



**CONSTITUTION OF UNIMUTUAL LIMITED**  
**ACN 106 564 372**

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# CONSTITUTION OF UNIMUTUAL LIMITED

## INTERPRETATION

1 The name of the Company is UNIMUTUAL LIMITED.

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(a) In this Constitution the following words and phrases shall (unless the context otherwise requires) have the following meanings:

“Act” means the Commonwealth Corporations Act 2001 including any amendment or reenactment thereof for the time being in force.

“Board” means the Board of Directors of the Company.

“Closed Protection Year” means a Protection Year that has been closed by the Board in accordance with the Rules.

“Company” means the Company above named.

“Constitution” means this Constitution and any supplementary substituted or amending Constitution for the time being in force.

“Contribution” and “Contributions” shall have the same meanings as in the Rules and shall be calculated and paid by each Member as set out therein.

“Director” means a duly appointed director of the Mutual.

“Distribution” includes a dividend.

“Member” means a member of the Mutual.

“Member’s Representative” is as defined by the Rules.

“the Mutual” means the Company.

“Protection Year” means the period chosen by the Board in accordance with the Rules.

“Open Protection Year” means a Protection Year that has not been closed by the Board in accordance with the Rules.

“the Rules” means the document issued in accordance with Rule 62 of the Constitution.

“Seal” means the Common Seal of the Mutual.

“Secretary” means any person appointed to perform the duties of a Secretary of the Mutual.

“State” means the State of Victoria unless specified otherwise.

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- (b) Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, typewriting, lithography, facsimile, photography and any other mode of representing or reproducing words in the visible form.
- (c) Words or expression contained in this Constitution shall be interpreted in accordance with the Corporations Act as in force at the date at which this Constitution becomes binding on the Company.
- (d) Powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto.
- (e) The word "Directors" and "Board" in the context of the exercise of any power contained in this Constitution includes any committee consisting of one or more Directors, any Director holding executive office and any Manager or agent of the Mutual to which or, as the case may be, to whom the power in question has been delegated.
- (f) No power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation.
- (g) Except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under this Constitution or under another delegation of the power.
- (h) Words importing persons shall include individuals, partnerships, corporations and mutuals.

## **REPLACEABLE RULES**

- 3 The Replaceable Rules contained in the Act do not apply to the Mutual.

## **OBJECTS**

- 4 The objects for which the Mutual has been established are:
  - (a) To act as a mutual company in dealings with its Members and to receive Contributions from Members;
  - (b) To pay claims for protection relating to certain liabilities, losses or expenses incurred by Members on a discretionary basis in accordance with the Rules;

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- (c) To enter into or arrange insurance or reinsurance contracts as deemed necessary from time to time and to negotiate directly or indirectly with the insurance market cover for any risk for the benefit of the Mutual and/or the Members;
- (d) Provide financial product advice for the following classes of financial products:
  - (i) financial products limited to:
    - (A) miscellaneous financial risk products limited to mutual risk products; and
    - (B) general insurance products;
- (e) Deal in a financial product by:
  - (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of financial products limited to miscellaneous financial risk products and to mutual risk products; and
  - (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of general insurance products;
- (f) Provide the following custodial or depository services: operating custodial or depository services other than investor directed portfolio services to retail and wholesale clients.
- (g) To establish wholly owned subsidiaries (including wholly owned insurance companies in New Zealand or elsewhere) for any purpose including the insuring of the risks of the Mutual and/or the Members;
- (h) To keep data and provide facilities for study and research in relation to all matters relating to the insurance of Universities and entities associated with education or research and their affiliates, members and staff;
- (i) To aid or engage in the development or promotion of University research or other research or the application or use of such research in relation to risk management and or loss-prevention;
- (j) To join, co-operate with or become a member of any society, committee, Mutual or other body or group howsoever constituted having for its object or included in its objects the defence or advancement of the interests of Universities and entities associated with education or research, and their affiliates, members and staff by joint or concerted action, and to support and contribute to the funds of any such society, committee, Mutual or other body or group;
- (k) To consider all questions connected with loss prevention and insurance as they might relate to Universities and entities associated with education or research or their affiliates, members and staff, to analyse and circulate statistics and other information relating thereto and generally to supply information and advice relating thereto or to the interest of any member

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therein and to promote or oppose legislative or other measures affecting the same.

