

ARTICLES OF ASSOCIATION

OF

THE CHAROLAIS SOCIETY OF AUSTRALIA LIMITED

SEPTEMBER 1999

CHAROLAIS SOCIETY OF AUSTRALIA LTD

CORPORATIONS LAW

A Company limited by guarantee and not having a share capital

ARTICLES OF ASSOCIATION

PRELIMINARY

1. In these Articles:

“Cattle Register / Herd Book” means the records maintained pursuant to Article 126;

“Charolais cattle” means cattle eligible to be assigned a grade A to F as defined in the “Charolais Grading Up Convention” contained in the Regulations;

“Commercial Charolais Cattle” means live Charolais cattle which are recorded as Inactive or are not registered in the records of the Company, or whose owner is not a financial member of the Company with entitlement to cattle registrations;

“Company” means CHAROLAIS SOCIETY OF AUSTRALIA LIMITED;

“Council” means the Board of Directors of the Company;

“Eligible Voter” means a person who is a Member of the Company and is a Full Member, Honorary Life Member, or Financial Life Member, or is a Representative of such a Member which is a Firm, company, or other body corporate, and in respect of which membership the Company has received payment for all Annual Subscriptions due by or before the time of determination as such.

“Financial” with regard to a membership means that payment for all Annual Subscriptions due at time of such determination has been received by the Company.

“Firm” means a partnership of persons or a joint venture;

“Herd Maintenance List” means a List designated as such in the Regulations;

“Law” means the Corporations Law;

“National Councillor” means a Councillor so elected in the manner set out in these Articles;

“Officers” includes the President, Vice-Presidents, Councillors, Secretary, and (Honourary) Treasurer;

“Progeny Register” means the records maintained pursuant to Article 129;

“a Region” means any of the following:

- (a) the geographical area which is New South Wales and the Australian Capital Territory;
- (b) the geographical area which is South Australia and the Northern Territory;
- (c) each of the separate geographical areas which are Queensland, Victoria, Tasmania, and Western Australia;

“Regional Councillor” means a Councillor so elected in the manner set out in these Articles;

“Regional Committee” means a committee constituted in accordance with Article 120;

“Registered Address” :

- (a) in relation to a Member of the Company means the business address last notified pursuant to Article 17, or

(b) in relation to a Representative of a Member appointed pursuant to Article 19, means the business address of the Member that person represents last notified pursuant to Article 17;

“Representative” means a person appointed the representative of a Member pursuant to Article 19;

“Returning Officer” means a person appointed as such by the Council;

“Seal” means the common seal of the Company;

“Secretary” means any person appointed to perform the duties of a Secretary of the Company;

expressions referring to writing, unless the contrary intention appears, will be construed as including references to printing, lithography, photography, and all other modes of representing or reproducing words in a visible form;

words or expressions contained in these Articles will be interpreted in accordance with the provisions of the Law.

2. The Company is established for the purposes set out in the Memorandum of Association.

MEMBERSHIP

3. There will be seven categories of membership in the Company:

- (a) Full membership - where members will be entitled to vote at meetings of the Company, will be eligible for election to the Council, and will be entitled to have their cattle recorded with the Company in accordance with the Company’s Regulations;
- (b) Associate membership - where members will not be entitled to vote at meetings of the Company, will not be eligible for election to the Council, will not be entitled to have their cattle recorded with the Company in accordance with the Company’s Regulations, but will be entitled to attend functions organised by the Company;
- (c) Commercial membership - where members are breeders of Commercial Charolais, and will not be entitled to vote at meetings of the Company, will not be eligible for election to the Council, but will be entitled to attend functions organised by the Company;
- (d) Youth membership - where members are aged 17 years or less at the time that the Annual Subscription is due, and will not be entitled to vote at meetings of the Company, will not be eligible for election to the Council, but will be entitled to attend functions organised by the Company, and will be entitled to have their cattle recorded with the Company in accordance with the Company’s Regulations;
- (e) Intermediate membership - where members are aged between 18 and 24 years at the time that the Annual Subscription is due, and will not be entitled to vote at meetings of the Company, will not be eligible for election to the Council, but will be entitled to attend functions organised by the Company, and will be entitled to have their cattle recorded with the Company in accordance with the Company’s Regulations;
- (f) Financial Life membership - where a Member:
 - (i) who is a natural person elects to pay to the Company 12 times the Annual Subscription then current as a single sum, the Member will be entitled to vote at meetings of the Company, will be eligible for election to the Council, will be entitled to have the Member’s cattle recorded with the Company in accordance with the Company’s Regulations, but will for the remainder of the Member’s life not be called upon to pay any Annual Subscription to the Company;
 - (ii) which is a Firm, company, or other body corporate elects to pay to the Company 12 times the Annual Subscription then current as a single sum, its Representative will be entitled to vote at meetings of the Company, will be eligible for election to the Council, and such Member will be entitled to have its cattle recorded with the Company in accordance with the Company’s Regulations, but will not for the period of 20 years be called upon to pay any Annual Subscription to the Company;
- (g) Honorary Life membership - where members who have brought about exceptional development in, or exceptional promotion of, the Charolais breed, are elected as such by the Council, and such Member will be entitled to vote at meetings of the Company, will be eligible for election to the Council, and will be entitled to have their cattle recorded with Company in accordance with the Company’s Regulations, but will not for the

