not be transacted at a general meeting unless a quorum of Voting Members is present at the time when the meeting proceeds to business.
- 11.9 Except as otherwise set out in this Constitution, a quorum for a general meeting is 15 Voting Members, present:
- 11.9.1 in person;
 - 11.9.2 by a technology approved for the meeting in accordance with clause 11.36;
 - 11.9.3 by Representative; or
 - 11.9.4 by proxy, provided that:
 - (a) if a Voting Member has appointed more than one proxy holder, only one is counted for determining if a quorum is present; and
 - (b) if a proxy holder holds proxy votes of more than one Member, each of those Members is counted as present for the purposes of determining whether a quorum is present.
- 11.10 If a quorum is not present within half an hour from the time appointed for the meeting, or a longer period allowed by the chairperson of that meeting, either of the following may apply:
- 11.10.1 If the meeting was convened by or on the requisition of Members, it must be dissolved.
 - 11.10.2 If the meeting was not convened by or on the requisition of Members, it must stand adjourned to the same day in the next week at the same time and place or to another day and at another time and place determined by the Board.
- 11.11 If a meeting has been adjourned to another time and place determined by the Board, not less than seven days' notice of the adjourned meeting must be given in the same manner as in the case of the original meeting.

Quorum at adjourned general meetings

- 11.12 At the adjourned meeting, if a quorum (as defined in clause 11.9) is not present within half an hour after the time appointed for the meeting, the meeting must be dissolved.

Appointment of chairperson of general meetings

- 11.13 The Chairperson is entitled to preside as chairperson at every general meeting.
- 11.14 If the Chairperson is not present within 15 minutes after the scheduled commencement time for the meeting or he or she is unwilling to act as chairperson, the Deputy Chairperson is entitled to preside as chairperson for the general meeting.
- 11.15 The Directors present at a general meeting must elect one of their number to be the chairperson for the meeting if either of the following applies:
- 11.15.1 The Directors have not elected a Chairperson or Deputy Chairperson.
- 11.15.2 The Chairperson and Deputy Chairperson are both not present within 15 minutes after the scheduled commencement time for the meeting or are unwilling to act as chairperson for the meeting.
- 11.16 The Voting Members present at a general meeting must elect one of their number to be the chairperson for the meeting if there are no Directors present within 15 minutes after the time appointed for the holding of the meeting or all Directors present are unwilling to act as chairperson.

Chairperson's powers

- 11.17 Subject to the terms of this Constitution dealing with adjournment of meetings, the ruling of the chairperson of a general meeting on all matters relating to the order of business, procedure and conduct of the general meeting is final and no motion of dissent from a ruling of that chairperson may be accepted.
- 11.18 The chairperson of a general meeting, in his or her discretion, may expel any Member or Director from a general meeting if the chairperson reasonably considers that the Member or Director's conduct is inappropriate behaviour. Any of the following conduct may be considered inappropriate in a general meeting:
- 11.18.1 The use of offensive or abusive language which is directed to any person, object or thing.
- 11.18.2 Attendance at the meeting while under the influence of any kind of drug or intoxicating substance including but not limited to any alcoholic substance.
- 11.18.3 The use or consumption of any drug or intoxicating substance by a person at the meeting.

Adjournment of meetings

- 11.19 The chairperson of a general meeting may, with the consent of any meeting at which a quorum is present, and must if so directed by the meeting, adjourn the meeting to another time and to another place.
- 11.20 The only business that may be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.

- 11.21 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- 11.22 Except when a meeting is adjourned for 30 days or more, it is not necessary to give a notice of adjournment or of the business to be transacted at an adjourned meeting.

Voting on show of hands

- 11.23 At a general meeting a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is demanded before that vote is taken or before the result is declared or immediately after the result is declared.
- 11.24 If a poll is not 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 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.

Demand for a poll

- 11.25 A poll may be demanded by either of the following:
- 11.25.1 The chairperson of a general meeting.
 - 11.25.2 At least five Voting Members entitled to vote on the resolution.
 - 11.25.3 Voting Members holding at least 5% of the votes that may be cast on the resolution.
- 11.26 The demand for a poll may be withdrawn.
- 11.27 The demand for a poll does not prevent the continuance of a meeting for the transaction of business other than the question on which a poll is demanded.
- 11.28 If a poll is duly demanded (and not withdrawn), it must be taken in the manner and, except as to the election of a chairperson for a general meeting or on a question of adjournment, either at once or after an interval or adjournment or otherwise as the chairperson of a general meeting directs. The result of the poll is the resolution of the meeting at which the poll is demanded.
- 11.29 A poll demanded on the election of a chairperson for a general meeting or on a question of adjournment must be taken immediately.

Voting rights of Voting Members

- 11.30 On a show of hands every person present who is a Voting Member, a Representative or a proxy for a Voting Member has one vote (other than Voting Members in respect of which clause 5.12.1(b) applies who will have no voting rights).
- 11.31 On a poll every Voting Member present in person or by proxy, attorney or Representative has the number of votes determined in accordance with this

Constitution (other than Voting Members in respect of which clause 5.12.1(b) applies who will have no voting rights).

Vote of the chairperson at general meetings

11.32 The chairperson of a general meeting is entitled to a casting vote (in addition to any vote to which he or she may be entitled as a Voting Member).

