

Constitution of The Sovereign Islands Gateway Company Limited

**CONSTITUTION
OF
THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED
ACN 005 013 230**

A Company limited by Shares and Guarantee

This Constitution was presented to the general meeting of the above company held on _____ 2022 and is signed by me for the purpose of identification.

Chair

Constitution of The Sovereign Islands Gateway Company Limited

1. NAME OF THE COMPANY

The name of the Company is The Sovereign Islands Gateway Company Limited.

2. TYPE OF COMPANY

The company is a public company limited by shares and guarantee.

3. LIMITED LIABILITY OF MEMBERS

The liability of the members is limited by shares and the amount of the clause 4 guarantee.

4. THE GUARANTEE

Each Member of the Company agrees to contribute to the Company's property if the Company is wound up while that person is a Member, or within 1 year after the person ceases to be a Member, for payment of the Company's debts and liabilities contracted before that person ceased to be a Member and of the costs, charges and expenses of winding up and for adjustment of the rights of the contributories among themselves, provided that such amount does not exceed \$1.00. This amount is in addition to the amount, if any, unpaid on shares held by that Member.

5. APPLICATION OF THE CORPORATIONS ACT

- (a) The replaceable rules in the Act do not apply to the Company.
- (b) Unless the contrary intention appears, an expression in a clause that deals with a matter dealt with by a provision of the Corporations Act has the same meaning as in that provision of the Corporations Act
- (c) Subject to clause 5.2(b), unless the contrary intention appears, an expression in a clause that is defined in section 9 of the Corporations Act has the same meaning as in that section.

6. DEFINITIONS

6.1 When used in this Constitution the following terms will have the following meanings unless the context otherwise requires: -

Act:	the Corporations Act 2001 (Cth.)
Annual General Meeting:	the Annual General Meeting held in accordance with Clause 21(18) of this Constitution.
the Company:	The Sovereign Islands Gateway Company Limited

Constitution of The Sovereign Islands Gateway Company Limited

Constitution: this constitution of the Company as amended from time to time

Contribution: the yearly contribution by each of the Members as determined by the Board to meet the costs, charges and expenses reasonably paid, charged or otherwise incurred by the Company in the holding, maintenance and upkeep of the Nightgate including but not limited to: -

- the maintenance costs of the ornamental gardens, and appurtenances within the Nightgate Land;
- the costs of management, operation and audit of the Company;
- the provision of security services to residents of Sovereign Islands;
- the costs of the operation of the Company relating to the use and maintenance of the Nightgate pursuant to the Lease and the payment of expenses involved in maintenance, wages and insurance in connection with it and all outgoings payable by the Company pursuant to the Lease and all matters incidental to the Lease;
- the establishment maintenance and collection of the Reserve Fund

and the cost of all matters incidental to any of the above.

Directors and Board: all or any number of the Directors for the time being of the Company acting in accordance with this Constitution.

General Meeting: means a meeting of Members and includes the Annual General Meeting

Lease: any Lease, present or future, between Gold Coast City Council as lessor, and the Company, as lessee, in respect of the Nightgate Land.

Member(s): any person whose name appears in the Register as a member of the Company.

Nightgate: the security post erected on the Nightgate Land for

Constitution of The Sovereign Islands Gateway Company Limited

providing security to residents on the Sovereign Islands.

Nightgate Land:

the land on which is erected the Nightgate.

**the Office or the
Registered Office:**

the Registered Office for the time being of the Company.

Ordinary Resolution:

a resolution passed by a simple majority of the votes cast by Members present and entitled to vote on the resolution.

Paid:

paid or credited as paid.

the Register:

the Register of Members of the Company required to be kept pursuant to the Act.

the Seal or the Common Seal:

the Common Seal of the Company.

the Company Secretary:

the Company Secretary of the Company.

Reserve Fund:

A reserve fund is to be established and maintained at all times comprising the residual funds that are remaining from the Contribution made by Members each year after the costs of running the Company are deducted.

Sovereign Islands lot:

any lot of land located on the development at the Gold Coast, known as "The Sovereign Islands".

Special Resolution:

means a resolution:

- i. of which notice has been given under clause 21.2(c), and
- ii. that has been passed by at least 75% of the votes cast by Members present and entitled to vote on the resolution

In writing and written:

includes printing and other modes of reproducing or representing words in a visible form and includes electronic communication.

7. INTERPRETATION

In this Constitution headings are for convenience only. Except to the extent that the context otherwise requires: -

- The reference to any statute or statutory provision includes any amendment, re-enactment or replacement of that statute and any subordinate legislation made under it (such as regulations);

Constitution of The Sovereign Islands Gateway Company Limited

- Words denoting the singular include the plural and vice versa;
- Words denoting individuals include corporations, associations, trustees, instrumentalities and partnerships and vice versa;
- Words denoting any gender include all genders or those that are non binary;
- References to parts and clauses are references to parts and clauses to this Constitution as modified or varied from time to time;
- Unless this Constitution provides otherwise words or expressions will be interpreted in accordance with the provisions of the Acts Interpretation Act 1901 (Cth) and the Act as in force at the date at which this Constitution. as amended became binding on the Company;
- References to date and times are to Brisbane, Queensland time;
- References to "\$" or "dollars" are to Australian currency.