remainder of their lives be called upon to pay any Annual Subscription to the Company.

4. A person, Firm, company, or other body corporate may not become a Financial Life Member unless the Council so approves.
5. A person who has been an Associate or Commercial Member for three consecutive years and who has paid all Subscriptions during that time will be entitled to Full membership without payment of any Entrance Fee.
6. Each of the following may be a Member of the Company:
 - (a) a natural person;
 - (b) a company or other body corporate;
 - (c) a Firm.
7. All Members of the Company will be bound by, and will at all times observe and comply with, the Company's Memorandum and Articles of Association, and with any Regulations made by the Council from time to time.
8. An application for membership is to:
 - (a) be made in writing, signed by the applicant;
 - (b) state the class of membership in respect to which application is made;
 - (c) be in such form as the Council from time to time prescribes, and
 - (d) be accompanied by the first Annual Subscription and any Entrance Fees or other fees applicable in relation to the application,

and is to be lodged with the Secretary.
9. At the next meeting of the Council after lodgement of any application for membership, such application will be determined by the Council.
10. The Council may refuse an application and will in no case be required to give any reason for such rejection.
11. If the application is accepted by the Council, an applicant will become a Member of the Company, in the category of membership to which the Member has been admitted.
12. The Entrance Fee and Annual Subscription payable by members of the Company will be such as the Council from time to time prescribes.
13. All Annual Subscriptions will become due and payable on the first day of February in every year, or on any other date determined by the Council.
14. The Company may request in writing a Member who has not paid the Annual Subscription to make payment within 30 days of the date of the request. If a Member fails to make payment of the Annual Subscription within 30 days of the date of such a request, the Council may resolve to:
 - (a) cancel the person's membership of the Company; and
 - (b) record as Inactive any or all entries which relate to the Member in the Progeny Register and / or Cattle Register / Herd Book and / or any appendix to the Cattle Register / Herd Book

During such time that any Annual Subscription of a Member remains unpaid that Member thereby forfeits claim to any and all privileges which would otherwise be available to them as a Financial Member.

15. The Company must maintain a Membership Register, in which must be recorded in relation to each Member:
- (a) the Member's full name;
 - (b) the category of the Member's membership;
 - (c) the postal address of the Member;
 - (d) the registered address of the Member;
 - (e) where the Member is a Firm, company or other body corporate, the name of the Member's representative appointed pursuant to Article 19; and
 - (f) particulars with respect to the payment of Subscriptions.
16. The Membership Register must be available for the inspection of Members at all times during the business hours of the Company, at the Company's registered office.
17. Each Member must promptly notify the Company of any change of the Member's address.
18. Where a Firm is a Member of the Company, the Firm must notify the Company, in relation to each member of the Firm:
- (a) that person's full name; and
 - (b) the address of that person.

REPRESENTATIVES OF MEMBERS

19. A Member of the Company which is a Firm, company or other body corporate:
- (a) must appoint a Representative who is a natural person;
 - (b) cannot vote or exercise or receive any other benefit of membership, except through the agency of that Representative;
 - (c) is bound by all the acts and things done and undone by that Representative.
20. A Member may make an appointment of a Representative, and revoke that appointment at any time, but no such appointment or revocation shall be effective unless it is made in writing, and lodged with the Company.
21. Any duty or obligation upon the Company in relation to a Member, including notifications of meetings, shall be discharged if the Company discharges that duty or obligation in favour of a Member's Representative.
22. The Company may at any time require a Member of the Company to revoke the appointment of a Representative. The Company need not assign any reason for its decision. If the Company shall require a Member to revoke the appointment of a Representative:
- (a) the Member must immediately appoint another person to be the Representative of the Member; and
 - (b) until the appointment referred to in paragraph (a) is made, the Member shall not be entitled to exercise or receive any benefit of membership.