Objections to voter qualification

11.33 No objection may be raised to the qualification of a voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered.

11.34 An objection to the qualification of a voter must be referred to the chairperson of a general meeting, whose decision is final.

11.35 A vote not disallowed according to an objection as provided in this Constitution is valid for all purposes.

Mode of meeting for Members

11.36 A general meeting may be called or held using any technology approved by the Board. The approval may be a standing one. The Voting Members may otherwise regulate their meetings as they think fit.

12 Proxies and Representatives

Representatives of Members

12.1 Each Member which is not an individual must appoint an individual as a Representative, by notice to the Secretary.

Proxies and attorneys of Members

12.2 At meetings of Members each Voting Member entitled to vote may vote personally, by its Representative, by proxy or by attorney.

Voting rights

12.3 A Representative, proxy or attorney of a Voting Member has all the powers of a Voting Member, except where expressly stated to the contrary in the instrument of appointment or this Constitution.

Appointment of proxies

12.4 A Voting Member may appoint another person as their proxy to attend and vote instead of the Voting Member. A proxy holder need not be a Member or Representative.

12.5 A document appointing a proxy must be in writing, may be in any form permitted by the Corporations Act (including in electronic form) and must be signed by the Member or Representative making the appointment or, if a Representative is incapacitated or unavailable, by the Voting Member which appointed the Representative.

- 12.6 If a proxy does not direct the proxy holder how to vote, the proxy holder may determine how to vote in exercising the proxy.

Authority of proxies

- 12.7 A document appointing a proxy may specify the manner in which the proxy holder is to vote in respect of a particular resolution. If the document appointing the proxy specifies how the proxy holder is to vote on the resolution, the proxy holder must vote as specified in the document.
- 12.8 Except as expressly provided by the document appointing a proxy, an appointment of a proxy confers authority to do all things that the Voting Member, or its Representative, can do in respect of a general meeting except that, on a show of hands, if the proxy holder is a Voting Member or a Representative, the proxy holder is only entitled to his or her own vote and may not vote as a proxy.

Verification of proxies

- 12.9 Before the time for holding the meeting or adjourned meeting at which a proxy holder proposes to vote, both of the following documents must be deposited with the Company:
- 12.9.1 The document appointing the proxy.
- 12.9.2 If the appointment is signed by the appointor's attorney, the authority under which the appointment was signed or a certified copy of that authority.
- 12.10 The documents referred to in clause 12.9 must comply with either of the following:
- 12.10.1 Be received at the Office, at a fax number at the Office or at another place, fax number or electronic address specified for that purpose in the notice convening the meeting not less than 24 hours before the scheduled commencement time for the meeting.
- 12.10.2 Be produced to the chairperson of the general meeting before a vote is taken on any resolution on which the proxy holder proposes to vote.
- 12.11 If a general meeting has been adjourned, an appointment and any authority received by the Company for the adjourned meeting or at least 24 hours before the resumption of the meeting are effective for the resumed part of the meeting.

Validity of proxies

- 12.12 A proxy document is invalid if it is not deposited prior to a meeting, or produced prior to a vote being taken, as required by this Constitution.

Revocation of appointment of proxy

12.13 A vote given in accordance with the terms of a proxy document or power of attorney is valid despite the occurrence of any one or more of the following events if no intimation in writing of any of those events has been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the document is used:

12.13.1 The previous occurrence of a Termination Event in respect of the appointing Voting Member.

12.13.2 The revocation of the instrument or of the authority under which the instrument was executed.

13 Appointment, election and retirement of Directors**Initial Directors**

13.1 The initial Directors of the Company to be appointed on the day the Company is registered will be the individuals named in the application to register the Company.

13.2 As soon as possible after the date this Constitution is adopted, the Board must:

13.2.1 appoint the Managing Director in accordance with clause 14; and

13.2.2 to the extent that the number of Directors appointed pursuant to clause 13.1 does not satisfy the requirements in clause 13.3, arrange for a general meeting for the election of the number of Directors required to satisfy clause 13.3.

Number of Directors

13.3 Until otherwise determined in accordance with this Constitution:

13.3.1 the number of Directors must not be less than 5 nor more than 9, including the Managing Director; and

13.3.2 at least 2 of the Directors (not including the Managing Director) must be Independent Directors.

13.4 The Company may, by Special Resolution of its Voting Members at a general meeting, increase or (subject to the Corporations Act) reduce the maximum or minimum number of Directors (including the number of Independent Directors) and may also, by ordinary resolution, determine in what rotation the increased or reduced number is to go out of office.

Appointment or election of Directors

13.5 A person may, subject to the following provisions, become a Director in either of the following ways:

13.5.1 By election by a general meeting.

- 13.5.2 By appointment by the Board, at any time except during a general meeting, but only to fill a vacancy in the office of a Director and pursuant to clause 13.19.
- 13.6 If a Director Selection Committee recommends that a person be nominated for election as a Director, the Board must formally move as an ordinary resolution at the next general meeting a resolution nominating the person for election as a Director.
- 13.7 A person cannot be elected or appointed as a Director, unless the person has consented in writing to be a Director and the consent has been received by the Company.