- (l) To invest and deal with the monies of the Mutual which monies are not immediately required for the purposes of its business in or upon such stocks, shares, bonds, debentures, derivatives, futures, options, swaps, or other securities or the purchase of such currencies, commodities or other real or personal property, or by means of being deposited in accounts and in such manner as may from time to time be determined;
- (m) To borrow and raise money and to give any guarantee for payment of money or the performance of any contractual obligation or undertaking by any person, company or government body and to secure any such guarantee by mortgaging or charging any real or personal property or any other asset of the Mutual;
- (n) To pay all outgoings, costs, charges, losses and expenses incurred in or incidental to the promotion and establishment of the Mutual or the activities of the Mutual;
- (o) To appoint or employ any person to act as agent, representative, manager, adviser, consultant or otherwise on behalf of the Mutual in relation to any of the activities or proposed activities of the Mutual;
- (p) To open and operate any account or accounts with any bank or building society, to advance, lend or deposit money or give credit to or with any company on such terms as may be thought fit and with or without security
- (q) To permit any asset of the Mutual to be held or registered in the name of any nominee of the Mutual and to deposit securities or other investments belonging to or relating to the Mutual with any bank, building society or custodian;
- (r) To purchase and maintain for any director, auditor, officer, trustee, manager or any other person (including retired persons) insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against;
- (s) To enter into any partnership or arrangement in the nature of a partnership, joint venture, co-operation or union of interests, profit/loss-sharing arrangement or other Mutual or relationship, with any person or company engaged or interested in or who or which may become engaged or interested in the carrying on or conduct of any business which the Mutual is authorised to carry on or conduct or from which the Mutual would or might derive any benefit whether direct or indirect, and to take or otherwise acquire shares and securities in or of any such company (whether fully or not fully paid up or with limited or unlimited liability) and to sell, hold, re-issue with or without guarantee or otherwise deal with the same;
- (t) To establish or promote, or join in the establishment or promotion of, any other company in any part of the world whose objects shall include the taking over of any of the assets or liabilities of the Mutual or the

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promotion of which shall or may be calculated to advance its interests, and to acquire, hold, sell or otherwise deal with any shares, securities or obligations of any such company;

- (u) To amalgamate with any other company with similar objects;
- (v) To enter into any arrangement with any government or authority, municipal, local or otherwise, that may seem conducive to the Mutual's objects or any of them and to obtain from any such Government or authority any rights, privileges or concessions which the Mutual may think it is desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions and further to support or oppose any proposal made by any person or by any body of persons to secure changes in the law affecting the Mutual or the business of the Mutual or any of its rights, privileges or concessions and to subscribe to any fund that may be raised or utilised for the purpose of or in connection with the support of, or opposition to, any such proposal;
- (w) To acquire or undertake the whole or any part of the business, goodwill and assets of any person or company carrying on or proposing to carry on any of the businesses which the Mutual is authorised to carry on and in connection with any such acquisitions to undertake all or any of the liabilities of such person or company and to conduct or carry on such business;
- (x) To sell or dispose of the undertaking, property and assets of the Mutual or any part thereof in such manner and for such consideration as the Board may think fit, and in particular for shares (fully or partly paid up) securities or obligations of any other company whether promoted by the Mutual for the purpose or not and to improve, manage, develop, exchange, lease, dispose of or otherwise deal with all or any part of the property and assets of the Mutual;
- (y) To cause the Mutual to be recognised in any foreign country;
- (z) To join, co-operate with or become a member of any society, committee, Mutual or other body or group howsoever constituted having for its object or included in its objects the defence or advancement of the interests of the Members, and staff by joint or concerted action, and to support and contribute to the funds of any such society, committee, Mutual or other body or group and generally to make such charitable, philanthropic, useful or other donations or subscriptions to any persons or Mutuels or objects as the Board may think fit;
- (aa) To do all or any of the above things in any part of the world and either as principal, agents, trustees or otherwise, and either alone or in conjunction with another or others, and by or through agents, sub-contractors, trustees or otherwise;
- (bb) To do all such things as are, in the opinion of the Board incidental or conducive to the attainment of the above objects or any of them and as are permitted by law for a company limited by guarantee and with no share capital. The objects of the Mutual as specified in Sub Rules (a) to (m) above shall be construed as the main objects of the Mutual and the

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powers conferred on the Mutual by any of the Sub-Rules (n) to (aa) above shall be restricted by reference to or inference from the terms of the main objects of the Mutual.