CESSATION OF MEMBERSHIP

23. The Council may, by a resolution carried by not less than three quarters of Councillors present at the meeting considering the question, resolve to cancel a Member's Honorary Life membership for any reason which to the Council is appropriate.
24. At least one month before the meeting of the Council at which a resolution pursuant to Article 23 is proposed the Company must give the Member notice of such meeting and of what is alleged against the Member and of the intended resolution.

25. The Member shall at such meeting and before the consideration of such resolution have an opportunity of giving, orally or in writing, any explanation the Member may think fit.
26. A Member shall cease to be a member of the Company:
- (a) upon the Member's:
 - (i) death in the case of a natural person;
 - (ii) dissolution in the case of a partnership; or
 - (iii) winding up in the case of a company or other body corporate; or
 - (b) if the Member becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health, unless that person's affairs are administered by an attorney or guardian;
 - (c) upon the Member's written resignation.
27. Notwithstanding the provisions of article 26 the executor or administrator of a deceased Member may continue that membership until the winding up of the Member's estate, and until that time shall enjoy all the privileges of the deceased Member's membership, but shall also be liable to the Company for all subscriptions ordinarily payable by the deceased Member.
28. A person who ceases to be a Member shall continue to be liable for any Annual Subscription and all arrears due and other moneys due by the Member to the Company and in addition for any sum for which the Member is liable as a Member of the Company under Clause 5 of the Memorandum of Association of the Company.
29. If any Member willfully refuses or neglects to comply with the provisions of the Memorandum or Articles of Association of the Company, or the Regulations made by the Council from time to time, or conducts themselves in any way which in the opinion of the Council is unbecoming of a Member or prejudicial to the interests of the Company the Council shall have the power by resolution passed by not less than three quarters of the members of the Council present at the meeting, to censure, fine, suspend, or expel the Member from the Company.
30. At least one month before the meeting of the Council at which a resolution pursuant to the Article 29 is proposed the Company must give the Member notice of such meeting and of what is alleged against the Member and of the intended resolution.
31. The Member shall at such meeting and before the consideration of such resolution have an opportunity of giving, orally or in writing, any explanation the Member may think fit.

GENERAL MEETINGS

32. An Annual General Meeting of the Company shall be held in accordance with the provisions of the Law.
33. General meetings will be convened by the Secretary:
- (a) if directed to do so by the President or by the Council;
 - (b) on requisition as provided in Sections 246 or 247 of the Law.
34. Twenty-one days notice at least (exclusive of the day on which the notice is served or deemed to be served, and exclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and in case of Special Business the general nature of that Business will be given to such persons as are entitled to receive such notices from the Company.
35. For the purposes of Article 34 all Business will be Special which is transacted at a General Meeting and also all which is transacted at an Annual General Meeting, with the exception of the consideration of the accounts, balance sheets, the report of the Councillors, Secretary, and Auditors, and the appointment of the Auditors, and patrons, if necessary.

36. If any Member shall desire to put any matter on an agenda for a General Meeting of the Company, that Member will give six weeks' notice of that item to the Secretary, for inclusion into the agenda for the first General Meeting of the Company being called following the expiration of that period of six weeks.

PROCEEDINGS AT GENERAL MEETINGS

37. No business will be transacted at any General Meeting unless a Quorum of Members is present at the time that the business is being transacted.
38. Ten Eligible Voters present in person shall be a Quorum.
39. If within half an hour from the time appointed for the meeting a Quorum is not present, the meeting, if convened upon the requisition of Members, will be dissolved; in any other case it 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 Council may determine. If at the adjourned meeting a Quorum is not present within half an hour from the time appointed for the meeting, the Eligible Voters present (not being less than three) will be a Quorum.
40. The President will preside as Chairman at every General Meeting. If there is no President, or if at any meeting the President is not present within ten minutes after the time appointed for holding the meeting or if being present, the President is unable or unwilling to preside, a Vice-President will be elected as Chairman. If the President and both Vice-Presidents are not present, willing and able to preside as Chairman at a meeting the Eligible Voters present will elect one of their number to be Chairman of the Meeting.
41. The Chairman may, with the consent of any meeting at which a Quorum is present (and will if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting will be given as in the case of an original meeting.
42. At any General Meeting a resolution put to the vote of the meeting will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-
- (a) by the Chairman, or
 - (b) by at least three Eligible Voters present in person or by Proxy.
- The demand for a poll may be withdrawn.
43. All minutes of the proceedings of the Company signed by the Chairman of the meeting next following the meeting in respect of which the minutes relate will be conclusive evidence of the facts and resolutions minuted without proof of the number or proportion of the votes recorded in favour of or against a resolution.
44. If a poll is duly demanded it will be taken in such a manner and either at once or after an interval or adjournment or otherwise as the Chairman directs, and the result of the poll will be the resolution of the meeting at which the poll was demanded, but a poll demanded on the election of a Chairman or on a question of adjournment will be taken forthwith.
45. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded will be entitled to a second or casting vote.
46. An Eligible Voter may vote in person, by Proxy, by the Eligible Voter's representative, or by an attorney. On a show of hands every person present who is an Eligible Voter or a Representative of an Eligible Voter will have one vote and on a poll every Eligible Voter present in person, by Proxy, or by attorney or other duly authorised Representative will have one vote.
47. A Proxy of an Eligible Voter must themselves be an Eligible Voter.
48. The instrument appointing a Proxy will be in writing under the hand of the appointer or his or her attorney duly authorised in writing or, if the appointer is a corporation, either under the seal or under the hand of an officer or attorney