Eligibility for election as a Director by a general meeting

- 13.8 A person cannot be elected as a Director by a vote taken at a general meeting unless the Board nominates the person for election after one of the following:
- 13.8.1 A Director Selection Committee has recommended the nomination.
- 13.8.2 A Director Selection Committee has been established but failed to make a recommendation pursuant to clause 13.11 by the due date.

Director Selection Committee

- 13.9 The Board must establish, from time to time, a Director Selection Committee consisting of all of the following persons:
- 13.9.1 A Director who will be the non-voting chairperson of the Director Selection Committee, being a Director whose term is not expiring.
- 13.9.2 A representative of each National Representative Body (which, at the date of incorporation of the Company, are AFG, A3P, ATIF and NAFI).
- 13.9.3 At least 1 other suitably qualified person as determined in the reasonable opinion of the Board.
- 13.10 The function of the Director Selection Committee is to identify, and recommend for nomination, persons for election at the next general meeting as Directors of the Company and must in that process do each of the following things:
- 13.10.1 Advise the Voting Members that it is seeking new Directors (and how many, if any, must be Independent Directors) and that they may propose candidates not less than 14 days before the start of its deliberations.
- 13.10.2 Consider any person proposed by a Voting Member.
- 13.10.3 Recommend for nomination for election at the next general meeting as a Director any person proposed by Voting Members holding a combined total of not less than 10% of the votes.

- 13.11 The Board must direct the Director Selection Committee to use its best endeavours to recommend candidates for nomination for election in accordance with the following requirements:
- 13.11.1 Persons must be recommended for nomination who will result in the Board being a balanced skills based board.
 - 13.11.2 Recommendations for nomination must be made by the due date specified by the Board.
 - 13.11.3 Recommendations must be made which will result in no less than two Independent Directors.
- 13.12 The Board may determine an amount that the Company will pay a person appointed to the Director Selection Committee.

Skills of Directors

- 13.13 The Director Selection Committee, in recommending Directors, must endeavour to ensure that after the election of those persons to the Board, the Board will collectively possess the knowledge, skills and experience in the following fields:

Forest and Wood Products Industry

- 13.13.1 R&D, innovation, technology transfer and commercialisation of R&D outcomes, particularly in respect of forest and wood products.
- 13.13.2 Production of forest and wood products.
- 13.13.3 Marketing and promotion of forest and wood products, including product promotion and retail marketing.
- 13.13.4 Commerce, including domestic and international market development and domestic and international trade.
- 13.13.5 Conservation and management of natural resources.

Management and public policy

- 13.13.6 Business and financial management including legal issues and risk management.
- 13.13.7 Public policy and administration.
- 13.13.8 Corporate governance.

Retirement of Directors

- 13.14 At each annual general meeting of the Company after the first annual general meeting the following Directors must retire from office:
- 13.14.1 One third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one third, as determined by the Chairperson.
- 13.14.2 Any other Director who has been in office for three years or more since that Director's election or last re-election as a Director.
- 13.15 The Directors to retire at an annual general meeting are those who have been longest in office since their last election. If two or more persons became Directors on the same day, those to retire must be determined by lot unless they otherwise agree among themselves.
- 13.16 A Director retiring at an annual general meeting who is not disqualified by law or by clause 13.18 from being re-elected is eligible for re-election and may act as a Director throughout the meeting at which that Director retires.
- 13.17 A Director may resign from office by giving notice in writing to the Company of that Director's intention to resign. A notice of resignation takes effect at the time which is the later of the time of giving the notice to the Company and the expiration of the period, if any, specified in the notice.
- 13.18 A Director cannot serve more than three consecutive terms.

Casual vacancies

- 13.19 The Directors or the surviving Director may at any time other than at a general meeting appoint a person (without the need for that person to be recommended by a Director Selection Committee) to be a Director, either to fill a casual vacancy or as an addition to the existing number of Directors. The total number of Directors may not exceed the number fixed in accordance with this Constitution. If an appointment is made to replace an Independent Director, then the person appointed must also be an Independent Director unless there are already two Independent Directors on the Board.
- 13.20 A Director appointed pursuant to clause 13.19 holds office only until the next general meeting after the appointment and is then eligible to be nominated by the Board pursuant to clause 13.8 for election as an elected Director.
- 13.21 A Director appointed pursuant to clause 13.19 must not be taken into account in determining the Directors who are to retire by rotation at that general meeting.

Removal from office

- 13.22 The Company may by ordinary resolution remove a Director from office and may by ordinary resolution elect another person as a replacement provided that they are eligible for election in accordance with clauses 13.7 and 13.8.

- 13.23 A person elected pursuant to clause 13.22 to replace a Director removed from office must retire as a Director at the time ascertained as if the person became a Director on the day on which the Director removed from office was elected or last re-elected a Director.

Vacation of office

- 13.24 In addition to the circumstances in which the office of a Director becomes vacant by virtue of the Corporations Act or another provision of this Constitution, the office of Director becomes vacant if any of the following occurs:

- 13.24.1 If the Director becomes an insolvent under administration.
- 13.24.2 If the Director becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health.
- 13.24.3 If the Director is absent without the consent of the Board from the meetings of the Board held during a continuous period of four consecutive months and the Board resolves that the office of that Director be vacated.
- 13.24.4 If the Director becomes prohibited from being a Director by reason of an order made under the Corporations Act.
- 13.24.5 If the Director is elected as an Independent Director and the Director ceases to be an Independent Director and there are less than two other Independent Directors on the Board.