- 4.1 For the sole purpose of carrying out the objects and in addition to the powers set out above the Mutual has the power and capacity to do all such acts, deeds and things as a company has capacity and power to do pursuant to the Act including but without limiting the generality of the foregoing:
- (a) To accept or refuse any gift, endowment or bequest made to or acquired by the Mutual generally for the objects herein set forth or for the purpose of any specific object and to undertake, execute and carry out any charitable or other trust which may be considered expedient or desirable in the interests of the Mutual;
  - (b) To print and publish or to contribute to the publication of any newspaper, periodical, journal, leaflet, book or magazine and to print, publish and circulate books, papers, pamphlets and information and to provide and circulate any annual or other report of the Mutual and its proceedings and work;
  - (c) To subscribe to, become a member of and co-operate with any other Mutual or organisation, whether incorporated or not, whose objects are altogether or in part similar to the Mutual;
  - (d) In furtherance of the objects of the Mutual to buy, sell and deal in all kinds of apparatus, literature and other items required by the members of the Mutual or persons frequenting the Mutual's premises;
  - (e) To purchase, take in exchange, hire or otherwise acquire any lands, buildings, easements or property, real and personal and any rights or privileges which may be requisite for the purposes of, or capable of being conveniently used in connection with, any of the objects of the Mutual provided that in case the Mutual shall take or hold any property which may be subject to any trusts the Mutual shall only deal with the same in such manner as is allowed by law having regard to such trusts;
  - (f) To appoint, employ, remove or suspend such managers, clerks, secretaries, servants, workmen and other persons as may be necessary or convenient for the purposes of the Mutual;
  - (g) To establish and support or aid in the establishment and support of Mutuels, institutions, funds, trusts and conveniences calculated to benefit employees or former employees of the Mutual or dependants or connections of any such persons, to grant pensions and allowances to make payments towards insurance; and to subscribe or guarantee money for charitable or benevolent objects, or for any public, general or useful object;
  - (h) To construct, improve, maintain, develop, work, manage, carry out, alter or control any houses, buildings, grounds, works or conveniences which may seem calculated directly or indirectly to advance the Mutual's interests and to contribute to, subsidise or otherwise assist and take part

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in the construction, improvement, maintenance, development, working, management, carrying out, alteration or control thereof;

- (i) To invest and deal with the monies of the Mutual not immediately required in such manner as may be permitted by law for the investment of trust funds and any other investments as might be made by a prudent investor;
  - (j) To borrow or raise or secure the payment of money in such manner as the Mutual may think fit and to secure the same or the repayment or performance of any debt liability, contract, guarantee or other engagement incurred or to be entered into by the Mutual in any way and in particular by the issue of debentures perpetual or otherwise charged upon all or any of the Mutual's property (both present and future), and to purchase, redeem or pay off any such securities;
  - (k) To make, draw, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading and other negotiable or transferable instruments;
  - (l) To take or hold mortgages, liens and charges to secure payment of the purchase price or any unpaid balance of the purchase price, of any part of the Mutual's property of whatsoever kind sold by the Mutual, or any money due to the Mutual from purchasers and others;
  - (m) To take any gift of property whether subject to any special trust or not, for any one or more of the objects of the Mutual but subject always to the other provisions of this Constitution;
  - (n) In furtherance of the objects of the Mutual to amalgamate with any companies, institutions, societies or Mutuals having objects altogether or in part similar to those of the Mutual;
  - (o) In furtherance of the objects of the Mutual to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the companies, institutions, societies or Mutuals with which the Mutual is authorised to amalgamate;
  - (p) In furtherance of the objects of the Mutual to transfer all or any part of the property, assets, liabilities and engagements of the Mutual to any one or more of the companies, institutions, societies or Mutuals with which the Mutual is authorised to amalgamate;
  - (q) To make donations for patriotic or charitable purposes;
  - (r) To do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the Mutual.
- 4.2 Without limiting the generality of the foregoing the Mutual has the powers set out in Section 124 of the Act.

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## BUSINESS

- 5 The business of the Mutual shall consist of all the matters and things set forth in this Constitution and shall be conducted under the control of the Board according to the terms of this Constitution and the Rules.

## MEMBERSHIP

- 6 The number of members of the Mutual is unlimited.
- (a) Any University or other educational institution or research institution or entity associated with education or research or with education or research institutions established in Australia, New Zealand or elsewhere and which satisfies the criteria of the definition of “wholesale client” under the Act is eligible for membership of the Mutual (an “Eligible Entity”);
- (b) The Subscribers to the Memorandum shall be the first Members of the Mutual. The first Members shall automatically cease to be Members upon an Eligible Entity becoming a Member;
- (c) An Eligible Entity desiring to become a Member of the Mutual may apply in writing in such form as may be required by the Board;
- (d) The application;
- (i) must state that the applicant agrees that upon its admission to the Mutual as a Member, it agrees to be bound by the provisions of this Constitution and the Rules;
- (ii) must specify the number of Protection Years for which the Member seeks admission to the Mutual;
- (e) Upon the receipt of an application, the Board may in its absolute discretion admit the applicant to the Mutual as a Member. At the next meeting of the Board after the receipt of any application for membership, such application shall be considered by the Board which shall thereupon determine the admission or rejection of the applicant. In no case shall the Board be required to give any reason for the rejection or admission of an applicant. The Board is not obliged to give reasons for any refusal to admit the person or entity to membership;
- (f) The names of the Members shall be recorded in a register kept by the Mutual for that purpose;
- (g) At the time of admission of a Member to the Mutual shall issue a Certificate of Entry stating;
- (i) the name of the Member;