8. PRIMARY FUNCTION OF THE COMPANY

The primary function of the Company is to be Lessee under the Lease and to exercise and to perform and observe the rights and obligation of the Lessee under the Lease and to perform the functions to which reference is made in the definition of Contribution.

9. EXERCISE OF POWERS

(a) The Company may, in any manner permitted by the Act:

- (1) Exercise any power
- (2) Take any action; or
- (3) Engage in any conduct or procedure,

which under the Act a company limited by shares and guarantee may exercise, take or engage in if authorised by its constitution.

(b) Where this Constitution provides that a person or body may do a particular act or thing and the word "may" is used, the act or thing may be done at the discretion of the person or body.

(c) Where this Constitution confers a power to do a particular act or thing, the power is, unless the contrary intention appears, to be taken as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke,

Constitution of The Sovereign Islands Gateway Company Limited

amend or vary that act or thing.

- (d) Where this Constitution confers a power to do a particular act or thing with respect to particular matters, the power is, unless the contrary intention appears, to be taken to include a power to do that act or thing with respect to some only of those matters or with respect to a particular class or particular classes of those matters and to make different provision with respect of different matters or different classes of matters.
- (e) Where this Constitution confers a power to make appointments to any office or position, the power is, unless the contrary intention appears, to be taken to include a power:
 - (1) to appoint a person to act in the office or position until a person is appointed to the office or position;
 - (2) subject to any contract between the Company and the relevant person, to remove or suspend any person appointed, with or without cause; and
 - (3) to appoint another person temporarily in the place of any person so removed or suspended or in place of any sick or absent holder of such office or position.
- (f) Where this Constitution confers a power or imposes a duty then, unless the contrary intention appears, the power may be exercised and the duty must be performed from time to time as the occasion requires.
- (g) Where this Constitution confers a power or imposes a duty on the holder of an office as such then, unless the contrary intention appears, the power may be exercised and the duty must be performed by the holder for the time being of the office.
- (h) Where this Constitution confers power on a person or body to delegate a function or power:
 - (1) The delegation may be concurrent with, or to the exclusion of, the performance or exercise of that function or power by the person or body;
 - (2) the delegation may be either general or limited in any manner provided in the terms of delegation;
 - (3) the delegation need not be to a specified person but may be to any person from time to time holding, occupying or performing the duties of, a specified office or position;
 - (4) the delegation may include the power to delegate;
 - (5) where the performance or exercise of that function or power is dependent upon the opinion, belief or state of mind of that person or body in relation to a matter, that function or power may be performed or exercised by the delegate upon the opinion, belief or state of mind of the delegate in relation to that matter; and

Constitution of The Sovereign Islands Gateway Company Limited

- (6) the function or power so delegated, when performed or exercised by the delegate, is to be taken to have been performed or exercised by the person or body.

10. SHARE CAPITAL

The Directors may issue shares and approve transfers in the Company as the Directors think fit as permitted by this Constitution.

11. MEMBERSHIP

The Company consists of Members holding shares in the Company.:

12. MEMBERSHIP RIGHTS

- 12.1 The Board of Directors will admit to Membership of the Company any natural person or corporation that has: -
- (a) Purchased a Sovereign Islands Lot;
 - (b) subscribed for a share and membership in the Company; and
 - (c) executed all documentation related to the lease mentioned in number 8. If the natural person or corporation does not comply with this provision. The Board of Directors may impose a further contribution of \$ 25,000.00

12.2 The Members have rights and privileges as determined by the Board of Directors from time to time including the right to attend and vote at the Annual General Meeting (and other General Meetings).

13. CESSATION OF MEMBERSHIP

- 13.1 Subject to Clause 13.3, a Member will cease to be a Member upon that Member ceasing to be the registered owner of a Sovereign Islands lot and obtaining Board approval to transfer their share to the new owner of such Sovereign Island lot.
- 13.2 If the Contribution of a Member remains unpaid for a period of six (6) months after it becomes due and payable, then the Member will, after notice of the default being sent to the Member by the Company Secretary or nominee, be prevented from future participation in the affairs of the Company and all privileges of membership, but not the responsibilities of membership, will be revoked. Such privileges will be automatically reinstated on payment by the Member of all arrears.
- 13.3 A Member, prior to disposing of a Sovereign Islands lot, must give notice in writing to the Company Secretary of their intention to dispose of a Sovereign Islands lot and to cease their membership of the Company and in the case of the Member ceasing to be the registered owner of a Sovereign Islands lot the following applies: -
- The Member will continue to be liable for all Contributions and all arrears due

Constitution of The Sovereign Islands Gateway Company Limited

and unpaid and for all other moneys due by the Member to the Company including any sum not exceeding \$1.00 for which the Member was liable as a Member of the Company.