14 Managing Director

- 14.1 The Board must, as soon as possible after the date this Constitution is adopted, appoint a person to be the Managing Director of the Company for such term and upon such conditions as it thinks fit and any person so appointed may be removed by the Board (subject to any contract of appointment).
- 14.2 The Managing Director is, by a function of holding that office, a Director.

15 Managing Director's remuneration and Directors' fees

Determination of remuneration and fees

- 15.1 Subject to any contract between the Company and the Managing Director, the Board may fix the remuneration and other benefits to which the Managing Director is entitled. The remuneration may consist of salary, bonuses or other elements but must not be a commission on, or percentage of, profit or operating revenue of the Company.
- 15.2 Without limiting clause 15.4 or 15.5, the Directors (excluding the Managing Director) are entitled to be paid by way of fees for their services the amounts, if any, determined from time to time by the Company in general meeting. The fees must not consist of a commission on, or percentage of, profit or operating revenue of the Company.

Payment for expenses

- 15.3 The Directors must be paid all travelling, accommodation and other expenses properly incurred by them in attending and returning from meetings of the Board or any committee of the Board or general meetings or otherwise in the execution of their duties as Directors.

Payment for services

- 15.4 A Director who is called upon to perform extra services, to make a special exertion or to undertake executive or other work for the Company beyond or outside of the Director's ordinary duties, or who is engaged to provide any other service, may be paid a fee for those services, exertions or work.
- 15.5 The additional amount may be paid either by fixed sum or salary determined by the Board and either in addition to or in substitution for the fees otherwise payable to the Director.

16 Powers of Directors

- 16.1 The Directors, acting as the Board unless otherwise provided by the Board pursuant to clause 17.15, may exercise all those powers of the Company as are not, by the Corporations Act or by this Constitution, required to be exercised by the Members in general meeting or otherwise.

17 Proceedings of the Board

Convening of Board meetings

- 17.1 A Director may at any time, and the Secretary must on the requisition of a Director, convene a meeting of the Board.

Notice of Board meetings

- 17.2 Notice of each meeting of the Board must be given to each Director at least 24 hours before the meeting or at another time determined by resolution of the Board.
- 17.3 Despite that requirement, all of the Directors may waive in writing the required period of notice for a particular meeting and it is not necessary to give a notice of a meeting of the Board to a Director who is out of Australia or who has been given leave of absence.

Mode of meeting of the Board

- 17.4 A Board meeting may be called or held using any technology consented to by all the Directors. The consent may be a standing one. A Director may only withdraw their consent within a reasonable period before the meeting. The Board may otherwise regulate its meetings as it thinks fit.

Quorum at Board meetings

- 17.5 At a meeting of the Board, a majority of Directors, and in any case no less than three, must be present to constitute a quorum.
- 17.6 If the number of Directors is reduced below the number necessary to constitute a quorum of Directors, the continuing Director or Directors may act only to appoint additional Directors to the number necessary for a quorum or to convene a general meeting of the Company.

Voting at Board meetings

- 17.7 Questions arising at a meeting of the Board must be decided by a majority of votes of Directors present and voting. A decision of the majority is for all purposes a decision of the Board.

Election of Chairperson and Deputy Chairperson

- 17.8 At the first Board meeting after an annual general meeting, the Board must elect a Director to hold the position of Chairperson and may elect another Director to hold the position of Deputy Chairperson.
- 17.9 A Director elected as Chairperson or Deputy Chairperson will hold the relevant office until the end of the first Board meeting after the following annual general meeting or such earlier time as the Board elects another Director to the position. The retiring Chairperson and Deputy Chairperson are eligible for re-election.

- 17.10 If at any Board meeting the Chairperson is not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as chair, the Deputy Chairperson is entitled to chair the meeting.
- 17.11 If at any Board meeting the Chairperson and the Deputy Chairperson are both not present within 15 minutes after the time appointed for holding the meeting or both are unwilling to chair the meeting, the Directors present must elect another of their number to chair the meeting.

Chairperson's vote at Board meetings

- 17.12 The person chairing a Board meeting (whether the Chairperson, the Deputy Chairperson or a chairperson elected pursuant to clause 17.11) does not have a second or casting vote.

Participation where Director interested

- 17.13 A Director may be present and may vote on a matter before the Board if and to the extent that they are permitted to do so under the Corporations Act.
- 17.14 If there are not enough Directors to form a quorum as a result of a Director having an interest which disqualifies them from voting, one or more of the Directors (including those who have the disqualifying interest in the matter) may call a general meeting of the Company and the general meeting may pass a resolution to deal with the matter.

Delegation of Board powers

- 17.15 The Board may delegate any of its powers to:
- 17.15.1 a committee of Directors;
 - 17.15.2 a Director;
 - 17.15.3 an employee of the Company; or
 - 17.15.4 any other person.
- 17.16 The exercise of a power delegated pursuant to clause 17.15 is to be treated as the exercise of that power by the Board.
- 17.17 In the exercise of any powers delegated pursuant to clause 17.15, the delegate must exercise the powers delegated in accordance with any directions of the Board.

