

CONSTITUTION



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INDEX

Constitution	1
Preliminary	1
1. Defined terms & interpretation	1
Objects	2
2. Objects	2
Income and Property of Company	3
3. Income and property of Company	3
Membership	3
4. Admission	3
5. Subscriptions	4
6. Ceasing to be a Member	5
7. Powers of attorney.....	6
General Meetings	6
8. Calling general meeting	6
9. Notice of general meeting.....	7
Proceedings at General Meetings	7
10. Member	7
11. Quorum	7
12. Chairperson	8
13. Adjournment	8
14. Decision on questions	9
15. Taking a poll	9
16. Casting vote of chairperson	10
17. Offensive material.....	10
Votes of Members	10
18. Entitlement to vote.....	10
19. Objections.....	10
20. Votes by proxy.....	11
21. Document appointing proxy.....	11
22. Lodgment of proxy.....	12
23. Validity.....	12

Appointment and Removal Of Directors	12
24. Number of GP Directors	12
25. Election of GP Directors	12
26. Appointment of Non-GP Director	13
27. Retirement of GP Directors	13
28. Directors – general provisions	14
29. Vacation of Office	14
Powers and Duties of Directors	15
30. Powers and duties of Directors	15
Proceedings of Directors	15
31. Directors' meetings	15
32. Decision on questions	16
Payments to Directors	16
33. Payments to Directors	16
34. Directors' interests	16
35. Remaining Directors	17
36. Chairperson	18
37. Committees	18
38. Delegation to Committees	18
39. Written resolutions	19
40. Validity of acts of Directors	19
41. Minutes and Registers	19
Local Management	20
42. Appointment of attorneys and agents	20
Secretary	21
43. Secretary	21
Seals	21
44. Common Seal	21
45. Duplicate Seal	21
Inspection of Records	21
46. Inspection of records	21
Notices	22
47. Service of notices	22

48.	Persons entitled to notice	22
	Audit and Accounts	23
49.	Audit and accounts	23
	Winding Up.....	23
50.	Winding up.....	23
	Indemnity.....	23
51.	Indemnity.....	23
	THE TDGP GIFT FUND.....	24
52.	The TDGP Gift Fund.....	24

Constitution

Townsville Division of General Practice Limited

PRELIMINARY

1. Defined terms & interpretation

1.1 In this Constitution unless the contrary intention appears:

"**Associate Members**" means, subject to rule 6, persons who are granted membership of the Company as an Associate Member and are registered in the Register as an Associate Member under rule 4. Associate membership is open to all General Practitioners outside the Townsville division's boundaries, specialists and allied health professionals with current registration in the Townsville region and practice managers within the Townsville Division's boundaries and other individuals as approved by the board from time to time.

"**Auditor**" means the Company's auditor;

"**Chairperson**" means the person occupying the position of Chairperson elected under rule 36;

"**Company**" means Townsville Division of General Practice ABN 87 063 397 231;

"**Constitution**" means the constitution of the Company as amended from time to time;

"**Director**" includes any person occupying the position of director of the Company;

"**Directors**" means all or some of the Directors acting as a board;

"**General Practitioner**" means a registered medical practitioner who usually practises in such a way as to provide unreferral, whole person care in the Region;

"**General Practice Interns**" means a General Practice Intern admitted to membership of the General Practice Intern Members category of membership under rule 4.2(a);

"**General Practitioner Member**" means a General Practitioner admitted to membership of the General Practitioner Members category of membership under rule 4.2(a);

"**General Practice**" means the practice of a General Practitioner;

"**Member**" means a member under rule 4;

"**Office**" means the Company's registered office;

"**Region**" means the Townsville region from time to time recognised by the Commonwealth Department of Health and Aging;

"**Register**" means the register of Members of the Company;

"**Registered Address**" means the last known address of a Member as noted in the Register;

"**Secretary**" means any person appointed by the Directors to perform any of the duties of a secretary of the Company and if there are joint secretaries, any one or more of such joint secretaries;

"**Student Members**" means medical students admitted to membership of the Student Members membership category under rule 4.2(c). Student Membership is open to all 5th and 6th year James Cook University medical students.

1.2 In this Constitution, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa and words importing a gender include other genders;
- (b) words importing natural persons include corporations;
- (c) words and expressions defined in the *Corporations Act* have the same meaning in this Constitution;
- (d) headings are for ease of reference only and do not affect the construction of this Constitution; and
- (e) a reference to the *Corporations Act* is a reference to the *Corporations Act 2001* (Cth) as modified or amended from time to time.
- (f) Unless the contrary intention appears in this Constitution, an expression in a rule of this Constitution has the same meaning as in a provision of the *Corporations Act* that deals with the same matter as the clause.
- (g) To the extent permitted by law, the replaceable rules in the *Corporations Act* do not apply to the Company.