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- (ii) the number of Protection Years for which the Member is admitted to the Mutual ;
  - (iii) the matters required by the Rules to be stated in the Certificate of Entry.
- (h) A Certificate of Entry is, in the absence of manifest error, conclusive evidence of the admission to the Mutual of the Member and of the other matters stated in the Certificate;
- (i) Admission to the Mutual as a Member constitutes an obligation (enforceable by the Mutual on the part of the Members) to be bound by and observe the provisions of this Constitution and the Rules applicable to the Members;
- (j) Admission to the Mutual as a Member shall be effective either for the one Protection Year in which the Certificate of Entry was issued and shall continue for so long as that Protection Year remains an Open Protection Year, but shall cease upon that Protection Year becoming a Closed Protection Year, or shall be effective for the number of Protection Years for which the Certificate of Entry was issued and shall continue for so long as any one of those Protection Years remains an Open Protection Year, but shall cease upon all those Protection Years becoming Closed Protection Years. Provided that a person shall not cease to be a Member pursuant to this Rule if that would cause the Mutual to be in breach of the Act or any law or cease to be in existence;
- (k) The Mutual may renew a Member's admission as a Member for an individual Protection Year or for consecutive Protection Years at its sole discretion. The Mutual may impose special rules determined in its sole discretion on renewals or applications for admission for consecutive Protection Years;
- (l) A Member may resign membership on giving three months notice in writing. However, resignation does not release a member from any obligations under the Rules which shall continue until such obligations cease to have effect under the Rules;
- (m) Membership shall be personal to the person or entity concerned and is not transferable, assignable or subject to novation;
- (n) When an applicant has been accepted for membership the Secretary shall forthwith send to the applicant written notice of its acceptance and a request for payment of its Contribution. Upon payment of its Contribution the applicant shall become a member of the Mutual provided however that if such payments are not made within two (2) calendar months after the date of the notice, the Board may in its discretion cancel its acceptance of the applicant for membership of the Mutual.

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- 7 If any Contribution of a Member shall remain unpaid for a period of two (2) calendar months after it becomes due then the Member may after notice of the default shall have been sent to it by the Secretary be debarred by resolution of the Board. Upon being so disbarred all privileges of membership, and its name, may be removed by the Board from the Register of Members. The Board may reinstate the Member and restore its name to the Register on payment of all arrears and interest and costs if the Board thinks fit to do so.
- 8 A Member may at any time by giving notice in writing to the Secretary resign its membership of the Mutual but the Member shall continue to be liable for any unpaid Contributions and all arrears, interest and costs due and unpaid at the date of its resignation and for all other monies due by it to the Mutual and in addition for any sum not exceeding \$1.00 for which it is liable as a member of the Mutual under Rule 12 of the Constitution.
- 9 If any Member shall wilfully refuse or neglect to comply with the provisions of the Constitution or shall be guilty of any conduct which in the opinion of the Board is unbecoming of a Member or prejudicial to the interests of the Mutual the following shall apply. The Board shall have power to expel the Member from the Mutual and erase its name from the Register of Members provided that at least one week before the meeting of the Board at which a resolution for its expulsion is proposed the Member shall have had notice of such meeting and of what is alleged against it and of the intended resolution for its expulsion and that it shall at such meeting and before the passing of such resolution have had an opportunity of giving orally or in writing such explanation or defence it may think fit. Any such Member may by notice in writing lodged with the Secretary at least twenty four (24) hours before the time for holding the meeting at which the resolution for its expulsion is to be considered by the Board elect to have the question of its expulsion dealt with by the Mutual in General Meeting. In that event a General Meeting of the Mutual shall be called for the purpose and if at the meeting a resolution for the expulsion of the member be passed by a majority of two-thirds of those present and voting (such vote to be taken by ballot) the member shall be expelled and its name removed from the Register of Members.
- 10 A Member shall cease to be a Member immediately upon any of the following events occurring:
- (a) The dissolution of the Member;
  - (b) The Member being declared bankrupt or insolvent;
  - (c) A resolution being passed or an order made for the winding up of the Member other than for the purposes of reorganisation;

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- (d) The Member making any composition or arrangement with its creditors;
- (e) A receiver, trustee, liquidator, manager or administrator being appointed over the assets or undertaking of the Member.

PROVIDED ALWAYS that such Member shall be and remain liable to pay to the Mutual all such calls, fees and Contributions and monies, interest and costs as under this Constitution or the Rules such Member is expressed to be liable to pay.

## **LIABILITY**

- 11 The liability of the Members is limited.