Proceedings of committees

- 17.18 Except as provided in a direction of the Board, the meetings and proceedings of a committee formed by the Board must be governed by the provisions of this Constitution, in so far as they are applicable, as if meetings and proceedings of the committee are meetings and proceedings of the Board.

Validity of acts of Directors

- 17.19 All acts done by a meeting of the Board or of a committee of Directors or by a person acting as a Director are valid even if it is later discovered that there is a defect in the

election of a person to be a Director or their appointment as a member of the committee or that they or any of them were disqualified or were not entitled to vote.

Minutes

- 17.20 The Directors must cause minutes of all proceedings of general meetings, of meetings of the Board and of committees formed by the Board to be entered, within one month after the relevant meeting is held, in books kept for the purpose.
- 17.21 The Directors must cause all minutes, except resolutions in writing treated as determinations of the Board, to be signed by the chairperson of the meeting at which the proceedings took place or by the chairperson of the next succeeding meeting.

Resolution in writing

- 17.22 A resolution in writing signed by all Directors, excluding Directors who have been given leave of absence or who are not entitled to vote on the resolution, stating that they support the resolution, is to be treated as a determination of the Board passed at a meeting of the Board duly convened and held.

Form of resolution in writing

- 17.23 A resolution in writing may consist of several documents in like form, each signed by one or more Directors and, if so signed, it takes effect on the latest date on which a Director signs one of the documents.
- 17.24 In relation to a resolution in writing, a document generated by electronic means (including an email or an attachment to an email) which purports to be a facsimile of a resolution of one or more Directors is to be treated as a resolution in writing and a document bearing a facsimile of a signature is to be treated as signed.

18 Secretary

- 18.1 The Board must appoint at least one Secretary and may at any time terminate the appointment. The Board may determine the terms and conditions of appointment of a Secretary, including remuneration. A Secretary may carry out any act or deed required by this Constitution, the Corporations Act or any other statute to be carried out by the Secretary of the Company.

19 Indemnity, insurance and access to documents

- 19.1 In this clause 19, the following definitions apply:

liability means all costs, charges, losses, damages, expenses, penalties and liabilities of any kind including legal costs incurred in defending any proceedings (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal, government authority or other body.

officer means:

- (a) a Managing Director, Director, Secretary or employee of the Company; or
- (b) a person appointed as a trustee by, or acting as a trustee at the request of, the Company,

and includes a former officer.

to the relevant extent means:

- (a) To the extent that the Company is not precluded by law from doing so.
- (b) To the extent and for the amount that the officer is not otherwise entitled to be indemnified, and is not actually indemnified, by another person (including a subsidiary of the Company or an insurer under an insurance policy).
- (c) If the liability is incurred in or arises out of the conduct of the business of another corporation or in the discharge of the duties of the officer in relation to another corporation, to the extent and for the amount that the officer is not entitled to be indemnified and is not actually indemnified by that corporation.

Indemnity

- 19.2 The Company is to indemnify each officer out of the assets of the Company to the relevant extent against any liability incurred by the officer in or arising out of:

- 19.2.1 the conduct of the business of the Company or a subsidiary of the Company; or

19.2.2 the discharge of the officer's duties.

19.3 If the Directors consider it appropriate, the Company may execute a contract or deed with any officer containing an indemnity in favour of the officer in the terms referred to in clause 19.2.

Insurance

19.4 If the Directors consider it appropriate, the Company may to the fullest extent permitted by law:

19.4.1 Make payments by way of premium in respect of any contract effecting insurance on behalf of or in respect of an officer against any liability incurred by the officer in or arising out of:

- (a) the conduct of the business of the Company or a subsidiary of the Company; or
- (b) the discharge of the officer's duties.

19.4.2 Bind itself in any contract or deed with any officer to make the payments referred to in clause 19.4.1.

Access to documents

19.5 If the Directors consider it appropriate, the Company may:

19.5.1 Give a former Director access to papers, including documents provided or available to the Directors and other papers referred to in those documents.

19.5.2 Bind itself in any contract or deed with a Director or former Director to give the access referred to in clause 19.5.1.

20 Seals and execution of documents

Custody of Seal

20.1 The Company need not have a Seal. If the Company has a Seal, the Board must provide for the safe custody of the Seal.

Execution of documents

20.2 If the Company has a Seal, the Company may execute a document by affixing the Seal to the document where the affixing of the Seal is witnessed by any of the following:

- 20.2.1 By two Directors (one of whom may be the Managing Director).
- 20.2.2 By a Director (other than the Managing Director) and the Secretary.
- 20.2.3 By a Director (other than the Managing Director) and some other person appointed by the Board for the purpose.

20.2.4 By the Managing Director, if:

- (a) the expenditure has been approved by the Board;
- (b) the document does not commit the Company to expenditure of more than \$150,000 (or such other amount and on such conditions as may be determined by the Board) and it has been approved by a Director other than the Managing Director; or
- (c) the document does not commit the Company to expenditure of more than \$100,000 (or such other amount and on such conditions as may be determined by the Board).

20.3 The Company may execute a document without the use of a Seal if the document is signed by any of the following:

20.3.1 By two Directors (one of whom may be the Managing Director).

20.3.2 By a Director (other than the Managing Director) and the Secretary.

20.3.3 By the Managing Director, if:

- (a) the expenditure has been approved by the Board;
- (b) the document does not commit the Company to expenditure of more than \$150,000 (or such other amount and on such conditions as may be determined by the Board) and it has been approved by a Director other than the Managing Director; or
- (c) the document does not commit the Company to expenditure of more than \$100,000 (or such other amount and on such conditions as may be determined by the Board).

