

QLCL Member Development Fund Constitution

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DATE 10 June 2015

MASTER TRUST DEED

PARTIES

1. Queensland Lifestyle Cooperative Limited QC0318 of 21/17 Cairns Street, Loganholme Queensland as (the **Appointor**).
2. QLCL Member Development Fund Manager Pty Ltd ACN 606 339 888 of 21/17 Cairns Street, Loganholme Queensland a wholly owned subsidiary of Queensland Lifestyle Cooperative Limited as the fund manager (**Initial Fund Manager**).

RECITALS

- A. It is intended by this deed to establish a series of separate trusts, each being a Trust (collectively the QLCL Member Development Fund or such other name as the Fund Manager may use from time to time) for the benefit of Queensland Lifestyle Cooperative Limited and its members.
- B. QLCL Member Development Fund Manager Pty Ltd has agreed to act as Fund Manager of the Fund.

It is agreed as follows.

1. PRELIMINARY

1.1 Corporations Act definitions and section references etc

In this Constitution, unless the context calls for another meaning:

- (a) words and expressions not defined in clause 1.2 mean what they mean in a similar context in the Corporations Act; and
- (b) a reference to a particular Chapter, Part, Division or section, without more, is a reference to that Chapter, Part, Division or section of the Corporations Act.

1.2 Definitions

In this Constitution, unless the context calls for another meaning, the following definitions apply.

“Application Money” means money paid to the Fund Manager with an application for Units.

“Appointor” means at all times the Cooperative.

“ASX” means Australian Stock Exchange Limited.

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“ASIC” means:

- (a) the Australian Securities and Investments Commission; and
- (b) if some other body assumes the Australian Securities and Investments Commission’s functions in relation to managed investments schemes — that body.

“Australian Accounting Standards” means the following:

- (a) the accounting standards for the time being approved under the Corporations Act;
- (b) the requirements of the Corporations Act in relation to the preparation and content of accounts;
- (c) generally accepted accounting principles and practices in Australia consistently applied, except principles and practices inconsistent with the standards or requirements referred to in paragraph (a) or (b) of this definition.

“Authorised Investment”: see clause 8.2.

“Bank” means a person authorised to carry on banking business under the Banking Act 1959 (Cth).

“Beneficiary” means a person whose name is or is taken to be entered in the Register as the holder of a Unit.

“Beneficiary’s Distribution Amount”: see clause 23.6.

“Business Day” means a day on which banks in the place of the principal place of business of the Fund Manager are open for the general banking business, but not a Saturday or a Sunday.

“Cash” includes cheques.

“Compliance Committee” means the compliance committee established for a Trust by the Fund Manager.

“Compliance Plan” means the compliance plan for a Trust established by the Fund Manager.

“Cooperative” means the Queensland Lifestyle Cooperative Limited QC0318 of 21/17 Cairns Street, Loganholme Queensland.

“Corporations Act” means the Corporations Act 2001.

“Constitution” means this Master Trust Deed.

“Current Trust Value”: see clause 21.2.

“Current Unit Value”: see clause 21.4.

“Custodian” means the party as determined by the Fund Manager under this Constitution.

“Distributable Income”: see clause 23.5.

“Disclosure Statement” means the disclosure statement for the issue of a Series.

“Distribution Reinvestment Plan” means arrangements established as mentioned in clause 13.

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“Entry Fee”: see Appendix C.

“Financial Year” means a period of 12 calendar months starting on 1 July, but:

- (a) the first Financial Year starts on the date a Trust is established and ends on 30 June next following; and
- (b) the last Financial Year starts on the 1 July before a Trust is terminated.

“Fund” means every Trust collectively being the QLCL Member Development Fund.

“Fund Manager” means:

- (a) the Initial Fund Manager being QLCL Member Development Fund Manager Pty Ltd; or
- (b) in the event of the retirement or removal of an incumbent a substitute party appointed in its place under this Constitution.

“GST” means:

- (a) the Tax imposed as goods and services tax under the A New Tax System (Goods and services Tax) Act 1999 (Cth); and
- (b) penalties and interest imposed or payable in relation to that Tax.

“Issue Costs”, in relation to a Unit, mean all the Taxes, brokerage and other costs that are, or would usually be, incurred by the Fund Manager in issuing the Unit.

“Issue Price”: see clause 14.1.