OBJECTS

2. Objects

2.1 The objects for which the Company is established are to promote the health and well-being of people in the Region:

- (a) facilitating improved liaison between general practitioners and other areas of the health care system;
- (b) ensuring the effective integration of general practice with other elements of the health care system;

- (c) enabling general practitioners to contribute to health planning at the local level;
- (d) providing better access to available and appropriate general practitioner services for patients and reducing inappropriate duplication of services;
- (e) meeting the special (and localised) health needs of groups (such as Aboriginal and Torres Strait Islanders and those with non-English speaking backgrounds) or people with chronic conditions, particularly where these needs are not adequately addressed by the current health system;
- (f) facilitating the advancement of general practice;
- (g) enhancing educational and professional development opportunities for general practitioners, medical undergraduates, and allied health practitioners;
- (h) facilitating increased general practitioner focus on illness prevention, health promotion activities and research; and
- (i) improving the efficiency and effectiveness of health services in the Region.

2.2 The Company may only exercise the powers in section 124(1) of the *Corporations Act* to:

- (a) carry out the objects in this rule 2; and
- (b) do all things incidental or convenient in relation to the exercise of power under rule 2.2(a).

INCOME AND PROPERTY OF COMPANY

3. Income and property of Company

- 3.1 The income and property of the Company will only be applied towards the promotion of the objects of the Company set out in rule 2.
- 3.2 No income or property will be paid or transferred directly or indirectly to any Member of the Company except for payments to a Member:
 - (a) in return for any services rendered or goods supplied in the ordinary and usual course of business to the Company; or
 - (b) of interest at a rate not exceeding current bank overdraft rates of interest for moneys lent.

MEMBERSHIP

4. Admission

- 4.1 The number of Members of the Company is unlimited.

- 4.2 Subject to rule 6, the Members of the Company comprise:
- (a) General Practitioner Members;
 - (b) Associate Members;
 - (c) Student Members and
 - (d) General Practice Interns for the year they do their placement.
- 4.3 Applications for membership of the Company will be in writing, signed by the applicant and specifying the desired category of membership, in a form approved by the Directors in their absolute discretion.
- 4.4 At the next meeting of Directors after the receipt of an application for membership, the application will be considered by the Directors. The Directors will:
- (a) determine the admission or rejection of the applicant; or
 - (b) decide to call on the applicant to supply any evidence of eligibility for the relevant category of membership that they consider reasonably necessary.
- 4.5 If the Directors:
- (a) require further evidence under rule 4.4, determination of the application will be deferred until this evidence has been supplied;
 - (b) reject an application for membership, they will not be required to give reasons for the rejection.
- 4.6 As soon as practicable following acceptance of an application, the Secretary will send the applicant written notice of the acceptance and request payment of the applicant's entrance fee and first annual subscription.
- 4.7 Subject to rule 4.8, an applicant will become a Member of the Company on payment of the amount due under rule 4.6.
- 4.8 If an amount due under rule 4.6 is not paid within 30 days after the date the applicant is notified of acceptance, the Directors may cancel their acceptance of the applicant for membership of the Company.
- 4.9 The rights and privileges of every Member will be personal to each Member and will not be transferable by the Member's own act or by operation of law.
- 4.10 Associate Members and Student Members are not entitled to hold any other category of membership.

5. Subscriptions

- 5.1 The Directors may determine the entrance fee and annual subscription payable by each Member or each category of Member. Until otherwise determined by the Directors:

- (a) the entrance fee will be nil; and
 - (b) the annual subscription will be determined by the directors.
- 5.2 The annual subscription period will commence on 1 January of each year, and the annual subscription will be due in advance within thirty (30) days of this date.
- 5.3 The Directors may determine that any Member admitted to membership between 1 July and 31 December will pay only one-half of the annual subscription until that Member's next annual subscription falls due.
- 5.4 If a Member does not pay a subscription within thirty (30) days after it becomes due the Directors:
- (a) will give the Member notice of that fact; and
 - (b) if the subscription remains unpaid twenty-one (21) days from the date of that notice, may declare that Member's membership forfeited.

6. Ceasing to be a Member

6.1 A Member's membership of the Company will cease:

- (a) if the Member gives the Secretary written notice of resignation, from the date of receipt of that notice by the Secretary;
- (b) if a majority of three-quarters of the Directors present and voting at a meeting of Directors by resolution terminate the membership of a Member:
 - (i) whose conduct in their opinion renders it undesirable that that Member continue to be a Member of the Company; or
 - (ii) who in their opinion is no longer eligible for their respective category of membership

provided that the Member has been given at least twenty-one (21) days' notice of the resolution and has had the opportunity to be heard at the meeting at which the resolution is proposed;

- (c) if membership is forfeited under rule 5.4(b);
- (d) where the Member is an individual, if the Member:
 - (i) dies;
 - (ii) becomes mentally incapacitated or whose person or estate is liable to be dealt with in any way under the laws relating to mental health; or
 - (iii) is convicted of an indictable offence;

6.2 Any Member ceasing to be a Member:

- (a) will not be entitled to any refund (or part refund) of a subscription; and
 - (b) will remain liable for and will pay to the Company all subscriptions and moneys which were due at the date of ceasing to be a Member.
- 6.3
- (a) Each Member must notify the Secretary in writing of any change in that member's address within a period of one (1) month next following such change and all notices given in accordance with rule 47 to the address last notified will be considered fully received.
 - (b) If the Directors believe that a Member's address is invalid they may write to, or otherwise contact the member, requesting that the address be clarified.
 - (c) If after due inquiry, the Directors believe that a Member neither lives nor works in the area of the Cities of Townsville and Thuringowa, they may notify the Member in writing that they wish to terminate that Member's membership.
 - (d) If, after a period of three months has elapsed since the notification of rule 6.3, the directors may terminate the membership unless the Member has provided a satisfactory explanation of his circumstances.