Official seals

20.4 The Company may have, for use in place of the Seal outside the jurisdiction where the Seal is kept, one or more official seals, to be used in accordance with procedures approved by the Board.

21 Industry Advisory Groups

21.1 The Board must establish such Industry Advisory Groups as it determines to be appropriate in consultation with Voting Members. Industry Advisory Groups must be established to advise the Company on the following:

21.1.1 The Industry Sector(s)/Program(s) served by the particular Industry Advisory Group.

- 21.1.2 The design and development of R&D, technical, innovation, marketing and promotional activities for the Industry Sector(s)/Program(s) served by the particular Industry Advisory Group.
- 21.1.3 Any other matter that the Company determines to be appropriate for the Industry Sector(s)/Program(s) served by the particular Industry Advisory Group.
- 21.2 The Board must endeavour to establish and maintain such Industry Advisory Groups as the Company determines best represent the diverse Industry Sector(s)/Program(s) represented by the Company and in doing so must undertake the following:
 - 21.2.1 Ensure the Industry Advisory Groups have appropriate balance and expertise for the Industry Sector(s)/Program(s) which they represent.
 - 21.2.2 Be flexible in recognising and establishing recommended Industry Advisory Group structures in meeting the needs of specific Industry Sector(s)/Program(s) and in characterising an aspect of the Industry.

22 Strategic Plan

- 22.1 The Board must ensure that the following occur:
 - 22.1.1 A Strategic Plan is developed within 1 year of the date of this Constitution.
 - 22.1.2 The Strategic Plan is periodically reviewed by the Board.
 - 22.1.3 The Board passes a resolution to accept the initial Strategic Plan and any updated Strategic Plan.
 - 22.1.4 Within 28 days from the date the Board passes a resolution to accept the Strategic Plan, a copy of the initial Strategic Plan or any updated Strategic Plan is provided to the Minister and generally made available to Members.
- 22.2 The Strategic Plan should cover matters such as the following:
 - 22.2.1 The Company's vision or mission statement.
 - 22.2.2 The objectives and priorities of the Company for the period of the Strategic Plan.
 - 22.2.3 An assessment of the Company's operating environment including its strengths, weaknesses, threats and opportunities, current and future trends and their implications.
 - 22.2.4 The views of the Company's key stakeholders and clients.
 - 22.2.5 A corporate governance statement including the Directors' responsibilities in terms of planning and reporting.

- 22.2.6 The strategies the Company intends to adopt in order to achieve its objects.
- 22.2.7 The Australian Government's R&D funding policy, directions and priorities.
- 22.2.8 Proposed corporate outcomes, outputs and strategies aligned with the Company's goals and objectives.
- 22.2.9 Performance indicators that enable progress being made towards achieving planned outputs and outcomes to be monitored and reported upon on a regular basis.
- 22.2.10 Broad resource allocation including estimates of income and expenditure for the term of the Strategic Plan.

23 Annual Operational Plan

- 23.1 The Board must ensure that the following occur:
 - 23.1.1 The Company has in place an Annual Operational Plan for each Financial Year.
 - 23.1.2 In preparing the Annual Operational Plan, the Company's reporting obligations under the Corporations Act and relating to its public accountability obligations are taken into account.
 - 23.1.3 Prior to the beginning of each Financial Year, a copy of the Annual Operational Plan for that Financial Year is provided to the Minister.
- 23.2 The Annual Operational Plan should cover matters such as the following:
 - 23.2.1 The intended operations of the Company for the next Financial Year.
 - 23.2.2 The R&D, innovation, marketing and promotional activities to be undertaken by the Company.
 - 23.2.3 How the Company will contribute to the promotion and development of the Industry and its products through:
 - (a) the collection of information from a range of sources (including consultation within the Industry, and with other industries, governments, other stakeholders and the public);
 - (b) the balanced analysis of that information in the context of the Industry environment;
 - (c) the provision of that information to the Industry, other industries, governments, other stakeholders and the public;
 - (d) collaboration with governments in relation to the Industry including emergency response management, regulatory activities,

public accountability reporting and other activities that may be necessary or convenient for the improvement of the productivity or the performance of the Industry;

- (e) regular consultation with members of the Industry; and
- (f) other activities for the benefit of the Industry.

- 23.2.4 The alignment of the Company's R&D activities with the Australian Government's R&D funding policy, directions and priorities.
- 23.2.5 Performance indicators that enable progress being made towards achieving planned outputs and outcomes to be monitored and reported upon on a regular basis.
- 23.2.6 Budgets of income and expenditure for next Financial Year.
- 23.2.7 Any other matters the Board considers should be set out in the Annual Operational Plan.

24 Surplus assets on winding up or dissolution

- 24.1 Upon the winding up or dissolution of the Company, any remaining property after satisfaction of all debts and liabilities must not be paid to or distributed among the Members, but must be given or transferred to some other institution or company which satisfies both of the following requirements:
 - 24.1.1 It has objects similar to the objects of the Company.
 - 24.1.2 Its constituent documents prohibit the distribution of its income and property among its members on terms substantially to the effect of clause 10.
- 24.2 The matters referred to in clause 24.1 are to be determined by the Members at or before the time of winding up or dissolution of the Company and, in default of any determination, by the Supreme Court of the Australian Capital Territory.