“Issue Provision” means an amount the Fund Manager determines in respect of or as an allowance for costs and disbursements, commissions, expenses, legal fees, brokerage, stamp duty, Taxes and other costs that may be incurred or expected to be incurred in connection with the conversion of Application Money into investments.

“Last Day”: see clause 27.2.

“Loss” means:

- (a) loss, damage or liability, of whatever kind and no matter to whom; and
- (b) without limiting paragraph (a) — loss, damage, costs and expenses (including legal costs on a full indemnity basis) suffered or incurred in connection with an action, proceeding, claim or demand in relation to loss or damage or a claimed loss or damage.

“Month” means:

- (a) a calendar month; or that part of a month occurring at the commencement or termination of a Trust
- (b) at the start or termination of a Trust — the relevant part of the calendar month in which a Trust starts or terminates.

“Notice of Creation of Trust” means a notice in the form of Appendix A or in such other form as the Fund Manager may from time to time use.

“Redemption Amount”: see clause 24.3(f) (v).¹

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“Redemption Application” means an application by a Beneficiary to withdraw from a Trust by having some or all of its Units redeemed from a Trust.²

“Redemption Offer” means an offer made as mentioned in clause 24.5(a).

“Redemption Provision” means the amount the Fund Manager determines in respect of or as an allowance for costs and disbursements, commissions, expenses, legal fees, brokerage, stamp duty, Taxes and other costs that may be incurred or are expected to be incurred in connection with the realisation and conversion into cash of Trust Property to satisfy a particular Redemption Application.

“Register” means the register of Beneficiaries, Units, classes of Units and Series of Units for each Trust that the Fund Manager maintains.³

“Series” means a series of investments in Units being Units which are described in the Register as belonging to the same series within a class.

“Settlor” means the party gifting money as the initial assets of a Trust being which is the person so noted in the Notice of Creation of Trust for that Trust.

“Tax” means a tax or duty, however imposed and by whatever name called, and includes a surcharge, a tax or duty imposed as additional tax or duty or penalty tax or duty and interest payable in respect of a Tax as so defined.

“Transaction Documents” means in relation to a Trust:

- (a) this Constitution;
- (b) each Notice of Creation of Trust;
- (c) each Disclosure Statement;
- (d) each Custodian agreement;
- (e) each other document which is expressed to be, or which is determined to be by the Fund Manager; and
- (f) each other document that is executed under or which is or expressed to be incidental or collateral to, any other Transaction Document.

“Trust” means each trust constituted under a Notice of Creation of Trust in accordance with this Constitution.

“Trust Expenses” means the total, as at that day, of:

- (a) the losses, Taxes, fees and other liabilities of the Fund Manager in relation to the operation of a Trust; and
- (b) amounts the Fund Manager determines, consistently with the Corporations Act and Australian Accounting Standards, to be reasonable provision for contingent losses and liabilities of the Fund Manager in relation to the operation of a Trust;

¹ This is only relevant while a Trust is liquid; while it is illiquid, see clause 24.5.

² See clauses 24.3.

³ See clause 10.

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and includes, inter alia:

- (c) accrued but unpaid Beneficiary entitlements in connection with a Trust; and
- (d) contingent liabilities of a kind and amount the Fund Manager thinks reasonable; and
- (e) provision for future Tax liabilities in respect of realised or unrealised capital gains tax, as the Fund Manager thinks reasonable; and
- (f) expenses, charges, taxes (whether payable by the Fund Manager, its agents or assigns whether unpaid or accrued) and provision in respect of them, as the Fund Manager thinks reasonable; and
- (g) provision in respect of any future loss on realisation of Trust Property that in the opinion of the Fund Manager should or may properly be made.

“Trust Property” means each part of a Trust and each asset of a Trust from time to time being held by or for the Fund Manager in connection with a Trust.

“Unit” means a unit of any class in a Trust; see clauses 11. 1 and 11.2.

“Units in Issue” means the number of Units that have been issued less the number that have been redeemed.

1.3 Subsidiaries

For the purposes of this Constitution, unless the context calls for another meaning, a body corporate is a ‘Subsidiary’ of another entity if:

- (a) it is a subsidiary of the other entity or
- (b) it is otherwise controlled by the other entity for the purposes of an Australian Accounting Standard.