7. Powers of attorney

- 7.1 If a Member executes or proposes to execute any document or do any act by or through an attorney which affects the Company or the Member's membership in the Company, that Member must deliver the instrument appointing the Attorney to the Company for notation.
- 7.2 If the Company asks the Member to file with it a certified copy of the instrument for the Company to retain, the Member will promptly comply with that request.
- 7.3 The Company may ask for whatever evidence it thinks appropriate that the power of attorney is effective and continues to be in force.

GENERAL MEETINGS

8. Calling general meeting

- 8.1 The Secretary must, on the request of three (3) Directors, call a general meeting.
- 8.2 A Member may:
- (a) only request the Directors to call a general meeting in accordance with section 249D of the *Corporations Act*; and
 - (b) not request or call and arrange to hold a general meeting except under section 249E or 249F of the *Corporations Act*.

9. Notice of general meeting

- 9.1 Subject to the provisions of the *Corporations Act* allowing general meetings to be held with shorter notice, at least twenty-one (21) days written notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which notice is given) must be given to Members of any general meeting.
- 9.2 A notice calling a general meeting:
- (a) must specify the place, date and time of the meeting and if the meeting is to be held in two (2) or more places, the technology that will be used to facilitate this; and
 - (b) must state the general nature of the business to be transacted at the meeting; and
 - (c) may specify a place for the purposes of proxy appointment.
- 9.3 The business to be transacted at an annual general meeting may include:
- (a) the consideration of the annual financial report, Directors' report and the Auditor's report;
 - (b) the election of directors; or
 - (c) the appointment and fixing of the remuneration of the Auditor,
- without the need for the notice of meeting to state such business.
- 9.4 The Directors may postpone or cancel any general meeting whenever they think fit (other than a meeting called as the result of a request under rule 8.2).
- 9.5 The Directors must give notice of the postponement or cancellation of a general meeting to all persons referred to in rule 48.1 entitled to receive notices from the Company.
- 9.6 The failure or accidental omission to send a notice of a general meeting (including a proxy appointment form) to any Member or the non-receipt of a notice (or form) by any Member does not invalidate the proceedings at or any resolution passed at the general meeting.

PROCEEDINGS AT GENERAL MEETINGS

10. Member

In rules 11, 12, 14 and 18, Member includes a General Practitioner Member present in person or by proxy or attorney.

11. Quorum

- 11.1 No business may be transacted at a general meeting unless a quorum of Members is present when the meeting proceeds to business.
- 11.2 A quorum of Members is:

- (a) twenty percent (20%) of Members (not including Associate Members or Student Members); or
 - (b) if the total number of Members (not including Associate Members or Student Members) at the time of the meeting is less than thirty (30), five (5) Members (not including Associate Members or Student Members) must be present in person or by proxy.
- 11.3 If a quorum is not present within thirty (30) minutes after the time appointed for a general meeting:
- (a) if the general meeting was called on the requisition of Members, it is automatically dissolved; or
 - (b) in any other case:
 - (i) it will stand adjourned to the same time and place seven (7) days after the meeting, or to another day, time and place determined by the Directors; and
 - (ii) if at the adjourned general meeting a quorum is not present within thirty (30) minutes after the time appointed for the general meeting, the general meeting is automatically dissolved.

12. Chairperson

12.1 The Chairperson will be the chairperson at every meeting of Members.

12.2 If:

- (a) there is no Chairperson; or
 - (b) the Chairperson is not present within fifteen (15) minutes after the time appointed for holding the general meeting; or
 - (c) the Chairperson is unwilling to act as chairperson of the general meeting,
- the Directors present may elect a chairperson of the general meeting of the Members.

12.3 If no election is made under rule 12.2, then:

- (a) the Members may elect one of the Directors present as chairperson of the meeting; or
- (b) if no Director is present or is willing to take the chair, the Members may elect one of the Members present as chairperson of the meeting.

12.4 If there is a dispute at a general meeting about a question of procedure, the Chairperson of the meeting may determine the question.

13. Adjournment

13.1 The Chairperson of a general meeting at which a quorum is present:

- (a) in his or her discretion may adjourn the general meeting with the meeting's consent; and
- (b) must adjourn the general meeting if the meeting directs him or her to do so.

13.2 An adjourned general meeting may take place at a different venue to the initial general meeting.

13.3 The only business that can be transacted at an adjourned general meeting is the unfinished business of the initial general meeting.

13.4 Notice of an adjourned general meeting must only be given in accordance with rule 9.1 if a general meeting has been adjourned for more than twenty-one (21) days.

14. Decision on questions

14.1 Subject to the *Corporations Act* in relation to special resolutions, a resolution is carried if a majority of the votes cast on the resolution are in favour of the resolution.

14.2 A resolution put to the vote of a meeting is decided on a show of hands unless a poll is demanded in accordance with the *Corporations Act*.

14.3 Unless a poll is demanded:

- (a) a declaration by the chairperson that a resolution has been carried, carried by a specified majority, or lost; and
- (b) an entry to that effect in the minutes of the meeting,
- (c) are conclusive evidence of the fact without proof of the number or proportion of the votes in favour of or against the resolution.