25 Accounts, audit and records

Accounts

- 25.1 The Directors must cause proper accounting and other records to be kept in accordance with the Corporations Act. The Directors must cause copies of financial reports to be distributed to Directors, Members, the Australian Securities and Investments Commission and otherwise as required by the Corporations Act or determined by the Board.

Audit

- 25.2 The Board must appoint a registered company auditor. The Board must fix the remuneration of the auditor and regulate the auditor's duties in accordance with the Corporations Act.

Rights of Inspection

- 25.3 Subject to the Corporations Act, the Board may determine whether and to what extent, and at what times and places and under what conditions, the accounting records and other documents of the Company or any of them are open to the inspection of Members other than Directors, and a Member other than a Director does not have the right to inspect any document of the Company except as provided by law or authorised by the Board or by the Company in general meeting.

26 Notices**Persons authorised to give notices**

- 26.1 A notice by either the Company or a Member in connection with this Constitution may be given on behalf of the Company or Member by a solicitor, director or company secretary of the Company or Member.
- 26.2 The signature of a person on a notice given by the Company may be written, printed or stamped.

Method of giving notices

- 26.3 In addition to the methods for giving notices permitted by statute, a notice by the Company or a Member in connection with this Constitution may be given to the addressee by any of the following means:
- 26.3.1 By delivering it to a street address of the addressee.
 - 26.3.2 By sending it by prepaid ordinary post (airmail if outside Australia) to a street or postal address of the addressee.
 - 26.3.3 By sending it by facsimile or e-mail to the facsimile number or e-mail address of the addressee.

Addresses for giving notices to Members

- 26.4 The street address or postal address of a Member is the street or postal address of the Member shown in the Register.
- 26.5 The facsimile number or e-mail address of a Member is the number or address which is shown in the Register or which the Member may from time to time specify by written notice to the Company as the facsimile number or e-mail address to which notices may be sent to the Member.

Address for giving notices to the Company

- 26.6 The street and postal address of the Company is the Office.

- 26.7 The facsimile number or e-mail address of the Company is the number which the Company may from time to time specify by written notice to the Members as the facsimile number or e-mail address to which notices may be sent to the Company.

Time notice of meeting or other notice is given

- 26.8 A notice of meeting or other notice given in accordance with this Constitution is to be taken as given, served and received at the following times:
- 26.8.1 If delivered in writing to the street address of the addressee, at the time of delivery.
 - 26.8.2 If it is sent by post to the street or postal address of the addressee, on the second (fifth if outside Australia) business day after posting.
 - 26.8.3 If sent by facsimile to the facsimile number of the addressee, at the time transmission is completed and a clear transmission report is received.
 - 26.8.4 If sent by email to the email address of the addressee, at the time a confirmation of receipt is received by the sender from the intended recipient.

Proof of giving notices

- 26.9 The sending of a notice by facsimile or e-mail and the time of completion of transmission may be proved conclusively by production of the relevant one of the following:
- 26.9.1 A transmission report by the facsimile machine from which the notice was transmitted which indicates that a facsimile of the notice was sent in its entirety to the facsimile number of the addressee.
 - 26.9.2 A print out of a personal acknowledgment of receipt of the e-mail from the intended recipient.

Persons entitled to notice of meeting

- 26.10 Notice of every general meeting must be given by a method authorised by this Constitution to all of the following persons:
- 26.10.1 Every Member.
 - 26.10.2 Every Director.
 - 26.10.3 The auditor for the time being of the Company, if any.
- 26.11 No other person is entitled to receive notices of general meetings.

27 Amendment to this Constitution

- 27.1 The Company may amend this Constitution by Special Resolution and in accordance with any other requirements of the Corporations Act.

28 Definitions and Interpretation

Definitions

28.1 In this Constitution the following definitions apply:

Agripolitical Activity means an activity that is, or supports, directly or indirectly, financially or otherwise, political campaigning or political funding or internal political campaigning which requires the use of Company monies.

Annual Operational Plan means the plan referred to in clause 23.

Application Fee means the fee for applying for membership of the Company as determined by the Board from time to time.

Application Form means a form approved by the Board from time to time by which an applicant may apply to be a Voting Member or Associate Member of the Company.

Associate Member means a person admitted as an Associate Member under this Constitution and who has not ceased to be an Associate Member.

Australian Government means the Government of the Commonwealth.

Board means the board of Directors of the Company, acting as a group. Obligations imposed on the Board may be met in any manner permitted by this Constitution or the Corporations Act.

Chairperson means a person elected as Chairperson pursuant to clause **Error! Reference source not found.**

Commonwealth means the Commonwealth of Australia represented by the Department.

Commonwealth Levy means a statutory levy imposed on any part of the Industry by or under:

- (a) the *Primary Industries (Excise) Levies Act 1999* (Cth); or
- (b) the *Primary Industries (Customs) Charges Act 1999* (Cth),

but not amounts of penalty (if any) payable under the *Primary Industries (Excise) Levies Collection Act 1999* (Cth).

Company means Forest and Wood Products Australia Limited ACN 127 114 185.