1.4 Related Entities

For the purposes of this Constitution, unless the context calls for another meaning, a body corporate is a Related Entity of another entity if:

- (a) it is related to the other entity within the meaning of section 50; and Section 50 AAA or
- (b) it is in any economic entity (for the purposes of an Australian Accounting Standard) that contains the other entity.

1.5 General interpretation

In this Constitution, unless the context calls for another meaning:

- (a) (legislation) a reference at a particular time to a particular statute or subordinate legislation, or to particular provisions of a statute or subordinate legislation (a “written law”):
 - (i) Is to the written law as in force at that time; and
 - (ii) If the written law has been replaced by another written law — is to the written law that replaces it; and

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- (iii) Is also a reference to subordinate legislation, and the provisions of subordinate legislation, made or issued under or for the purposes of the written law; and
- (b) (other documents) a reference at a particular time to a particular deed, document or arrangement, or to any of its provisions:
 - (i) is a reference to it as in operation at that time; and
 - (ii) if the deed, document or arrangement has been varied, re-made, re-stated or novated — is also a reference to it as varied, re-made, re-stated or novated; and
- (c) (number) the singular includes the plural and vice versa; and
- (d) (individuals) a reference to an individual is also a reference to any kind of legally recognised body or entity whether incorporated or not, and vice versa; and
- (e) (person) a reference to a person is also a reference to the person's legal personal representative; and
- (f) (gender) a reference to one gender is also a reference to the other genders; and
- (g) (cross-references) a reference to a particular rule, Schedule or Appendix is to that rule of, or Appendix and Schedule to, this Constitution; and
- (h) (parts of speech) other parts of speech or grammatical forms of an expression defined in or for the purposes of this Constitution have corresponding meanings; and
- (i) (powers) a reference to power is also a reference to authority and discretion; and
- (j) (dollars) a reference to currency is to Australian currency;
- (k) (bankruptcy) a reference to bankruptcy, winding up or insolvency is also to:
 - (i) bankruptcy, winding up, liquidation, dissolution, becoming an insolvent under administration, the appointment of an administrator and anything else that has a substantially similar effect to any of these under the law of a relevant jurisdiction; and
 - (ii) the procedures, circumstances and events that constitute or relate to bankruptcy or winding up as so defined; and
- (l) (recitals) the recitals to this Constitution are incorporated into and made a part of this Constitution;
- (m) (inconsistency) if a term of a Transaction Document is inconsistent with any provision of this Constitution, that Transaction Document shall prevail to the extent of the inconsistency, with respect only to the Trust or Series to which that Transaction Document relates.

1.6 *Appendixes etc*

The Appendixes and description of parties to this Constitution are all provisions of this Constitution.

1.7 *Headings etc*

Headings (including those in brackets) and footnotes and other notes in this document are not part of this Constitution. They are for convenience only and do not affect interpretation.

1.8 *Examples*

If an example is given of anything (including a right, obligation or concept), for example, by saying it includes something else, the example does not limit the scope of the thing.

2. OUTLINE OF THE FUND

In outline, a Fund operates as follows.

- (a) A person becomes a Beneficiary by an application, with Application Money made by a shareholder in the Cooperative or on its behalf in a Trust being accepted with such acceptance at the sole discretion of the Fund Manager.
- (b) The Fund Manager pools the Application Money and invests it with the object of generating income and capital growth through the purchase of authorised investments (such as all types of property and the development of same). Investments will also be in cash, bank bills, or government or mortgage backed securities to provide liquidity.

3. THIS CONSTITUTION

3.1 Constitution binds Beneficiaries and Fund Manager

This Constitution is for the benefit of the Beneficiaries, and those who claim through them.

The Constitution and the other Transaction Documents bind the Fund Manager and the Beneficiaries, and those who claim through them.

The Fund Manager may amend, remake or revoke this Constitution with the consent of the Appointor if no Beneficiaries are adversely affected or otherwise if Beneficiaries holding 75% of the Units in an affected Trust consent at a Beneficiaries Meeting subject to no breach of a law against perpetuities.

3.2 Constitution does not create agency or partnership

None of the following:

- (a) this Constitution;
- (b) a Trust created under this Constitution;
- (c) a trust associated with this Constitution;
- (d) other Transaction Documents except so far as a contract, agreement or document expressly provides otherwise;

creates a relationship of principal and agent, or of partnership, between the Beneficiaries and the Fund Manager, or between the Beneficiaries themselves.