## **MEMBER'S CONTRIBUTION**

- 12 Every Member undertakes to contribute to the property of the Mutual in the event of the same being wound up while it is a Member, or within one (1) year after it ceases to be a Member, for payment of the debts and liabilities of the Mutual contracted before it ceases to be a Member, and of the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one dollar (\$1.00).

## **GENERAL MEETINGS**

- 13 The first General Meeting shall be held at such time, not being less than one (1) month nor more than three (3) months after the registration of the Mutual and at such place as the Board may determine.
- 14 An Annual General Meeting of the Mutual shall be held in accordance with the provisions of the Act. All meetings other than Annual General Meetings shall be called General Meetings.
- 15 Any member of the Board, or the Chairman, may whenever it thinks fit convene a General Meeting and General Meetings shall be convened on such requisition or in default may be convened by such requisitionists as provided by the Act. A General Meeting shall also be convened on requisition as is provided for by the Act or in default may be convened by such requisitionists as empowered to do so by the Act.
- 16 Subject to the provisions of the Act relating to special resolutions and agreements for shorter notice twenty one (21) days notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place the day and the hour of meeting and in case of special business the general nature of that business shall be given to such persons as entitled to receive such notices from the Mutual. If a special resolution is to be proposed at the meeting the notice must be set out an intention to propose the special resolution and state the resolution.

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- 17 All business shall be special that is transacted at a General Meeting and also all that is transacted at any Annual General Meeting, with the exception of the consideration of the accounts, balance sheets and the report of the Board and Auditors, the election of officers and other members of the Board in the place of those retiring and the appointment and fixing of the remuneration of the Auditors.

## PROCEEDINGS AT GENERAL MEETINGS

- 18 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five Members present shall be a quorum. For the purpose of this Rule "Member" means Members and a person attending as a proxy or as representing a corporation which is a Member. If there are fewer than five members, a quorum is when all Members are present by proxy or representative.
- 19 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present (being not less than (2)) shall be a quorum.
- 20 The Chairman shall preside at every General Meeting of the Company, or if there is no Chairman, or if it is not present within fifteen (15) minutes after the time appointed for the holding of the meeting or is unwilling to act, the Vice-Chairman shall be the Chairman or if the Vice-Chairman is not present or is unwilling to act then the Members present shall elect one of their number to be Chairman of the meeting.
- 21 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give in any notice of an adjournment details of the business to be transacted at an adjourned meeting.
- 22 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded.
- (a) A poll may be demanded;
- (i) by the Chairman; or
- (ii) by at least (3) Members present in person or by proxy.
- (b) A poll may be demanded;

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- (i) before a vote is taken;
  - (ii) before the voting results on a show of hands is declared; or
  - (iii) immediately after the voting results on a show of hands are declared.
- (c) Unless a poll is so demanded a declaration by the Chairman 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 being made in the book containing the minutes of the proceedings of the Mutual shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- (d) The demand for a poll may be withdrawn.
- (e) Before a vote is taken the Chairman must inform the meeting whether any proxy votes have been received and how the proxy votes are cast.

23 If a poll is duly demanded it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman directs and the result of the poll shall be the resolution of the meeting at which the poll was demanded but a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith.

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

25 A Member may vote in person or by proxy and on a show of hands every person present who is a Member or a representative of the Member shall have one vote and on a poll every person present in person or by proxy shall have one vote.

26 The instrument appointing a proxy shall be in the following form:

I of being a Member of  
.....hereby  
appoint of or failing  
him.....of as my proxy  
to vote for me on my behalf at the (Annual or General as the case may  
be) Meeting of the Mutual to be held on the day of and at any  
adjournment thereof.

My proxy is hereby authorised to vote \*in favour of/\*against the following resolutions:

Signed this                      day of  
.....

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

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- 27 The instrument appointing a proxy and the power of attorney or other authority if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Mutual or at such other place within the State as is specified for that purpose in the notice convening the meeting, not less than forty eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 28 A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, if no intimation in writing of such death, unsoundness of mind or revocation as aforesaid has been received by the Mutual at its registered office before the commencement of the meeting or adjourned meeting at which the instrument is used.
- 29 No Member shall be entitled to vote at any General Meeting if its Contributions shall be more than one (1) month in arrears at the date of the meeting.