- The Member must include in the contract for the sale of the Sovereign Islands lot, a requirement that the purchaser agree to become a Member of the Company and both parties must apply to the Board for transfer of the share in the Company to the purchaser;
- The Member will continue to be a Member in respect of the Sovereign Islands lot or lots for which that Member is still the registered owner;
- Despite ceasing to be a Member in respect of a Sovereign Island lot that has been sold, the Member will continue to be liable for all Contributions, unless and until the purchaser of the Sovereign Islands lot becomes a Member of the Company.

14. CONTRIBUTIONS

- 14.1 Each Member must make the Contribution to the Company at such time and for such amount as notified in writing by the Board from time to time.
- 14.2 The Company may take action against any Member to recover any unpaid Contribution. The name of the defendant in the share register as the holder or 1 holder of the share for which the Contribution is claimed, the resolution for the Contribution in the Board minutes and the written notice of the Contribution is conclusive evidence of a debt in any proceedings for the recovery of a Contribution by the Company.

15. TRUSTS

- 15.1 Except as required by law, no person will be recognised by the Company as the holder of any share in a unit trust.
- 15.2 Subject to the law, the Company is entitled to treat the registered holder of a share as the absolute owner of that share, and is not, even if the Company has notice obliged in any way to recognise a person as holding a share upon any trust, or obliged to recognise , any equitable, contingent, future or partial claim to or interest in any share or unit of shares on the part of any other person.

16. SHARE CERTIFICATES

- 16.1 The Company is under no obligation to complete and have ready for delivery any certificate or certificates relating to shares unless the person who is registered as the holder of such shares either as original subscriber, transferee or otherwise makes a valid written request to the Company for such certificate and provides all required supporting documentation and the request is approved by the Board. In that event, the Company must complete and deliver to such Member the relevant certificate within 14 days of receiving Board approval for it or within two months of the purchase, whichever occurs first.

Constitution of The Sovereign Islands Gateway Company Limited

- 16.2 Where 2 or more persons are registered as the holders of any shares in the Company, then they hold it as joint tenants with benefits of survivorship subject to the remainder of this clause.
- 16.3 A joint holder of a share and that persons legal personal representative is liable severally as well as jointly in respect of any payments including without limitation Contributions which are required to be made in respect of the share.
- 16.4 On the death of a joint holder of a share, the survivor(s) is the only person or persons recognised by the Company as having any title to such share but the Directors may require production of a death certificate for the deceased joint holder or such other evidence as the Board deems fit.
- 16.6 Only the person whose name stands first in the Register as 1 of the joint holders of any share is entitled to receive notices from the Company and any notice given to such person is deemed notice to all the joint holders.
- 16.7 The delivery by the Company of a certificate for a share to 1 of the joint holders is sufficient and taken to be, delivery to all such holders.

17. TRANSFER OF SHARES

- 17.1 Subject to this Constitution and in particular clause 17.2, any Member may transfer all or any of the Member's shares by instrument in writing in any usual or common form which complies with the requirements of the Act and the Directors approve, when they simultaneously transfer their respective Sovereign Islands lot. The instrument of transfer duly stamped, if necessary, must be executed by or on behalf of both the transferor and the transferee; be left at the Registered Office and be accompanied by the share certificate and any other evidence the Directors require to prove the title of the transferee and the right of the transferor to the share. The transferor will remain the holder of the shares transferred until the transfer is registered and the name of the transferee is entered in the Register of Members.
- 17.2 The Directors may in their absolute discretion and without assigning any reason therefore or specifying the grounds of their refusal, refuse to register a transfer of any share.

18. TRANSMISSION OF SHARES

- 18.1 If a Member dies, the only persons recognised by the Company as having any title to the Member's or any benefits accruing for those shares are:
- the legal personal representative if the deceased, if the deceased was a sole holder; and
 - the survivors or survivors, if the deceased was a joint holder.
- 18.2 Nothing in clause 18.1 releases the estate of a deceased Member from liability for a share, whether the deceased held that share solely or jointly.
- 18.3 Any person becoming entitled to any share in consequence of the death, bankruptcy

Constitution of The Sovereign Islands Gateway Company Limited

or liquidation of any Member or otherwise by operation of law upon production of satisfactory evidence of that fact to the Directors, may either be registered as the holder of such share and become a Member or subject to the Constitution, may transfer such share to another person where that person is taking ownership of the relevant Sovereign Island lot. Any person lawfully administering the estate of a Member under the provisions of any law relating to mental health or any law relating to the administration of the estates of patients or infirm persons upon producing the evidence to substantiate that fact (subject to the Constitution) may seek approval from the Board to transfer any share registered to such Member. This clause is hereafter referred to as "the Transmission Clause".

19. ALTERATION OF CONSTITUTION

The Company may only by Special Resolution in General Meeting alter the provisions of this Constitution.

20. REDUCTION OF CAPITAL

20.1 Subject to the Act, the Company may reduce its share capital in such manner as it thinks fit provided that it is fair and reasonable to shareholders as a whole, does not materially prejudice the Company's ability to pay its creditors and is approved by Members under Section 256C of the Act. A cancellation of shares for no consideration is a reduction of share capital.