14.4 The demand for a poll may be withdrawn.

14.5 A decision of a general meeting may not be impeached or invalidated on the ground that a person voting at the general meeting was not entitled to do so.

15. Taking a poll

15.1 A poll will be taken when and in the manner that the Chairperson directs.

15.2 The result of the poll will be the resolution of the meeting at which the poll was demanded.

15.3 The Chairperson may determine any dispute about the admission or rejection of a vote.

15.4 The Chairperson's determination, if made in good faith, will be final and conclusive.

- 15.5 A poll demanded on the election of the chairperson or the adjournment of a general meeting must be taken immediately.
- 15.6 After a poll has been demanded at a general meeting, the general meeting may continue for the transaction of business other than the question on which the poll was demanded.

16. Casting vote of chairperson

The Chairperson does not have a casting vote in addition to the Chairperson's votes as a Member, proxy or attorney.

17. Offensive material

- 17.1 A person may be refused admission to, or required to leave and not return to, a meeting if the person:

- (a) refuses to permit examination of any article in the person's possession; or
- (b) is in possession of any:
 - (c) electronic or recording device;
 - (d) placard or banner; or
 - (e) other article,

which the Chairperson considers to be dangerous, offensive or liable to cause disruption.

VOTES OF MEMBERS

18. Entitlement to vote

- 18.1 Subject to rule 18.3, a General Practitioner Member is entitled to attend, speak and vote at a general meeting.
- 18.2 An Associate Member is entitled to attend and speak at a general meeting but is not entitled to vote for any purpose.
- 18.3 A Student Member is entitled to attend and speak at a general meeting but is not entitled to vote for any purpose.
- 18.4 A Member is not entitled to vote at a general meeting if the Member's annual subscription is more than one month in arrears at the date of the meeting.
- 18.5 A Member entitled to vote has one (1) vote.

19. Objections

- 19.1 An objection to the qualification of a voter may only be raised at the general meeting or adjourned general meeting at which the voter tendered its vote.

19.2 An objection must be referred to the chairperson of the general meeting, whose decision is final.

19.3 A vote which the chairperson does not disallow because of an objection is valid for all purposes.

20. Votes by proxy

20.1 If a Member appoints a proxy, proxies or an attorney, the proxy, proxies or attorney may vote on a show of hands.

20.2 A proxy need not be a Member.

20.3 A proxy may demand or join in demanding a poll.

20.4 A proxy or attorney may vote on a poll.

20.5 A proxy may vote or abstain as he or she chooses except where the appointment of the proxy directs the way the proxy is to vote on a particular resolution. If a proxy votes at all, the proxy will be deemed to have voted all directed proxies in the manner directed.

21. Document appointing proxy

21.1 An appointment of a proxy is valid if it is signed by the Member making the appointment and contains the information required by subsection 250A(1) of the *Corporations Act*. The Directors may determine that an appointment of proxy is valid even if it only contains some of the information required by section 250A(1) of the *Corporations Act*.

21.2 A proxy's appointment is valid at an adjourned general meeting.

21.3 A proxy or attorney may be appointed for all general meetings or for any number of general meetings or for a particular purpose.

21.4 Unless otherwise provided for in the proxy's appointment or in any instrument appointing an attorney, the appointment of the proxy or the attorney will be taken to confer authority:

(a) to vote on:

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

(ii) any procedural motion, including any motion to elect the chairperson, to vacate the chair or to adjourn the general meeting,

even though the appointment may specify the way the proxy or attorney is to vote on a particular resolution; and

(b) to vote on any motion before the general meeting whether or not the motion is referred to in the appointment.

21.5 If a proxy appointment is signed by the Member but does not name the proxy or proxies in whose favour it is given, the chairperson may either cast as proxy or complete the appointment by inserting the name or names of one or more directors or the Secretary.

22. Lodgment of proxy

22.1 The written appointment of a proxy or attorney must be received by the Company, at least forty-eight (48) hours (unless otherwise specified in the notice of meeting to which the proxy relates) before:

- (a) the time for holding the general meeting or adjourned general meeting at which the appointee proposes to vote; or
- (b) the taking of a poll on which the appointee proposes to vote.

22.2 The Company receives an appointment of a proxy and any power of attorney or other authority under which it was executed when they are received at the Office.

22.3 Proxies, powers of attorney or other authority are not entitled to be lodged by facsimile or electronically unless the Directors determine otherwise.

23. Validity

A vote cast in accordance with an appointment of proxy or power of attorney is valid even if before the vote was cast the appointor:

- (a) died;
- (b) became mentally incapacitated; or
- (c) revoked the proxy or power,

unless any written notification of the death, unsoundness of mind or revocation was received by the Company before the relevant general meeting or adjourned general meeting.

APPOINTMENT AND REMOVAL OF DIRECTORS

24. Number of GP Directors

The Company will have a minimum of three to a maximum of six General Practitioner Directors ("GP Directors").

25. Election of GP Directors

25.1 At the Annual general Meeting of the Company an election shall be held for the positions of vacant and retiring GP directors.