## BOARD OF DIRECTORS

- 30 The Board shall consist of a maximum of twelve (12) Directors and a minimum of four (4) Directors. The following provisions shall apply to the composition of the Board.
- (a) If the membership is drawn from more than four States or Territories of the Commonwealth of Australia, the Board of Directors must at all times comprise Directors from at least four different States or Territories and at least four of the Directors must be appointed from Australian Universities and if the Membership comprises one or more Universities in New Zealand, then at least one of the Directors shall be drawn from New Zealand; otherwise the Board must comprise at least one Director from each State or Territory from which the membership is drawn (the Composition Requirement).
- (b) The election of Directors (other than the Independent Directors) shall take place in the following manner:
- (i) The nomination of a candidate must be in writing, signed by a proposer and a seconder (who shall be Members), and by the nominee. The nomination must be lodged with the Secretary at least fourteen (14) days before the Annual General Meeting at which the nomination is proposed.
- (ii) An alphabetical list of the names of candidates and their respective proposers and seconds shall be given in writing at least seven (7) days before the relevant Annual

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General Meeting to every Member entitled to notice of the Annual General Meeting.

- (iii) Balloting lists shall be prepared containing the names of the candidates.
- (iv) At the Annual General Meeting each Member shall be entitled to vote for any one of the candidates on the Balloting list.
- (c) The Board may from time to time appoint one or more persons with such insurance or commercial expertise as it considers desirable as a Director or Directors of the Mutual. Any such Director shall be known as an "Independent Director". There shall be no more than four Independent Directors at any given time.
- (d) Every Director of the Mutual (other than an Independent Director) shall, when holding office, be employed or sponsored by a Member.

31 Directors shall retire as follows:

- (a) At each subsequent Annual General Meeting of the Mutual one-third of the Directors (other than the Independent Directors), or, if their number is not a multiple of three, the number nearest to one-third shall retire from office.
- (b) The Directors to retire at each Annual General Meeting shall be those who have been longest in office since their last appointment or election. As between two or more who became, or were last re-elected Directors on the same day, those to retire shall (in default or agreement between them) be determined by lot.
- (c) A retiring Director shall retain office until the conclusion of the meeting at which that Director retires.
- (d) A retiring Director shall be eligible for re-election.
- (e) If at any General Meeting one or more Directors are elected which would result in a contravention of the Composition Requirement, those Directors having a lesser number of votes than any other Director so elected from the same State or Territory in New Zealand or being from the same State or Territory or New Zealand as any Director already holding office shall be deemed not to have been elected and the candidate or candidates having the next greatest or greater number of votes shall be deemed elected provided that their election does not result in the Composition Requirement being contravened, in which event this Rule shall mutatis mutandis apply.

32 The Directors may, at any time and from time to time, appoint any person as a Director, either to fill a casual vacancy or as an addition to the

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Board, but so that the total number of Directors shall not at any time exceed the maximum number for the time being fixed. The Board shall notify the Membership of such an appointment.

### DIRECTORS

33 A director may be removed as follows:

- (a) The Mutual may by ordinary resolution remove any Director from office;
- (b) A resolution under Sub- Rule (a) hereof must have been proposed in writing, delivered to the Mutual at least twenty-eight (28) days prior to the General Meeting and distributed to Members at least twenty-one (21) days prior to the General Meeting at which such a resolution is to be considered.

34 The total remuneration of the Directors shall from time to time be determined by the Members in General Meeting. The Board shall determine the remuneration payable to each Director and that remuneration shall be deemed to accrue from day to day.

35 The Directors may be paid all reasonable traveling, hotel and other expenses properly incurred and accounted for by them in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Mutual or in connection with the business of the Mutual.

36 A retiring Director shall be eligible for re-election.

37 The office of Director shall become vacant if the Director:

- (a) Ceases to be a Director by virtue of the Act;
- (b) 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;
- (c) Resigns his or her office by notice in writing to the Mutual;
- (d) Is removed from office pursuant to this Constitution;
- (e) Where the Director is employed or sponsored by a Member, that Director ceases to be so employed or sponsored;
- (f) Has absented himself or herself (such absence not being absence with leave or by arrangements with the Directors on the affairs of the Mutual) from three (3) consecutive meetings of the Directors and the Directors resolve that its or her office should be vacated;

38 If a Director is nominated by a Member of which he or she is a member or officer and that Member ceases to be a Member of the Mutual then the office of that Director in the Mutual shall become vacant;

39 Subject to a Director disclosing his or her interest in accordance with the Act that Director is not disqualified by his or her office from:

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- (a) Entering into any contract, agreement or arrangement with the Mutual;
- (b) Holding an office of profit under the Mutual;
- (c) Becoming or remaining a Director of any corporation in which the Mutual is in any way interested or which is in any way interested in the Mutual;
- (d) Attending and voting at any meeting of the Directors in respect of any contract, agreement arrangement matter or thing in which it or she is interested; or
- (e) Attending and voting at any meeting of the Directors in respect of proposed amendments to the Rules or other matters which affect all Members equally.

PROVIDED ALWAYS that a Director shall not be entitled to attend and vote at any meeting of the Directors in respect of any claim for protection made pursuant to the Rules by the Member with whom that Director is associated.