Corporations Act means the *Corporations Act 2001* (Cth).

Department means the Australian Government Department of Agriculture, Fisheries and Forestry (or such other Australian Government Department as may have responsibility for forest industries from time to time).

Deputy Chairperson means a person elected as Deputy Chairperson pursuant to clause **Error! Reference source not found.**

Director means a person elected or appointed to perform the duties of a director of the Company and **Directors** means two or more such persons. Obligations imposed on the Directors are imposed on them jointly and severally.

Director Selection Committee means the committee established pursuant to clause 13.9.

Financial Year means a period commencing on 1 July and ending on the following 30 June.

Independent Director means a Director who is not a director or employee of:

- (a) a Member or a Related Entity of a Member; or
- (b) an Industry association or like body.

individual means a human being.

Industry means the Australian forest and wood products industry being the industry concerned with growing, harvesting, processing, importing, exporting and marketing wood, wood fibre and products made from wood or wood fibre.

Industry Advisory Group means a committee established by the Board pursuant to clause 21.

Industry Sector(s)/Program(s) means one or more sectors or programs within the Industry.

Levy means Commonwealth Levy, Voluntary Payment or State Growers' Contractual Contribution in respect of forest and wood products.

Levy Amount at a particular time in relation to a person, means the amount of Levy paid by the person (and not parties related or unrelated to the person) during the previous Financial Year, as determined or estimated by the Company in accordance with this Constitution.

Managing Director means the person appointed as the managing director in accordance with clause 14.

Member means an entity the name of which is entered in the Register as a Member of the Company.

Minister means the Australian Government Minister for Fisheries, Forestry and Conservation or such other Australian Government Minister as has responsibility for forestry from time to time.

National Representative Body means a body that is determined by the Board to be a national representative body of Levy payers.

Office means the registered office of the Company.

Parliament means the Parliament of the Commonwealth of Australia.

R&D means systematic experimentation and analysis in any field of science, technology, economics or business (including the study of the social or environmental consequences of the adoption of new technology) carried out with the object of:

- (a) acquiring knowledge that may be of use in achieving or furthering an objective of the Industry; and
- (b) applying such knowledge for the purpose of achieving or furthering such an objective.

Register means the register of Members kept by the Company under the Corporations Act.

Related Entity has the meaning given in section 9 of the Corporations Act.

Representative means the representative of a Member appointed pursuant to clause 12.1.

Seal means, if the Company has one, the common seal of the Company.

Secretary means a person appointed to perform the duties of a secretary of the Company.

Special Resolution means a resolution of which notice has been given as required by the Corporations Act and which has been passed by at least 75% of the votes cast by Members entitled to vote on the resolution.

State Growers' Contractual Contributions means the payments made by State and Territory government entities which are equivalent to the Commonwealth Levies paid by other Voting Members.

Strategic Plan means the plan referred to in clause 22.

Termination Event means the deregistration or other dissolution of that Member.

Voluntary Payment means a voluntary payment paid by any entities (excluding State or Territory government entities) which is calculated in a similar fashion to the Commonwealth Levy and which the entities have voluntarily agreed to have imposed upon them. A State Growers' Contractual Contribution is not a Voluntary Payment.

Voting Entitlements Register means the register established and maintained by the Company pursuant to clause 8.6.

Voting Member means a person admitted as a Voting Member under this Constitution and who has not ceased to be a Voting Member.

Interpretation

- 28.2 In this Constitution, unless the context otherwise requires:
- 28.2.1 A reference to any law or legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision, in either case whether before, on or after the date of this Constitution.
 - 28.2.2 A reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time.
 - 28.2.3 A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Constitution.
 - 28.2.4 Where a word or phrase is given a defined meaning another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.
 - 28.2.5 A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender denotes the other genders.
 - 28.2.6 An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate, body politic or other public authority.
 - 28.2.7 A reference to dollars or \$ means Australian dollars.
 - 28.2.8 References to the word 'include' or 'including' are to be construed without limitation.
 - 28.2.9 A reference to a time of day means that time of day in the place where the Office is located.
 - 28.2.10 A reference to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in the place where the Office is located.
 - 28.2.11 Where a period of time is specified and dates from a given day or the day of an act or event it must be calculated exclusive of that day.
 - 28.2.12 A term of this Constitution which has the effect of requiring anything to be done on or by a date which is not a business day must be interpreted as if it required it to be done on or by the end of the next business day.

References to the document

- 28.3 If this Constitution is amended, a reference to this Constitution means this Constitution as so amended.

Replaceable rules

28.4 Each of the provisions of the Corporations Act which would but for this clause 28.4 apply to the Company as a replaceable rule within the meaning of the Corporations Act are displaced and do not apply to the Company.

Application of Corporations Act

28.5 The Corporations Act applies in relation to this Constitution as if it was an instrument made under the Corporations Act as in force on the day when this Constitution became the constitution of the Company.

Adoption of constitution by initial Member of the Company

I, the person specified in the application for the Company's registration as a person who consents to become a Member of the Company, agree to the terms of this document as the constitution of the Company.

.....
Name of Initial Member

.....
Name of duly authorised representative of
Initial Member (if applicable)

.....
Signature of Initial Member or its
representative

.....
Date of signature

.....
Name of witness

.....
Signature of witness