25.2 Only General Practitioner Members are eligible for nomination for the position of GP Directors.

25.3 The nominations for the position of director must be in the form specified by the Directors and forwarded to the members seven weeks prior to the date of the

Annual General Meeting. Nominations for director shall be received at the office of the Company (but not in electronic or facsimile form) at least twenty-eight (28) days before the Annual General Meeting.

- 25.4 The Chairperson must appoint a General Practitioner Member who is not standing for election to scrutinise and verify the nominations. The decision of this General Practitioner Member is binding.
- 25.5 Elections must be by way of a ballot at the Annual General Meeting. The votes must be counted by, and any dispute arising resolved, by the same General Practitioner Member as nominated in rule 25.4, or by another General Practitioner Member present at the meeting not standing for election and nominated by the Chairperson.

26. Appointment of Non-GP Director

- 26.1 The GP Directors elected pursuant to rule 25 may appoint up to three (3) people who are not General Practitioners as Directors ("Non-GP Director"). A Non-GP Director need not be a Member of the Company.
- 26.2 The GP Directors may, by majority resolution pursuant to rule 32.1, make an appointment under rule 26.1
- 26.3 A Non-GP Director must retire from office at the conclusion of the third Annual General Meeting after the Director was last appointed.
- 26.4 The nominations for the position of Non-GP director must be in the form specified by the Directors and be received at the office of the Company (but not in electronic or facsimile form) at least two (2) business days before the Annual General Meeting.
- 26.5 Appointment of the Non-GP director under rule 26.2 will be made at the first Board meeting following the retirement of the Non GP Director.

27. Retirement of GP Directors

- 27.1 Subject to rule 27.3, at the close of every annual general meeting commencing from the 2007 annual general meeting, one-third of the GP Directors or, if their number is not a multiple of three (3), then the number nearest to but not more than one-third of the GP Directors, must retire.
- 27.2 The GP Directors to retire by rotation at an annual general meeting are those GP Directors who have been longest in office since their last appointment. GP Directors appointed on the same day may agree among themselves or determine by lot which of them must retire.
- 27.3 A GP Director must retire from office at the conclusion of the third annual general meeting after the Director was last appointed, even if his or her retirement results in more than one-third of all GP Directors retiring from office.
- 27.4 A retiring GP Director remains in office until the end of the relevant meeting and will be eligible for re-appointment at the meeting.

28. Directors – general provisions

- 28.1 The Company may by ordinary resolution increase or reduce the number of directors and may also determine in what order of rotation the directors are to retire from office.
- 28.2 Directors must be natural persons ordinarily residing in Australia.
- 28.3 (a) Each director may with the consent of the Board appoint an alternate to attend and vote on his or her behalf at all meetings of the Board at which the director is not present.
- (b) Any director proposing to appoint an alternate must seek approval to do so at the first meeting of the Board after his or her appointment as a director and may not otherwise do so without the prior approval of the Board.
- 28.4 A director may be removed from office by resolution of the Board if the director is absent without permission of the Board from three (3) consecutive meetings of the Board.
- 28.5 In the event of a vacancy in the office of a director the directors may appoint a person to fill the vacancy and the person so appointed shall hold office until the next annual general meeting.
- 28.6 The Company may by ordinary resolution, of which special notice pursuant to section 254 of the *Corporations Act*, has been given, remove any office-bearer or other director before the expiration of his period of office and may by an ordinary resolution appoint another person in his stead and the person so appointed shall hold office only until the next annual general meeting.
- 28.7 If a director is a member of the Company, the office of that director becomes vacant if the director's membership of the Company comes to an end under rule 6. The director is however eligible for subsequent re-appointment.

29. Vacation of Office

The office of a Director immediately becomes vacant if the Director:

- (a) is prohibited by the *Corporations Act* from holding office or continuing as a Director;
- (b) is liable to have a person appointed, under a law relating to the administration of estates of persons who through mental or physical incapacity are incapable of managing their affairs, to administer it, or becomes in the opinion of the Directors incapable of performing his or her duties;
- (c) resigns by notice in writing to the Company; or
- (d) is removed by a resolution of the Company;
- (e) is absent from Directors' meetings for three (3) consecutive meetings without leave of absence from the Directors.

POWERS AND DUTIES OF DIRECTORS

30. Powers and duties of Directors

- 30.1 The business of the Company is managed by the Directors who may exercise all powers of the Company that this Constitution and the *Corporations Act* do not require to be exercised by the Company in general meeting.
- 30.2 Without limiting the generality of rule 30.1, the Directors may exercise all the powers of the Company to:
- (a) borrow money;
 - (b) charge any property or business of the Company;
 - (c) issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person; and
 - (d) guarantee or to become liable for the payment of money or the performance of any obligation by or of any other person.