20.2 The Company may buy-back any of its shares in accordance with the Act.

21. GENERAL MEETINGS

21.1 A General Meeting may be called and arranged to be held by:

- (1) the Directors whenever the Directors wish;
- (2) any Director whenever the Director wishes;
- (3) Members with at least 5% of the votes that may be cast at the General Meeting in accordance with section 249F of the Act; or
- (4) the court, in accordance with section 249G of the Act.

21.2 A General Meeting must be called and arranged by the Directors when requested by Members with at least 5% of the votes that may be cast at the General Meeting in accordance with section 249D of the Act.

21.3 A General Meeting may be called and arranged only as provided by this clause 21.1, subject to the Act as amended from time to time.

21.4 The Directors may change the venue for, postpone or cancel a General Meeting.

21.5 Clause 21.4 does not apply if the Members or the court under the Act call and arrange the meeting.

21.5.1 If a General Meeting is called and arranged under section 249D of the Act, the

Constitution of The Sovereign Islands Gateway Company Limited

Directors:

- (1) must hold it on or before the date by which section 249D requires it to be held; and
- (2) may cancel it only with the consent of the requisitioning Member or Members.

21.7 A notice of a meeting of Members must:

- a) Set out the place date and time for the meeting (and, if the meeting is to be held in two or more places, the technology that will be used to facilitate this); and
- b) State the general nature of the business;
- c) If a Special Resolution is to be proposed at the meeting, set out an intention to propose the Special Resolution and state the words of the resolution; and
- d) If a Member is entitled to appoint a proxy, the proxy must contain a statement setting out the following information:
 - that a Member has the right to appoint a proxy;
 - whether or not the proxy needs to be a Member of the Company; and
 - that a Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

21.8 The Directors must on the requisition of Members with at least 5% of the votes that may be cast at a General Meeting proceed to convene a General Meeting and in case of such requisition the provisions of clauses 21.4 to 21.6 shall apply.

21.9 A requisition must state the objects of the meeting and must be signed by the relevant Members and deposited at the Registered Office and may consist of several documents in like form each signed by 1 or more Members.

21.10 If the Directors do not proceed within 21 days from the date of the requisition being so deposited to cause a meeting to be held the relevant Members or a majority of them may themselves convene the meeting but any meeting so convened must not be held more than 2 months from the date of such deposit.

21.11 Any meeting convened by the relevant Members must be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.

21.12 A minimum of 21 clear days' notice must be given of any Annual General Meeting or other General Meeting. The meeting may only be convened with notice shorter than 21 days if the consent to such shorter notice is given in accordance with Section 249HA of the Act.

21.13 A resolution in writing signed by all the Members will except where a meeting is required to be held by the Act or this Constitution be as valid and effectual as if it had been passed at a meeting of the Members duly convened and held and such resolution may consist of several documents of the like form each signed by 1 or more of the Members.

21.14 The Company may hold a General Meeting:

- (1) at one or more physical venues;
- (2) at one or more physical venues and using virtual meeting technology; or

Constitution of The Sovereign Islands Gateway Company Limited

(3) using virtual meeting technology only.

- 21.15 The place at which a meeting of the members of a Company is held is taken to be:
- (1) if the meeting is held at only one physical venue (whether or not it is also held using virtual meeting technology) - that physical venue;
 - (2) if the meeting is held at more than one physical venue (whether or not it is also held using virtual meeting technology) - the main physical venue of the meeting as set out in the notice of the meeting; or
 - (3) if the meeting is held using virtual meeting technology only - the registered office of the Company.
- 21.16 The Company must give Members entitled to attend the General Meeting, as a whole, a reasonable opportunity to participate in the meeting in accordance with section 249S of the Corporations Act.
- 21.17 All business that is transacted at a General Meeting will unless otherwise specified in the notice calling the meeting or as required by the Act, be passed by an Ordinary Resolution.
- 21.18 An Annual General Meeting must be held within 5 months of the end of the Company's financial year and the standard items of business at each Annual General Meeting will include the Managing Director's Report, review of the achievements and actions from the previous Annual General Meeting, confirmation of Minutes from previous General Meetings and Annual General Meeting, presentation of the Financial Report, the appointment of the Auditor and election of Directors.

22. PROCEEDINGS AT GENERAL MEETINGS

- 22.1 No business will be transacted at any General Meeting unless a quorum of Members is present either in person or by proxy or representative or attorney at the time when the meeting proceeds to business. There will be a quorum if there are at least 2 Members present and eligible to vote.
- 22.2 If within 15 minutes from the time appointed for holding a General Meeting a quorum is not present, the meeting if convened upon the requisition of Members must be dissolved. In any other case it must 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 Directors may determine, reasonable notice being given to inform the Members of the impending meeting in the latter case, and if at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting the meeting must be dissolved.
- 22.3 The Chairperson, of the Board will chair every General Meeting. If there is no such Chairperson or if at any meeting the Chairperson is not present within 15 minutes after the time appointed for holding the same or is unwilling to act as Chairperson, the Members present must choose another Director to take the Chair who is present and willing to act, or if no such person is present, a Member who is present and willing to act as Chairperson of the meeting.