duly authorised. The instrument appointing a Proxy will be deemed to confer authority to demand or join in demanding a poll. An Eligible Voter will be entitled to instruct his or her Proxy in favour of or against any proposed resolution. Unless otherwise instructed the Proxy may vote as he or she thinks fit.

49. The instrument appointing a Proxy may be in the form set out in the Appendix.
50. The instrument appointing a Proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority will be deposited at the Registered Office of the Company or at such other place as is specified for that purpose in the notice convening the meeting, not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of Proxy will not be treated as valid.
51. A vote given in accordance with the terms of an instrument of Proxy or attorney will be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, if no intimation in writing of such death, unsoundness of mind, or revocation as aforesaid has been received by the Company at the Registered Office before the commencement of the meeting or adjourned meeting at which the instrument is used.

ELIGIBILITY FOR ELECTION TO THE COUNCIL

52. A person will not be eligible for candidature as a Councillor of the Company unless the person:
- (a) is a natural person;
 - (b) is an Eligible Voter; and
 - (c) either:
 - (i) personally owns solely or partly; or
 - (ii) is a Representative, appointed in accordance with Article 19, of an Eligible Voter and that Eligible Voter owns solely or partly,
 - not less than ten head of female Charolais cattle which are registered in the Company's Herd Maintenance List as at the closing date for the making of nominations, and the Company had received the person's (or in the case of a Representative of a Member, that Member's) Annual Subscription not later than 30th September immediately preceding the invitation by the Returning Officer for nominations of candidates pursuant to Article 62.
53. A person will not be eligible for candidature as a Regional Councillor of the Company unless the person:
- (a) meets the requirements set out in Article 52; and
 - (b) the candidature is in respect of the Region within which the person has the person's registered address or, where the person is the Representative of a Firm or company, that Firm or company has its registered address.
54. A person will not be eligible for candidature as a National Councillor of the Company unless the person:
- (a) meets the requirements set out in Article 52; and
 - (b) has a registered business in Australia or, where the person is the Representative of a Firm, company, or other body corporate, that Firm, company, or other body corporate has a registered address in Australia.

VOTING IN ELECTION TO THE COUNCIL

55. The election of Councillors must be conducted:
- (a) by postal ballot; and
 - (b) by means of the preferential system of voting described in the most recent edition of "Guide for Meetings and Organisations" by NE Renton published by the Law Book Company Limited.

56. Each Eligible Voter whose payment of Annual Subscriptions to the Company has been received not later than 30 September in the calendar year in which the invitation by the Returning Officer for nominations of candidates is made pursuant to Article 62 will be entitled to:
- (a) one vote in respect to the election of a Regional Councillor for the Region in which the Member has the Member's registered address; and
 - (b) one vote in respect to the election of the National Councillors.

CONDUCT OF ELECTION TO COUNCIL

57. An election of members of the Council will take place each alternative calendar year, commencing in the year 2000.
58. Prior to 1 November in each year which immediately precedes an election year the Council must:
- (a) appoint a Returning Officer;
 - (b) select the closing date for the nomination of candidates for election;
 - (c) select the date upon which ballot papers are to be forwarded to members; and
 - (d) select the closing date for the return of ballot papers which must be a date at least three weeks after the date determined in accordance with paragraph (c), but not later than 15 February in the year of the election.
59. A Returning Officer may be any person selected by the Council, and may include a Member of the Company, or an Officer of the Company.
60. A Returning Officer will be ineligible for candidature in the election in respect of which the appointment is made.
61. The Returning Officer will be solely responsible for conducting the election of Councillors.
62. After 1 November in each year which immediately precedes an election year, and at least 4 weeks prior to the closing date for the nomination of candidates for election, the Returning Officer must send by post to every Eligible Voter as defined in Article 56 a notice:
- (a) advising the eligibility requirements of a candidate for election;
 - (b) advising the requirements in these Articles which a nomination for candidate must comply with;
 - (c) inviting nominations for candidates; and
 - (d) advising the closing date for nominations.
63. A form for nomination for candidates:
- (a) must be in the form approved by the Council;
 - (b) will be available from the Secretary;
 - (c) must be signed by a proposer, who must be an Eligible Voter;
 - (d) must be signed by a seconder, who must be an Eligible Voter;
 - (e) must be signed by the candidate;
 - (f) must have attached a resume of the candidate not exceeding 50 words describing the age, experience, and suitability of the candidate as a Councillor; and
 - (g) must be received at the address notified for that purpose by the Returning Officer not later than the closing date for nominations.
64. A candidate may be nominated as either or both:

- (a) a Regional Councillor; and
- (b) a National Councillor,

but may be elected to only one of such positions.

65. The Returning Officer must:
- (a) prepare a ballot paper for each Region, upon which will be printed the name of each candidate nominated in respect to that Region; and
 - (b) prepare a ballot paper on which will be printed the name of each candidate nominated as a National Councillor.
66. The order in which the names of candidates will appear on a ballot paper will be determined by the Returning Officer by drawing lots. The name of the candidate first drawn will appear closest to the top of the ballot paper followed by the names of all other candidates in the order in which they were drawn.
67. At least 3 weeks before the closing date for the return of ballot papers the Returning Officer must forward by post to each Eligible Voter as defined in Article 56:
- (a) a ballot paper which relates to candidates nominated for the Region in which the Member has the Member's registered address;
 - (b) a ballot paper which relates to the candidates nominated as National Councillors;
 - (c) a copy of the resume submitted by each candidate listed on each ballot paper forwarded to the Eligible Voter; and
 - (d) instructions on how to cast a valid vote, being those instructions prepared by the Returning Officer.
68. As soon as practicable after the closing date for the return of ballot papers, the Returning Officer:
- (a) will count the votes cast with respect to the election of Councillors for each Region; and
 - (b) declare the results of the election with respect to each Region.
69. Immediately after the counting and declaration referred to in Article 68, the Returning Officer:
- (a) will count the votes cast with respect to the election of National Councillors, disregarding those votes for persons who have already been declared elected to the Council; and
 - (b) declare the results of the election with respect to National Councillors.
70. Where at any time it becomes necessary to exclude a candidate, and two or more candidates have the same number of votes and are lowest on the poll then whichever of such candidates was lowest on the poll at the last count or transfer at which they had an unequal number of votes will be the first excluded and, if such candidates have had an equal number of votes at all preceding counts or transfers or, in the case of the exclusion of a candidate on the first count, the Returning Officer will decide by lot which candidate will be excluded. In so deciding, each candidate whose name is drawn will be excluded until only the required number of candidates remains.
71. Upon declaring the last of the results of an election, the Returning Officer must confirm that declaration to the Secretary, in writing, and the Secretary:
- (a) must immediately inform candidates the result of the election; and
 - (b) must report the result of the election to Members at the same time as the Secretary forwards to Members the notice of the next following Annual General Meeting of the Company.
72. In reporting the result of an election, the Secretary must notify:
- (a) the number of votes received by each Regional Councillor, and National Councillor;
 - (b) the total of primary votes; and

(c) the total of preferences.

73. Councillors will hold office from the declaration of the results of an election by the Returning Officer, until either the declaration of the results of the election the next succeeding election year, or February 1 in the next succeeding election year, whichever is the later.
74. Notwithstanding any other provision of these Articles, where only one person is nominated for the position of a Regional Councillor in relation to a particular Region, the Returning Officer need not conduct a ballot in relation to that position, and will declare the office filled by that candidate:
- (a) at the same time as declaring the results of the election generally; or
 - (b) if no ballots are conducted whatsoever, on 1 February of that election year.

If in a Region no person is nominated as a Regional Councillor the position, after the declaration of the result of the election by the Returning Officer, will be deemed to be a casual vacancy.

75. Notwithstanding any other provision of these Articles, where two persons or less are nominated for the positions of National Councillor, the Returning Officer need not conduct a ballot in relation to those positions, and will declare the offices filled by those candidates:
- (a) at the same time as declaring the results of the election generally; or
 - (b) if no ballots are conducted whatsoever, on 1 February of that election year.

Any position of a National Councillor not filled after the declaration of the result of the election by the Returning Officer, will be deemed to be a casual vacancy.