PROCEEDINGS OF DIRECTORS

31. Directors' meetings

- 31.1 The Secretary must on the request of three Directors, call a Directors' meeting.
- 31.2 A Directors' meeting must be called on at least forty-eight (48) hours written notice of a meeting to each Director.
- 31.3 It is not necessary to give notice of a meeting of the Directors to an Australian resident whom the Secretary, when giving notice to the other Directors, reasonably believes to be temporarily outside Australia.
- 31.4 Subject to the *Corporations Act*, a Directors' meeting may be held by the Directors communicating with each other by any technological means by which they are able simultaneously to hear each other and to participate in discussion.
- 31.5 The Directors need not all be physically present in the same place for a Directors' meeting to be held.
- 31.6 Subject to rule 34, a Director who participates in a meeting held in accordance with this Constitution is taken to be present and entitled to vote at the meeting.
- 31.7 Clauses 31.4 to 31.6 apply to meetings of Directors' committees as if all committee members were Directors.
- 31.8 The Directors may meet together, adjourn and regulate their meetings as they think fit.
- 31.9 A quorum is half the number current directors plus one, ignoring any half in the calculation.

31.10 Where a quorum cannot be established for the consideration of a particular matter at a meeting of Directors, the Chairperson may call a general meeting of Members to deal with the matter.

31.11 Notice of a meeting of Directors may be given in writing, or the meeting may be otherwise called using any technology consented to by all the Directors.

32. Decision on questions

32.1 Subject to this Constitution, questions arising at a meeting of Directors are to be decided by a majority of votes of the Directors present and voting and, subject to rule 34, each Director has one vote.

32.2 The Chairperson of a meeting does not have a casting vote in addition to his or her deliberative vote.

PAYMENTS TO DIRECTORS

33. Payments to Directors

33.1 No payment will be made to any Director of the Company other than payment:

- (a) of remuneration for performance of duties as a Director where such remuneration has been determined by the Company in general meeting;
- (b) of out of pocket expenses incurred by the Director in the performance of any duty as Director of the Company where the amount payable does not exceed an amount previously approved by the Directors of the Company;
- (c) for any service rendered to the Company by the Director in a professional or technical capacity, other than in the capacity as Director, where the provision of the service has the prior approval of the Directors of the Company and where the amount payable is approved by the Directors of the Company and is not more than an amount which commercially would be reasonable payment for the service;
- (d) of any salary or wage due to the Director as an employee of the Company where the terms of employment have been approved by the Directors of the Company; and
- (e) relating to an indemnity in favour of the Director and permitted by section 199A of the *Corporations Act* or a contract of insurance permitted by section 199B.

34. Directors' interests

34.1 No contract made by a Director with the Company and no contract or arrangement entered into by or on behalf of the Company in which any Director may be in any way interested is avoided or rendered voidable merely because of the Director holding office as a director or because of the fiduciary obligations arising out of that office.

- 34.2 No Director contracting with or being interested in any arrangement involving the Company is liable to account to the Company for any profit realised by or under any such contract or arrangement merely because of the Director holding office as a director or because of the fiduciary obligations arising out of that office.
- 34.3 A Director is not disqualified merely because of being a Director from contracting with the Company in any respect.
- 34.4 Subject to rule 33, a Director or a body or entity in which a Director has a direct or indirect interest may:
- (a) enter into any agreement or arrangement with the Company;
 - (b) hold any office or place of profit other than as auditor in the Company; and
 - (c) act in a professional capacity other than as auditor for the Company,
- and the Director or the body or entity can receive and keep beneficially any remuneration, profits or benefits under any agreement or arrangement with the Company or from holding an office or place of profit in or acting in a professional capacity with the Company.
- 34.5 A Director who has a material personal interest in a matter that is being considered at a Directors' meeting must not:
- (a) be present while the matter is being considered at the meeting; or
 - (b) vote on the matter,
- unless permitted by the *Corporations Act* to do so, in which case the Director may:
- (c) be counted in determining whether or not a quorum is present at any meeting of Directors considering that contract or arrangement or proposed contract or arrangement;
 - (d) sign or countersign any document relating to that contract or arrangement or proposed contract or arrangement; and
 - (e) vote in respect of, or in respect of any matter arising out of, the contract or arrangement or proposed contract or arrangement.
- 34.6 A Director may be or become a director or other officer of, or otherwise interested in, any related body corporate or any other body corporate promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and is not accountable to the Company for any remuneration or other benefits received by the Director as a director or officer of, or from having an interest in, that body corporate.

35. Remaining Directors

- 35.1 The Directors may act even if there are vacancies on the board.

35.2 If the number of Directors is not sufficient to constitute a quorum at a Directors' meeting, the Directors may act only to:

- (a) appoint a Director; or
- (b) call a general meeting.

36. Chairperson

36.1 The Directors must at the first Directors' meeting following each annual general meeting, elect a Director as Chairperson.

36.2 The Chairperson's term of office as Chairperson expires at the conclusion of the first annual general meeting after he or she was last elected as Chairperson.

36.3 A retiring Chairperson is eligible for re-election as Chairperson under rule 36.1.

36.4 The Chairperson is to chair meetings of Directors.

36.5 If no chairperson is elected or if the chairperson is not present at any Directors' meeting within ten (10) minutes after the time appointed for the meeting to begin, the Directors present must elect a Director to be chairperson of the meeting.

37. Committees

37.1 The Directors:

- (a) may establish a finance and audit committee; and
- (b) may establish any other committee or committees to provide advice to the Directors and/or to exercise delegated powers pursuant to rule 38.

37.2 Committee members will be appointed by the Directors.

37.3 At least one (1) member of each committee must be a Director.

38. Delegation to Committees

38.1 The Directors may delegate any of their powers, other than those which by law must be dealt with by the Directors as a board, to a committee or committees.