Constitution of The Sovereign Islands Gateway Company Limited

- 22.4 The Chairperson may adjourn the meeting as they see fit, and must if directed by the meeting by an Ordinary Resolution passed at the meeting, adjourn the meeting from time to time and from place to place, but no business is to be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 22.5 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original General Meeting.
- 22.6 The general conduct of a General Meeting and the procedures to be adopted at the meeting will be as determined by the Chairperson either before or during the meeting. At any time, the Chairperson considers it necessary or desirable for the properly and orderly conduct of the meeting, the Chairperson may demand the cessation of debate or discussion on any matter and may require any resolution being considered by the meeting to be put to a vote. A person must refer any question arising at a General Meeting about the order of business, procedure of conduct of the meeting to the chair.
- 22.7 At all General Meetings a resolution put to the vote of the meeting must be decided on a poll (and not a show of hands) if:
- (a) the notice of the meeting set out an intention to propose the resolution and stated the resolution.
 - (b) the Company has given notice of the resolution in accordance with section 249O of the Act; or
 - (c) a poll is demanded by the Chair or a Member who is present and eligible to vote on the resolution before or immediately after the declaration of the result on a show of hands.
- 22.8 Unless a poll is demanded or required pursuant to Clause 22.7, the declaration of a result by the Chairperson and an entry to that effect in the minute book of the Company is conclusive evidence of the fact and further proof of the number or proportion of the votes recorded in favour of or against such resolution is not required.
- 22.9 If a poll is demanded in the manner described above, it must be taken immediately and the result of the poll will be deemed to be the resolution of the meeting at which the poll was demanded.
- 22.10 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairperson of that meeting is entitled to a casting vote.

23. VOTES OF MEMBERS

- 23.1 Each Member will have 1 vote on a show of hands or on a poll for each share held by that Member.
- 23.2 Without limiting the generality of this Clause 23, where any Member consists of 2 or more persons the voting rights of that Member is exercisable only by the first of such persons recorded as registered owner of a Sovereign Islands lot at Titles Queensland.
- 23.3 Any person who is entitled to attend and vote at any meeting of the Company may appoint a proxy to attend and vote at the meeting in their stead. The instrument

Constitution of The Sovereign Islands Gateway Company Limited

resolution(s).

DATED this

day of

20

.....
.....

* Strike out whichever is not desired

Unless otherwise instructed the proxy may vote as they think fit.

24. DIRECTORS

- 24.1 Subject to the Act, the number of Directors must not be less than 3 nor more than 7 and must be an uneven number.
- 24.2 The Gold Coast City Council has the power to appoint and remove, by memorandum in writing, not more than 1 Director of the Company at any time.
- 24.3 The remainder of the Directors will be appointed by resolution of the Members in General Meeting or in accordance with Clause 24.5.
- 24.4 There is no membership qualification for the office of Director in the Company.
- 24.5 A majority of Members, for the purposes of this Clause more than 50% of Members of the Company at any time, may by memorandum in writing appoint and/or remove from office any of the Directors not appointed by the Gold Coast City Council.
- 24.6 A Director will be deemed to have been removed from office from the time when the memorandum removing them as a Director of the Company was served on the Company by being delivered to the Registered Office.
- 24.7 The Directors must resolve to appoint one of their number to be the Chair of Directors.
- 24.8 The Directors may at any time and including during a meeting of Directors or a General Meeting, resolve to vacate the office of chair of Directors.
- 24.9 If the office of Chair of Directors is vacated in accordance with clause 24.8, the Directors may appoint a replacement Chair of Directors in accordance with clause 24.7.

25. ALTERNATE DIRECTORS

- 25.1 Subject to the provisions of the Act each Director including the Chairperson may from time to time by writing appoint any person to act as an Alternate Director in their place whether for a stated period or stated periods or until the happening of any specified event or from time to time whenever by absence or illness or for any other reason they

Constitution of The Sovereign Islands Gateway Company Limited

will be unable to attend to the duties as a Director and the provisions of this Constitution and the Act will apply to any such Alternate Director.

- 25.2 An Alternate Director may be removed or suspended from office by written notice by the Director who appointed them.
- 25.3 An Alternate Director is entitled to receive notices of meetings of the Directors and to attend and vote at such meetings if the Director who they appointed them is not present.
- 25.4 An Alternate Director is entitled to exercise all the powers, except the power to appoint an Alternate Director, and perform all the same duties of a Director as the Director who appointed them has not exercised or performed.
- 25.5 An Alternate Director is not required to hold any shares in the Company.
- 25.6 An Alternate Director will immediately vacate office if the Director who appointed them is removed or otherwise ceases to hold office as a Director for any reason.
- 25.7 An Alternate Director will while acting as director be responsible to the Company for their own acts and defaults and will not be deemed to be the agent of the Director who appointed them.
- 25.8 An Alternate Director is not entitled to receive any remuneration from the Company.