- 40 A contract, agreement or arrangement entered into by or on behalf of the Mutual in which any Director is in any way interested is not for that reason void or voidable and a Director shall not be liable to account to the Mutual for any profits accruing to him or her.

## **POWERS AND DUTIES OF DIRECTORS**

- 41 The business of the Mutual shall be managed by the Directors who may pay all expenses incurred in promoting and forming the Mutual and may exercise all of the powers of the Mutual which are not by the Act or by this Constitution required to be exercised by the Mutual in General Meeting. Without prejudice to the generality of the foregoing, the Board shall, in accordance with the Rules, determine the Contributions to be paid by each Member in respect of each Protection Year (as defined in the Rules). The Members' Contributions shall constitute the funds of the Mutual. The Board shall consider all claims for protection made by Members under the Rules and may, in its sole and absolute discretion and in accordance with the Rules, grant from the funds of the Mutual to any such Member as indemnity wholly or in part in respect of the claim for protection made by such Member.
- 42 The Directors may meet together for the dispatch of business, and may adjourn and otherwise regulate their meetings as they think fit. Any Director may at any time and the Secretary shall on the requisition of any Director summon a meeting of the Directors.
- 43 Three (3) Directors shall form a quorum for a meeting of Directors.
- 44 A meeting of Directors may be held by telephone or teleconference or in any other way that the Directors think fit.
- 45 Questions arising at a meeting of the Directors shall be decided by a majority of votes of Directors present and voting and any such decision shall for all purposes be deemed a decision of the Directors, and on any

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equality of votes the chairman of the meeting, in addition to its or her deliberate vote (if any), has a casting vote.

- 46 In the event of a vacancy or vacancies in the office of a Director or offices of Directors, the remaining Directors may act, but if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of the Directors, the remaining Directors may act only for the purpose of increasing the number of Directors to a number sufficient to constitute such a quorum or of convening a General Meeting of the Mutual.
- 47 The Directors may delegate any of their powers to a committee or committees consisting of one or more Directors and any power so exercised shall be deemed to have been exercised by the Directors.
- 48 A committee shall exercise the powers delegated to it in accordance with any directions of the Directors and any power so exercised shall be deemed to have been exercised by the Directors.
- 49 The proceedings of any committees shall be conducted in the same manner as meetings of the Directors.
- 50 The Directors may elect one (1) of their number as Chairman and may determine the period for which it or she is to hold office and if no such Chairman is elected or if at any meeting of the Board or a Committee of the Board the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act, those present shall elect one of their number to be a chairman of that meeting.
- 51 A resolution in writing signed by each of the Directors for the time being entitled to receive notice of a meeting of the Directors or by all members of a committee for the time being duly convened shall be valid and effectual as a resolution passed at a meeting of the Directors, or as the case may be, of such committee and such resolution may consist of several documents in like form each signed by one or more Directors.
- 52 All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director are, notwithstanding that it is afterwards discovered that there was some defect in the appointment of a person to be Director or a member of a committee or to act as a Director or that a person so appointed was disqualified, is valid as if the person had been duly appointed and was qualified, to be a Director or be a member of the committee.
- 53 The Directors shall cause minutes to be made of all proceedings of General Meetings of the Mutual, of meetings of the Directors and of any committees of the Board and of the attendances thereat and of all appointments of officers made by the Directors. Any such minute, if signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.
- 54 The Directors may appoint independent Managers to manage any or all aspects of the business of the Mutual on such terms, including the payment of remuneration to the Managers as they think fit.

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### **SECRETARY**

55 The Secretary shall in accordance with the Act be appointed by the Board for such term, at such remuneration and upon such conditions as it thinks fit and any Secretary so appointed may be removed by it. Nothing herein shall prevent the Board from appointing a Member of the Mutual as Honorary Secretary and any Member so appointed shall forthwith become an officer of the Mutual and, if not already a member of the Board, ex officio a member of the Board and it shall be subject to the provisions of Rule 18 of this Constitution.

### **COMMON SEAL**

56 The Board may provide for the safe custody of the Seal. The Seal shall only be used by the authority of the Board, or of a committee of the Board authorised by the members of the Board to authorize the use of the Seal. Every document to which the Seal is affixed shall be signed by a Director and countersigned by another Director, the Secretary or another person appointed by the Directors to countersign that document or a class of documents in which that document is included.

57 The Mutual may execute a document without using the Seal if the document is signed by:

- (a) two members of the Board;
- (b) a member of the Board and the Secretary; or
- (c) a person authorised by the Board.