38.2 The Directors may at any time revoke any delegation of power to a committee.

38.3 At least one (1) member of each committee must be a Director.

38.4 A committee must exercise its powers in accordance with any directions of the Directors and a power exercised in that way is taken to have been exercised by the Directors.

38.5 A committee may be authorised by the Directors to sub-delegate all or any of the powers for the time being vested in it.

38.6 Meetings of any committee of Directors will be governed by the provisions of this Constitution which deal with Directors' meetings so far as they are applicable

and are not inconsistent with any directions of the Directors. The provisions apply as if each member was a Director.

39. Written resolutions

- 39.1 The Directors may pass a resolution without a Director's meeting being held if all the Directors entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document. Unless the resolution provides otherwise, the resolution is passed when the last Director signs.
- 39.2 For the purposes of rule 39.1, separate copies of a document may be used for signing by Directors if the wording of the resolution and statement is identical in each copy.
- 39.3 Any document referred to in this rule may be in the form of a facsimile or electronic transmission.
- 39.4 The minutes of Directors' meetings must record that a meeting was held in accordance with this rule 39.
- 39.5 This rule applies to meetings of Directors' committees as if all members of the committee were Directors.

40. Validity of acts of Directors

If it is discovered that:

- (a) there was a defect in the appointment of a person as a Director, Alternate Director or member of a Directors' committee; or
- (b) a person appointed to one of those positions was disqualified,

all acts of the Directors or the Directors' committee before the discovery was made are as valid as if the person had been duly appointed and was not disqualified.

41. Minutes and Registers

- 41.1 The Directors must cause minutes to be made of:
- (a) the names of the Directors present at all Directors' meetings and meetings of Directors' committees;
 - (b) all proceedings and resolutions of general meetings, Directors' meetings and meetings of Directors' committees;
 - (c) all resolutions passed by Directors in accordance with rule 39;
 - (d) all appointments of officers;
 - (e) all orders made by the Directors and Directors' committees; and
 - (f) all disclosures of interests made under rule 34.

- 41.2 Minutes must be signed by the chairperson of the meeting or by the chairperson of the next meeting of the relevant body.
- 41.3 The Company must keep all registers required by this Constitution and the *Corporations Act*.

LOCAL MANAGEMENT

42. Appointment of attorneys and agents

- 42.1 The Directors may from time to time by resolution or power of attorney executed in accordance with section 127 of the *Corporations Act* appoint any person to be the attorney or agent of the Company:
- (a) for the purposes;
 - (b) with the powers, authorities and discretions (not exceeding those exercisable by the Directors under this Constitution);
 - (c) for the period; and
 - (d) subject to the conditions,
determined by the Directors.
- 42.2 An appointment by the Directors of an attorney or agent of the Company may be made in favour of:
- (a) any member of the Company;
 - (b) any company;
 - (c) the members, directors, nominees or managers of any company or firm;
or
 - (d) any fluctuating body of persons whether nominated directly or indirectly by the Directors.
- 42.3 A power of attorney may contain such provisions for the protection and convenience of persons dealing with an attorney as the Directors think fit.
- 42.4 The Directors may appoint attorneys or agents by facsimile transmission, telegraph or cable to act for and on behalf of the Company.
- 42.5 An attorney or agent appointed under this rule 42 may be authorised by the Directors to sub-delegate all or any of the powers authorities and discretions for the time being vested in it.

SECRETARY

43. Secretary

- 43.1 If required by the *Corporations Act*, there must be at least one (1) secretary of the Company appointed by the Directors for a term and at remuneration and on conditions determined by them.
- 43.2 The Secretary is entitled to attend and be heard on any matter at all Directors' and general meetings.
- 43.3 The Directors may, subject to the terms of the Secretary's employment contract, suspend, remove or dismiss the Secretary.

SEALS

44. Common Seal

If the Company has a Seal:

- (a) the Directors must provide for the safe custody of the Seal;
- (b) the Seal must not be used without the authority of the Directors or a Directors' committee authorised to use the Seal;
- (c) every document to which the Seal is affixed must be signed by a Director and be countersigned by another Director, the Secretary or another person appointed by the Directors to countersign the document.

45. Duplicate Seal

If the Company has a Seal, the Company may have one (1) or more duplicate Seals of the Seal each of which:

- (a) must be a facsimile of the Seal with the addition on its face of the words "Duplicate Seal";
- (b) must not be used except with the authority of the Directors.

INSPECTION OF RECORDS

46. Inspection of records

- 46.1 Except as otherwise required by the *Corporations Act*, the Directors may determine whether and to what extent, and at what times and places and under what conditions, the financial records and other documents of the Company or any of them will be open for inspection by Members other than Directors.
- 46.2 A Member other than a Director does not have the right to inspect any financial records or other documents of the Company unless the Member is authorised to do so by a court order or a resolution of the Directors.

NOTICES

47. Service of notices

47.1 Notice may be given by the Company to any person who is entitled to notice under this Constitution:

- (a) by serving it on the person; or
- (b) by sending it by post to the person at the person's address shown in the Register or the address supplied by the person to the Company for sending notices to the person.