26. VACATION OF OFFICE OF DIRECTOR

- 26.1 The office of Director will immediately be vacated if the Director: -
- Ceases to be a Director by virtue of the Act;
 - Dies;
 - Becomes bankrupt or makes any arrangement or composition with their creditors;
 - Becomes prohibited from being a Director by reason of any order made under the Act;
 - Becomes of unsound mind or a person who, or whose estate is, liable to be dealt with in any way under the law relating to mental health;
 - Resigns their office by notice in writing to the Company;
 - Is removed from office by resolution or memorandum of the Members in accordance with this Constitution;
 - Ceases to be a Director by virtue of the Constitution; or
 - Fails without leave granted by the Board, to attend 3 consecutive Directors' meetings.

Constitution of The Sovereign Islands Gateway Company Limited

27. PROCEEDINGS OF DIRECTORS

- 27.1 The Directors may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 27.2 Subject to this constitution, a Company Secretary must give notice of a meeting of directors to each director other than a director on leave of absence approved by the directors.
- 27.3 A notice of a meeting of directors:
- (1) must specify the time and place of the meeting;
 - (2) need not state the nature of the business to be transacted at the meeting;
 - (3) must be given at least 24 hours before the meeting except where due to the urgency of the matter that is impractical in which case it may be given at any time before the meeting;
 - (4) may be:
 - (A) oral or written and may be given in person or by post, telephone, fax or other electronic means; or
 - (B) by other means consented to by all directors in accordance with section 248D of the Corporations Act.
- 27.4 A director waives notice of a meeting of directors if the director:
- (1) gives written notice of waiver to the Company before, at or after the meeting; or
 - (2) attends the meeting.
- 27.5 A resolution passed, or other act done, at a meeting of directors will not be invalid merely because a person to whom notice of the meeting is required to be given does not receive or is not given notice of the meeting if:
- (1) the failure occurred by accident or error; or
 - (2) the person waives notice of the meeting.
- 27.6 A meeting of Directors may be held using any means of audio or audio visual communication by which each Director participating can hear and be heard by each other Director participating, or using any technology permitted by section 248D of the Act.
- 27.7 A meeting of Directors held solely or partly by technology is treated as being held at the place at which the greatest number of the directors present at the meeting are located or, if an equal number of Directors are located in each of two or more places, at the place where the chair of the meeting is located.
- 27.8 A quorum necessary for the transaction of the business of the Directors is half the current number of Directors plus 1.
- 27.9 A meeting of directors at which a quorum is present is competent to exercise each authority, power and discretion vested in or exercisable by the directors under this Constitution.
- 27.10 A Director may, and the Company Secretary must on the requisition of any Director at any time call a Meeting of the Directors.

Constitution of The Sovereign Islands Gateway Company Limited

- 27.11 It is not necessary to give notice of a Meeting of Directors to any Director who has been granted a leave of absence and their vote is not required for a circular resolution to be passed, however if they have an Alternate Director appointed the Alternate Director will be entitled to receive notice and vote.
- 27.12 If within 30 minutes from the time appointed for a Director's Meeting a quorum is not present the meeting will 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 Director or Directors present may determine and if at such adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the Directors present will be a quorum.
- 27.13 The continuing Directors may act notwithstanding any vacancy in their number provided they have the minimum number of Directors appointed.
- 27.14 Questions arising at any meeting will be determined by a majority of votes of the Directors present. In the case of an equality of votes the Chairperson will have a casting vote.
- 27.15 All acts done by any meeting of the Directors or by any person acting as a Director must notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as Director or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was otherwise qualified to be a Director.
- 27.16 The Directors must cause proper minutes to be made of all General Meetings of the Company and also of all appointments of officers and of the proceedings of all meetings of Directors and of the attendance at such meetings and business transacted at such meetings, and any minutes of any meeting signed by the Chairperson of such meeting or by the Chairperson of the next succeeding meeting will be conclusive evidence without any further proof of the matters stated in such minutes.
- 27.17 A written resolution signed by:
- (1) all Directors entitled to vote on the resolution; or
 - (2) a majority of the Directors entitled to vote on the resolution where notice of the resolution was given in the same way it would have been required to have been given if it were a notice of a meeting of Directors to consider the resolution, and the Directors who sign would have constituted a quorum at such a meeting,
- is as valid as if passed at a duly convened and held meeting of Directors and is effective when signed by the last of all the Directors or the last of the Directors constituting the majority, as the case may be.
- 27.18 A resolution referred to in clause 27.17 may consist of several documents in the same terms, each of which is signed by 1 or more Directors. A signature may be provided by the Director inserting an electronic signature or typing their name via any electronic platform or means of communication.
- 27.19 A document produced or transmitted electronically in the name, and with the authority of, a Director will be taken to be a document in writing signed by the Director. An email

Constitution of The Sovereign Islands Gateway Company Limited

or other electronic or digital communication confirming approval of the resolution without a signature is permitted until a Director can avail themselves of a means of signing the resolution.

27.20 No payment will be made to any Director other than payment:

- (a) For services rendered to the Company in their capacity as a Director or Chairperson where the amount is commercially reasonable and does not exceed an amount approved by a unanimous resolution of the Board.
- (b) Of out of pocket expenses incurred by the Director in the performance of any duty as a Director where the amount does not exceed an amount previously approved by a unanimous resolution of the Board.
- (c) For any service rendered to the Company by a Director in a professional or technical capacity, other than in the capacity of a Director, where the provision of the service has the prior unanimous approval of the Directors, and the amount is not more than an amount which commercially would be a reasonable payment for such service.
- (d) Relating to an indemnity in favour of the Director and permitted by the Act or a contract of insurance permitted by the Act.