### **ACCOUNTS**

58 The Board shall cause proper accounting and other records to be kept in accordance with the provisions of the Act. The Board shall from time to time in accordance with the Act cause to be prepared and to be laid before the Mutual in General Meeting such income and expenditure accounts, profit and loss accounts, balance sheets and reports as are specified in the Act. A copy of every balance sheet including every document required by the Act to be annexed thereto) which is to be laid before the Mutual in General Meeting, together with a copy of the auditor's report, shall at least twenty-one (21) days before the date of the meeting be sent by post to every Director, Member and the Auditors. The Board shall from time to time determine whether and to what extent and at which times and places and under what conditions or regulations the accounting records and other documents of the Mutual or any of them will be open to the inspection of Members and no Member shall have the right of inspecting any documents of the Mutual except as provided by law or authorised by the Board or by the Mutual in General Meeting.

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### **AUDIT**

- 59 A properly qualified Auditor or Auditors shall be appointed and its or their duties shall be regulated in accordance with the Act.

### **WINDING UP**

- 60 The Board may in accordance with the Act resolve to wind up the Mutual. The surplus assets of the Company shall be transferred to the Members of the then Open Protection Years and those Members who were Members at any time during the five (5) Protection Years immediately preceding or ending on the Termination Date and/or who were Members in the Protection Year in which termination occurs (if any) in the proportion in which Combined Contributions paid by each Member bears to the total Combined Contributions paid by Members of each Open Protection Year and Members who were Members during such five (5) Protection Years and/or the Protection Year in which winding up occurs.
- 61 Before any distribution of the surplus assets is made after the winding up is completed, there shall be paid or set aside all amounts which the Board considers necessary to provide for all actual and potential claims on the resources of the Mutual arising from events which have occurred prior to the winding up.

### **RULES OF THE MUTUAL**

- 62 The Board may make Rules from time to time prescribing:
- (a) the form of application for admission to the Mutual as a Member;
  - (b) the basis upon which claims for protection shall be considered by the Mutual;
  - (c) the nature and extent of the protection to be provided by the Mutual and the exclusions therefrom;
  - (d) the amounts of Contributions to the Mutual to be paid from time to time;
  - (e) the obligations of the Mutual and the Members in respect of their claims for protection;
  - (f) such other matters incidental to the activities of the Mutual as the Board thinks fit,
- and the Board may by resolution alter the Rules from time to time as the Board considers appropriate.
- 63 The Rules made by the Board have effect as a contract between the Members and the Mutual and every Member shall be bound accordingly.

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## DISTRIBUTIONS TO MEMBERS

- 64 The Board may in its absolute discretion divide and classify the profits of the Mutual as attributable to particular Open or Closed Protection Years. Distributions may be declared only by the Board in its sole discretion in respect of Open or Closed Protection years. Interest is not payable by the Mutual in respect of a Distribution.
- 65 A Distribution may be paid in any manner determined by the Board and permitted by law, including wholly or partly by the payment of cash and the transfer of assets. Where any difficulty arises in regard to a distribution satisfied wholly or in part by the transfer of assets, the Board may settle the matter as they think expedient. In respect of a distribution, the Board may do any or all of the following:
- (a) fix the value for distribution of those specific assets or any part of them;
  - (b) determine that cash payments are to be made to some Members in order to equitably adjust the rights of all Members;
  - (c) vest any of those specific assets in trustees as the Board consider expedient..
  - (d) deduct from any Distribution payable to a Member all sums of money, if any, presently payable by the Member to the Mutual.
- 66 To the extent permitted by law, the Board may resolve to capitalise the whole or a part of the profits of the Mutual and may apply that amount in any manner permitted by this document or by law. A sum capitalised must be applied for the benefit of the Members in the proportions in which those Members would have been entitled to that sum if distributed by way of Distribution. The Members must accept an application of capital in full satisfaction of their interests in that capital. To the extent necessary to adjust the rights of Members among themselves, the Board may take any other action necessary to equalise entitlements of Members.

## NOTICES

- 67 Any notice to any Member or any payment shall be deemed to have been duly served if duly directed to the address of the Member given in the register or advised by the Member to the Mutual from time to time, and sent by post prepaid, and its non-receipt by the Member Representative shall in no way invalidate or affect any matter or proceeding to which it relates.
- (a) Notice of every General Meeting shall be given in the manner herein before authorised to:
- (i) every Member entitled to vote at the meeting;
  - (ii) the Auditor for the time being of the Mutual; and
  - (iii) every Director of the Mutual.

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

### INDEMNITY

- 68 Every Director, officer and employee of the Mutual shall be indemnified out of the property of the Mutual against any liability incurred by that person in that person's capacity as Director, officer or employee in defending any proceedings, whether civil or criminal, in which judgment is given in that person's favour or in which that person is acquitted or in connection with any application in relation to any such proceedings in which relief is granted to that person by the Court. The Directors may exercise all the powers of the Mutual to purchase and maintain for any Director, officer or employee, insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.