47.2 A notice sent by post is taken to be served:

- (a) by properly addressing, prepaying and posting a letter containing the notice; and
- (b) on the day after the day on which it was posted.

47.3 If a Member has no Registered Address a notice will be taken to be served on that Member twenty-four (24) hours after it was posted on a notice board at the Office.

47.4 A Member whose Registered Address is not in Australia may specify in writing an address in Australia to be taken to be the Member's Registered Address within the meaning of this clause.

47.5 A certificate in writing signed by a Director, Secretary or other officer of the Company that a document or its envelope or wrapper was addressed and stamped and was posted is conclusive evidence of posting.

47.6 Subject to the *Corporations Act* the signature to a written notice given by the Company may be written or printed.

47.7 All notices sent by post outside Australia must be sent by prepaid airmail post.

48. Persons entitled to notice

48.1 Notice of every general meeting must be given to:

- (a) every Member;
- (b) every Director and Alternate Director; and
- (c) any Auditor.

48.2 No other person is entitled to receive notice of a general meeting.

AUDIT AND ACCOUNTS

49. Audit and accounts

- 49.1 The Directors must cause the Company to keep written financial records in relation to the business of the Company in accordance with the requirements of the *Corporations Act*.
- 49.2 The Directors must cause the financial records of the Company to be audited in accordance with the requirements of the *Corporations Act*.

WINDING UP

50. Winding up

50.1 If the Company is wound up:

- (a) each Member; and
 - (b) each person who has ceased to be a Member in the preceding year,
- undertakes to contribute to the property of the Company for the:
- (c) payment of debts and liabilities of the Company (in relation to rule 50.1(b), contracted before the person ceased to be a Member) and payment of costs, charges and expenses of winding up; and
 - (d) adjustment of the rights of the contributories amongst themselves,
- such amount as may be required, not exceeding \$10.

50.2 If any surplus remains following the winding up of the Company, the surplus will not be paid to or distributed amongst Members, but will be given or transferred to another corporation which, by its constitution, is:

- (a) required to pursue charitable purposes only;
- (b) required to apply its profits (if any) or other income in promoting its objects; and
- (c) prohibited from making any distribution to its members if the Company has deductible gift recipient endorsement under the *Income Tax Assessment Act 1997* (Cth), has the same endorsement, such body corporate to be determined by resolution of Members (other than Associate Members) at or before the winding up or, in default, by application to the Supreme Court for determination.

INDEMNITY

51. Indemnity

51.1 To the extent permitted by law and subject to the restrictions in section 199A of the *Corporations Act* the Company indemnifies every person who is or has been

an officer of the Company against any liability (other than for legal costs) incurred by that person as such an officer of the Company (including liabilities incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment).

- 51.2 To the extent permitted by law and subject to the restrictions in section 199A of the *Corporations Act*, the Company indemnifies every person who is or has been an officer of the Company against reasonable legal costs incurred in defending an action for a liability incurred by that person as such an officer of the Company (including such legal costs incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment).
- 51.3 The amount of any indemnity payable under clauses 51.1 or 51.2 will include an additional amount (GST Amount) equal to any GST payable by the officer being indemnified (Indemnified Officer) in connection with the indemnity (less the amount of input tax credit claimable by the Indemnified Officer in connection with the indemnity). Payment of any indemnity which includes a GST Amount is conditional upon the Indemnified Officer providing the Company with a GST tax invoice for the GST Amount.
- 51.4 For the purposes of this rule 51, "officer" means:
- (a) a Director; or
 - (b) a Secretary.

THE TDGP GIFT FUND

52. The TDGP Gift Fund

52.1 Definitions

In this rule:

“**Act**” means the *Income Tax Assessment Act 1997* (Cth) as amended from time to time or any other legislative provision enacted in substitution to it;

“**Gift Fund Account**” means the bank account opened under rule 52.3;

“**Health Purposes**” means to promote the prevention or the control of diseases in human beings;

“**TDGP Gift Fund**” means the Gift Fund established under rule 52.2;

52.2 Establishment of TDGP Gift Fund

The Townsville Division of General Practice Limited Gift Fund is established to receive all gifts of money and property for Health Purposes.

The TDGP Gift Fund must be used principally for Health Purposes.

The TDGP Gift Fund must comply with subdivision 30-BA of the Act.

52.3 Operation of Gift Fund

(a) The Company must:

open a bank account for the TDGP Gift Fund; and

keep the money in the Gift Fund Account separate from the Company's other monies.

The Company may from time to time invite members of the public to make gifts of money and property to the TDGP Gift Fund to fund the Health Purposes.

When a donation is received under rule 52.30, the Company must issue a receipt for the donation in the name of the Townsville Division of General Practice Limited and the receipt must state: -

the ABN of the Company; and

the fact that the receipt is for a gift.

(d) The Company must deposit into the Gift Fund Account any:

donations of money made to the Company;

interest earned on money in the Gift Fund Account;

income derived from property donated to the Company; and

money from the realisation of property donated to the Company.

52.4 Winding up

If the TDGP Gift Fund is wound up or if the endorsement (if any) of the organisation as a deductible gift recipient is revoked, any surplus assets of the TDGP Gift Fund remaining after the payment of liabilities attributable to it, shall be transferred to a fund, authority or institution to which income tax deductible gifts can be made.