28. POWERS OF DIRECTORS

28.1 The business and affairs of the Company will be managed by the Directors, who may exercise all such powers of the Company as are not, by the Act or Constitution required to be exercised by the Members in General Meeting or by resolution of the Members.

28.2 The Directors may exercise all the powers of the Company to borrow and/or raise money and to mortgage or charge its assets, undertaking, property, and uncalled capital, or any part thereof, and to issue debentures, whether at par or at a discount or premium, and other securities whether outright or as security for any debt, liability, or obligation of the Company or of any third party.

28.3 The Directors may from time to time by power of attorney appoint any corporation, firm or person or body of persons, nominated directly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities, and discretions, not exceeding those vested in or exercisable by the Directors and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities, and discretions vested in such attorney..

28.4 All cheques, bills of exchange, promissory notes and other negotiable instruments will be signed, drawn, accepted, made or endorsed, as the case may be, for and on behalf of the Company by such persons and in such manner as the Directors may from time to time determine.

29. MANAGING DIRECTOR

29.1. The Directors may, by unanimous resolution, from time to time appoint 1 or more of their body to the office of Managing Director for such period and on such terms as they

Constitution of The Sovereign Islands Gateway Company Limited

think fit and, subject to the terms of any agreement entered into in any particular case, may revoke any such appointment.

29.2 A Managing Director will, subject to the terms of any agreement entered into in any particular case, receive such remuneration, whether by way of salary, commission, participation in profits or other benefits as the Directors may determine.

29.3 The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of those powers.

30. DIRECTOR CONFLICTS OF INTEREST

30.1 A Director must disclose on a standing and ongoing basis in accordance with Board policy the nature and extent of any actual, perceived or potential material conflict of interest in a matter that is being considered at a meeting of Directors (or that is proposed in a circular resolution):

(a) to the other Directors, or

(b) if all of the Directors have the same conflict of interest, to the Members at the next General Meeting, or at an earlier time if reasonable to do so.

30.2 The disclosure of a conflict of interest by a Director must be recorded in the minutes of the meeting.

30.3 Each Director who has a material personal interest in a matter that is being considered at a meeting of Directors (or that is proposed in a circular resolution) must not, except as provided under clauses 30.4:

(a) be present at the meeting while the matter is being discussed, or

(b) vote on the matter.

30.4 A Director may still be present and vote if:

(a) their interest relates to an insurance contract that insures, or would insure, the Director against liabilities that the director incurs as a director of the Company;

(b) their interest relates to a payment by the Company under clause 36 (indemnity), or any contract relating to an indemnity that is allowed under the law;

(c) the Directors who do not have a material personal interest in the matter pass a resolution that:

(a) identifies the Director, the nature and extent of the Director's interest in the matter and how it relates to the affairs of the Company, and

(b) says that those Directors are satisfied that the interest should not stop the Director from voting or being present.

30.5 A general notice that a Director is a Director or member of any specified company or firm and is to be regarded as interested in all subsequent transactions with such company or firm will be sufficient disclosure under the Constitution in relation to any contract, proposed contract or arrangement so made with such company or firm.

31. COMPANY SECRETARY

Constitution of The Sovereign Islands Gateway Company Limited

The Company Secretary of the Company will be appointed by the Directors upon such terms and conditions as the Directors think fit. The Directors may dismiss the Company Secretary subject to the terms of their contract and the law. The Directors may at any time appoint a person as an additional Company Secretary or an Acting Company Secretary or as a temporary substitute for the Company Secretary who is for the purpose of the Constitution and the Act the Company Secretary.

32. THE COMMON SEAL

- 32.1 The Directors must provide for the safe custody of the Common Seal, which must only be used with the authority of the Directors and every instrument to which the Common Seal is affixed must be signed by a Director and must be countersigned by the Company Secretary or by a second Director or by some other person appointed by the Directors for that purpose.
- 32.2 The Directors may by resolution determine either generally or in any particular case that the signature of any Director, Company Secretary or other person appointed by the Directors for the purpose of signing instruments to which the Common Seal of the Company is affixed may be affixed by such mechanical or electronic means as is specified in such resolution to any instrument sealed with the Common Seal of the Company.

33. RECORDS, ACCOUNTS AND AUDIT

- 33.1 The Company must make and keep written financial records (including electronically) that:
- (a) correctly record and explain its transactions and financial position and performance, and
 - (b) enable true and fair financial statements to be prepared and to be audited.
- 33.2 The Company must also keep written records that correctly record its operations.
- 33.3 The Company must retain its records for at least 7 years.
- 33.4 The Directors must take reasonable steps to ensure that the Company's records are kept safe.
- 33.5 The Directors must ensure the Company's financial reports are prepared and distributed to all Members at least once per annum.
- 33.6 The Company may if required by the Act, appoint an auditor or auditors, and if so, appointed the duties of the auditor or auditors must be regulated in accordance with the Act.