OFFICE BEARERS

76. The Office Bearers of the Company will be:
- (a) a President, and
 - (b) two Vice-Presidents.
77. The Office Bearers will be elected annually by the Council, at the first meeting of the Council following the election in an election year, or otherwise at the first meeting of the Council for the calendar year, from amongst the members of the Council, and will hold office from the date of their appointment until the first meeting of the Council at which Office Bearers are required duly to be elected in the next calendar year. The Council may, if it thinks fit, allow any office to remain a casual vacancy.
78. The Council will prescribe the manner of election of Office Bearers.
79. No person will be eligible to stand for the position of President if the person has held the office of President for the preceding 3 years.
80. The Council will appoint an Honorary Treasurer for the Company, who will hold office from the date of appointment, until the date of the next appointment, or until the office becomes vacant. The Council may remove a person from the position of Honorary Treasurer at any time.
81. The Honorary Treasurer need not but may be a Member of the Company, or a Councillor.
82. The Honorary Treasurer will be entitled to attend meetings of the Council, and to speak at meetings of the Council but, unless a member of the Council, will not be entitled to vote upon any question before the Council.

THE COUNCIL

83. The Council will comprise:
- (a) one Regional Councillor from each Region; and
 - (b) two National Councillors.
84. A Councillor who has been elected by a Region:
- (a) will report to the Council upon matters and activities of the Region;
 - (b) will report to the Region upon matters and activities of the Council and the Company;
 - (c) must at all times discharge duties to the Company as a director of a Company, for the best interests of the Company; and
 - (d) will be an ex officio member of the Regional Committee of that Region.
85. The Company may by ordinary resolution of which special notice has been given, remove any Councillor before expiration of the Councillor's period of office, and may, by an ordinary resolution, appoint another person in the Councillor's stead. Any person so appointed will hold office only until the next declaration by the Returning Officer of the result of an election.
86. The office of a Councillor will become vacant if the Councillor:
- (a) becomes insolvent under administration or makes any arrangement or composition with creditors generally;
 - (b) becomes prohibited from being a director of a company by reason of any order made under the Law;
 - (c) ceases to be a Councillor by operation of Section 228 of the Law;
 - (d) resigns the office by notice in writing to the Company;
 - (e) holds any office of profit under the Company;
 - (f) ceases to be a Full, Financial Life, or Honorary Life member of the Company;
 - (g) if a Representative, the Member in respect of whom the Councillor is a Representative, ceases to be a Full or Financial Life member of the Company; or
 - (h) if a Representative, ceases to be the Representative of a Member.
87. The office of a Councillor who was elected by a Region will become vacant if the Councillor:
- (a) ceases to have a registered address within that Region; or
 - (b) if a Representative, the Member in respect of whom the Councillor is a Representative ceases to have a registered address within that Region.
88. The office of a Councillor who is a National Councillor will become vacant if the Councillor:
- (a) ceases to have a registered address within Australia; or
 - (b) if a Representative, the Member in respect of whom the Councillor is a Representative ceases to have a registered address within Australia.
89. If the person in respect of whom a casual vacancy arises was a Councillor elected by a Region, the Council may fill the casual vacancy on the recommendation of the Committee of that Region.

90. In selecting a person to fill a casual vacancy, the Council may select any Member who in every respect would be eligible to be a candidate for election to the Council, and may:
- (a) in relation to a vacancy occurring in a position of Regional Councillor:
 - (i) appoint the unsuccessful candidate who obtained the greatest number of votes in the immediately preceding election in that Region; or
 - (i) request the Regional Committee for that Region to provide a list of nominees to fill the casual vacancy; or
 - (b) in relation to a vacancy occurring in a position of National Councillor, appoint the unsuccessful candidate who obtained the greatest number of votes in the immediately preceding election.
91. If the person in respect of whom a casual vacancy arises was a National Councillor, the Council may request all Regional Committees to provide a nominee to fill the casual vacancy, each being a person who in every respect would be eligible to be a candidate for election to the Council. The Council may choose a person so nominated.
92. Any person appointed to the Council to fill a casual vacancy will hold office only until the next declaration by the Returning Officer of the result of an election, or 1 February next election year, whichever is the later.
93. If a casual vacancy should arise in respect to the office of any Office Bearer, the Council will elect a Councillor to fill the vacancy.