34. RESERVES

Subject to this Constitution, the Directors may set aside out of the profits of the Company such sums as they think proper to include in the Reserve Fund. They may keep such amount together with other assets of the Company and use the amount to meet contingencies or for repairing improving and maintaining any of the property of the Company or for such other purposes as the Directors in their discretion think

Constitution of The Sovereign Islands Gateway Company Limited

conducive to the interests of the Company including investment.

35. NOTICES

- 35.1 For a notice to be effectively served by the Company it must be either:
- (a) posted to the Member, Director or auditor at their last known address; or
 - (b) personally handed to the Directors, auditor or Member concerned. In the case of a Member that is not a natural person it will be served by being left at its registered office or handed to a director of that corporate Member; or
 - (c) emailed to the Member at its last notified email address
- 35.2 A notice shall be deemed to have been served:
- (a) in the case of a notice served by post, two days after posting;
 - (b) in the case of a notice served personally, on the date it is handed to the recipient or left at the registered office or handed to a Director of that corporate Member;
 - (c) in the case of a notice served by email, on the date it is sent to the recipient providing an error or failure message is not received by the sender.
- 35.3 If a Member does not have an address recorded in the Register, a notice will be taken to be served on that Member 24 hours after it was posted on a notice board at the Registered Office 60 Knightsbridge Parade East Paradise Point Qld 4216.
- 35.4 A Member whose address recorded in the Register is not in Australia may specify in writing an address in Australia to be taken to be the Member's address for service of notices.
- 35.5 A certificate in writing signed by a Director, Company Secretary or other officer of the Company that a document or its envelope was addressed and stamped and posted is conclusive evidence of posting and in respect of an electronic notification, a hard copy of the electronic notification signed by a Director, Secretary or other officer of the Company (provided no bounce back is received when the electronic notification is sent) is conclusive evidence of the sending of the electronic notification.
- 35.6 A Notice of every General Meeting must be given to: -
- (a) Every Member except those Members who have no registered address in Australia;
 - (b) The Directors of the Company; and
 - (c) The auditor (if any) of the Company.
- 35.7 No other persons is entitled to receive notices of General Meetings.
- 35.8 The signature to any notice to be given by the Company may be written or printed.
- 35.9 When a given number of days' notice or notice extending over any period is required to be given, the day of service and the day upon which such notice will expire must not be included in such number of days or other period.

Constitution of The Sovereign Islands Gateway Company Limited

35.10 Subject to the Act and unless the Member elects to only receive a notice via the methods in Clause 35.1, the Company may give a notice to a Member by:

- (a) sending the Member sufficient information in physical or electronic form to allow the Member to access the notice electronically;
- (b) sending the document in electronic form by means of an electronic communication; or
- (c) in the case of annual financial reports or other documents specified in the Corporations regulations made in relation to section 110D(3)(b) of the Act, making the document readily available in electronic form on a website.

35.11 Clauses 35.1-35.10 apply, with the necessary changes, to the service of any communication or document, including:

- (a) annual financial reports;
- (b) documents relating to a general meeting;
- (c) resolutions to be considered at a general meeting or at a meeting of a class of members; or
- (d) notices of members' rights pursuant to section 110K of the Act.

32.12 Every person who by operation of law transfer or other means whatsoever shall become entitled to any shares shall be bound by any and every notice which prior to their name and address being entered the Register in respect of such membership was duly given to the person they derive title to such membership from.

36. WINDING UP

36.1 If the Company is wound up and there remains, after the satisfaction of all debts and liabilities, any property, it must not be paid to or distributed amongst the Members, but must be given or transferred to some other institution or institutions or body or bodies having objects similar to the objects of the Company provided that the institution or company must apply the income and property solely towards the promotion of its objects and no part thereof can be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to the members of that institution or body unless the payment is made in good faith for reasonable and proper remuneration of an officer or servant of that company.

36.2 The institution or institutions or body or bodies referred to in Clause 36.1 must be determined by Special Resolution of the Members in General Meeting at or before the time of the winding up of the Company and, in default thereof, by a judge of the Supreme Court or District Court of the State of Queensland.

37. INSURANCE AND INDEMNITY

37.1 The Company may pay a premium in respect of a contract insuring a person who is or has been a Director or other officer against liability incurred by the person in such a role, except in circumstances prohibited by the Act.

37.2 The Company indemnifies each officer of the Company out of the assets of the

Constitution of The Sovereign Islands Gateway Company Limited

Company, to the relevant extent, against all losses and liabilities (including costs, expenses and charges) incurred by that person as an officer of the Company.

In this clause, 'officer' means a director or employee and includes a director or employee after they have ceased to hold that office.

In this clause, 'to the relevant extent' means:

- (a) to the extent that the Company is not precluded by law from doing so, and
- (b) for the amount that the officer is not otherwise entitled to be indemnified and is not actually indemnified by another person (including an insurer under an insurance policy).

The indemnity is a continuing obligation and is enforceable by an officer even though that person is no longer an officer of the Company.