POWERS AND DUTIES OF THE COUNCIL

94. The business of the Company will be managed by the Council.
95. All acts done by any meeting of the Council or of a committee or by any person acting as a Councillor will, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Council, committee, or Councillor, or that the Councillors or any of them were disqualified, be as valid as if every person had been duly appointed and was qualified to be a Councillor or committee member.
96. The Council may exercise all such powers of the Company as are not, by the Law or these Articles, required to be exercised by the Company in General Meeting, subject, nevertheless, to any of these Articles, the provisions of the Law, and to such directions, not inconsistent with these Articles or the Law, as may be prescribed by the Company in General Meeting.
97. The Council may make, amend, alter, and replace, Rules, Regulations, or By-laws for the purposes of the Company.
98. The Company in General Meeting can not invalidate any prior act or resolution of the Council.
99. The Council may exercise all of the powers of the Company to borrow money and to mortgage or charge its property, and to issue debentures and other securities whether outright or as security for any debt, liability, or obligation of the Company.
100. For the purposes of Clause 3 of the Memorandum of Association the rate of interest payable in respect of money lent by members to the Company will not exceed the lowest rate charged for the time being by the Commonwealth Banking Corporation in New South Wales in respect of overdrafts on amounts of \$10,000.00.
101. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the Company, will be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by any two Councillors or in such other manner as the Council from time to time determines.
102. The Council will cause minutes to be made:-
- (a) of all appointments of Officers and servants;
 - (b) of the names of the Councillors present at all meetings of the Company and of the Council; and
 - (c) of all proceedings at all meetings of the Company and of the Council.

Such minutes will be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, and shall be prima facie evidence of the matters to which the minutes relate.

PROCEEDINGS OF THE COUNCIL

103. The Council may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
104. Subject to these Articles, questions arising at any meeting of the Council will be decided by a majority of votes and a determination by a majority of the Councillors present will for all purposes be deemed a determination of the Council. Questions of order arising at any meeting of the Council will be decided by the Chairman.
105. In the case of an equality of votes the Chairman of the meeting will have a second or casting vote.
106. The quorum necessary for the transaction of the business of the Council will be five (5) Councillors present in person.
107. A Councillor may not appoint any person as a proxy in relation to any meeting of the Council.
108. The continuing Councillors may act notwithstanding any vacancy in the Council but, if and so long as their number is reduced below the number fixed by these Articles as the necessary quorum of the Council, the continuing Councillor or Councillors may act for the purpose of increasing the number of Councillors to that number or of convening a General Meeting of the Company, but for no other purpose.
109. The President will preside as Chairman at every meeting of the Council.
110. If there is no President, or if at any meeting the President is not present within 10 minutes after the time appointed for holding the meeting or if, being present, the President is unable or unwilling to preside, a Vice-President will be elected as Chairman by the meeting.
111. If both Vice-Presidents are not present, able, and willing to act as Chairman at the meeting then the Councillors will choose one of their number to be Chairman of the meeting.

COMMITTEES

112. The Council may delegate any of its powers and or functions (not being duties imposed on the Council by the Law or the general law) to one or more committees consisting of such Member or Members of the Company as the Council thinks fit.
113. The Council may appoint one or more advisory committees consisting of such member or members of the Council and such other Member or Members of the Company as the Council thinks fit.
114. Any committee or advisory committee formed will conform to any directions which may be given by the Council. Every committee or advisory committee may meet and adjourn as it thinks proper.
115. Questions arising at any meeting will be determined by a majority of votes of the Members present, and in the case of an equality of votes the Chairman will have a second or casting vote.
116. The Council may terminate the constitution of any committee or advisory committee at any time.

REGIONS AND REGIONAL COMMITTEES

117. The Eligible Voters of the Company whose registered addresses are within a Region may from time to time meet to select nominees for a regional committee.
118. The selection of nominees may be made in any manner which the Members meeting for that purpose decide.

119. The Eligible Voters of a Region may request the Council to constitute a committee of the Council for that Region, made up of the persons nominated.
120. The Council may constitute a committee of the Council for a Region, made up of such persons as the Council decides, whether or not nominated by the Eligible Voters in a Region.
121. Every Regional Committee formed will conform to any directions which may be given by the Council.
122. Every Regional Committee may meet and adjourn as it thinks proper.
123. Every Regional Committee must:
- (a) carry out such functions as are from time to time delegated by the Council;
 - (b) make inspections of Members' stock as directed by the Council, or as it considers appropriate, for the purpose from time to time authorised by the Council;
 - (c) send to the Company the information obtained during inspections referred to in paragraph (b);
 - (d) provide to the Secretary all information which the Secretary may request; and
 - (e) promote the interests of the Charolais breed.
124. The provisions of Articles 33 to 51 inclusive will apply mutatis mutandis in relation to General Meetings of Members in a Region, except that a quorum will be 3 Eligible Voters.
125. The Council may terminate the constitution of a Regional Committee at any time.

CATTLE REGISTER / HERD BOOK

126. The Company must maintain a Cattle Register / Herd Book in which provision will be made to record:
- (a) the lineage, propagation, birth, identification, physical characteristics, registration, and other details of Charolais cattle;
 - (b) records of transactions concerning Charolais cattle;
- and in respect of which the Company issues certificates indicating the records it maintains.
127. The Company must maintain in the Cattle Register / Herd Book records of transactions concerning the semen, ova, and embryos of Charolais cattle.
128. An animal may be included in the Cattle Register / Herd Book only if it complies with such matters as are prescribed for that purpose in the Regulations.

PROGENY REGISTER

129. The Company must maintain a Progeny Register in which provision will be made to record:
- (a) the lineage, propagation, birth, identification, physical characteristics, registration, and other details of Charolais cattle;
 - (b) records of transactions concerning Charolais cattle;
- and in respect of which the Company does not issue certificates indicating the records it maintains.
130. An animal may be included in the Progeny Register only if it complies with such matters as are prescribed for that purpose in the Regulations.

REGULATIONS

131. The Council may from time to time make, amend, alter, and replace Regulations with respect to all aspects of the keeping and recording of entries into the Cattle Register / Herd Book and the Progeny Register, and with respect to all matters concerning Charolais cattle of Members.

SECRETARY

132. The Secretary will be appointed by the Council, in accordance with Section 240 of the Law, for such term, and upon such conditions as it thinks fit.

SEAL

133. The Council will provide for the safe custody of the Seal which will be used only by the authority of the Council or of a committee of the Council authorised by the Councillors in that behalf. Every instrument to which the Seal is affixed will be signed by a Councillor and will be countersigned by the Secretary or by a second Councillor or by some other person appointed by the Council for that purpose.

ACCOUNTS

134. The Financial Year of the Company will be the period of 12 months ending 31 December in each year.
135. The Council will cause proper accounting and other records to be kept and will distribute copies of every Profit and Loss account and Balance Sheet in respect of each Financial Year (including every document required by Law to be attached) accompanied by a copy of the Auditor's Report as required by the Law provided, however, that the Council will cause to be made out and laid before each Annual General Meeting a Balance Sheet and Profit and Loss account made up to a date not more than five months before the date of the Meeting.

AUDIT

136. A properly qualified Auditor or Auditors will be appointed and his, her, or their duties regulated in accordance with the Section 327 of the Law.

NOTICES

137. Any notice required by law or by or under these Articles to be given to any Member will be given by sending a written notice by post to the Member at the Member's postal address, or to the address, if any, supplied by the Member for the giving of notices.
138. Where a notice is sent by post, service of the notice will be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected on the day after the date of its posting.
139. (1) Notice of every General Meeting will be given to:
- (a) every Eligible Voter except those Members for whom the Company has no registered address or other address or any address for the giving of notices;
 - and
 - (b) the Auditor or Auditors for the time being of the Company.
- (2) No other person will be entitled to receive notices of General Meetings.

WINDING UP

140. The provisions of clause 6 of the Memorandum of Association relating to the winding up or dissolution of the Company will have effect and be observed as if the same were repeated in these Articles.

INDEMNITY

141. To the extent permitted by the Law, the Company indemnifies every person who is or has been a Director or Secretary of the Company against:
- (a) all costs, losses, expenses, or liabilities incurred or suffered in the person's capacity by reason of any contract entered into or any act or thing done or omitted to be done in such capacity or in any way in the discharge of duties, but excluding any liability arising out of conduct involving a lack of good faith; and
 - (b) any liability arising out of the execution of the person's duties which is incurred by the person in defending any proceedings, whether civil or criminal, in which judgement is given in the person's favour or in which the person is acquitted or in connection with any application under the Law in which relief is granted to the person by the Court pursuant to Section 241(2) of the Law in respect of any negligence, breach of duty, or breach of trust.

APPENDIX

I, _____ (full name)

of, _____ (address)

being an Eligible Voter of Charolais Society of Australia Limited

hereby appoint _____ (full name)

of, _____ (address)

or failing that person, _____ (full name)

of, _____ (address)

as my Proxy to vote for me on my behalf at the *Annual General Meeting or General Meeting of the Company, to be held on the _____ day of _____ 20____ and at any adjournment.

My Proxy is hereby authorised to vote in favour of / against* the following resolutions.

Signed this _____ day of _____ 20____

Notes:

1. An Eligible Voter is defined in these Articles as a person who is a Member of the Company and is a Full Member, Honorary Life Member, or Financial Life Member, or is a Representative of such a Member which is a Firm, company, or other body corporate, and in respect of which membership the Company has received payment for all Annual Subscriptions due by or before the time of determination as such.
2. Any person intended to be appointed as a Proxy must themselves qualify as an Eligible Voter.
3. In the event of the Member desiring to vote for or against any resolution, the Member will instruct the Proxy accordingly. Unless instructed otherwise, the Proxy may vote as the Proxy thinks fit.

* Strike out whichever is not desired.