3.3 If there are exemptions or modifications

If:

- (a) ASIC gives an exemption under the Corporations Act in relation to a Trust; or
- (b) provisions of the Corporations Act, in its application in relation to a Trust, are modified or excluded by provisions of the Corporations Regulations;

on condition that this Constitution include specified provisions, then, for so long as the condition applies:

- (c) the specified provisions are taken to be included in this Constitution; and
- (d) they prevail over the other provisions of this Constitution to the extent of any inconsistency.

4. THE CREATION OF THE FUND AND TRUSTS

4.1 Establishment

The Fund is established when the first Trust is created.

4.2 Creation of Trusts

- (a) The Fund Manager may at any time create a Trust subject to the approval of the Appointor;
 - (i) **(notice of creation)** by duly completing and executing a Notice of Creation of Trust; and
 - (ii) **(initial assets)** the Settlor providing the sum of \$10.00 as initial assets of a Trust for the benefit of first beneficiary being the Cooperative provided that no monies or property including this settlement amount will ever be paid to the Settlor from the Trust.
- (b) **(constituting of a trust)** On the satisfaction of clause 4.2 (a) and the registration of same in the Register the Trust referred to in the Notice of Creation of Trust under clause 4.2 (a) shall be created.

4.3 Name of a Trust

The name of each Trust is to be prefaced by "QLCL Member Development Fund" or such other name as the Fund Manager may use from time to time together with a unique identifier for each Trust.

5. FUND MANAGER

5.1 Appointment and Removal of Fund Manager

The power to appoint the Initial Fund Manager, remove a Fund Manager and appoint a new Fund Manager is vested in the Appointor.

5.2 Fund Manager to hold Trust Property

The Fund Manager must hold the Trust Property on trust subject to the terms of this Constitution and other Transaction Documents for the Beneficiaries.

For the purposes of this Constitution, Trust Property held on behalf of the Fund Manager by a custodian is taken to be vested in the Fund Manager.

5.3 Retirement

The Fund Manager may retire as the Fund Manager of a Trust, as permitted by the law.

5.4 Trust to be vested in successor Fund Managers

The Fund Manager shall, on retirement or removal vest the Trusts or cause them to be vested, in the successor Fund Manager.

6. BENEFICIARIES

6.1 *Limited Beneficiary rights*

Except as this Constitution, other Transaction Documents or the Corporations Act provides a Beneficiary does not have any right merely because they are a Beneficiary with regard to any of the following:

- (a) day-to-day control over the operation of a Trust;
- (b) a right, interest, power or privilege in or in relation to particular Trust Property;
- (c) a right or power to interfere with the trusts, rights, powers, authorities or discretions of the Fund Manager, or question their exercise or non-exercise;
- (d) a right or power to attend, vote or take part at a meeting;
- (e) a right or power to lodge, in respect of Trust Property, a caveat or other instrument that prohibits (whether conditionally or not) an action, or the registration of a dealing, in respect of Trust Property;
- (f) a right or power to claim any estate or interest in particular Trust Property;
- (g) a right or power to require the transfer to the Beneficiary of any of Trust Property;
- (h) a right to charge or encumber Trust Property.

6.2 *Limited Beneficiaries' liabilities*

If the liabilities of a Trust are not met, the Beneficiaries are not liable to make up the difference and the Beneficiaries have no liability to the creditors of the Fund Manager.

6.3 *Beneficiaries' meetings*

Appendix B applies.

7. FUND MANAGER'S GENERAL MANAGEMENT AND INVESTMENT POWERS

7.1 *The Fund Manager's powers*

Subject to this Constitution and Transaction Documents, the Fund Manager:

- (a) has, in respect of Trust Property, all the powers that is possible under this Constitution, the other Transaction Documents and in law;
- (b) may deal with Trust Property as though it were the absolute owner of the assets comprising the Trust Property; and
- (c) all the powers necessary or desirable for the performance of its functions, duties and powers in respect of a Trust.⁴

⁴ See also clauses 9.1 to 9.5.

7.2 Fund Manager's discretions

The Fund Manager has an uncontrolled discretion whether or not to exercise, and how and when to exercise, its powers, functions and duties in relation to a Trust.

7.3 Other provisions do not limit

The other provisions of this Constitution do not limit by implication this clause 7.

8. INVESTMENT POWERS

8.1 Limited to Authorised Investments

Trust Property is to be applied or invested in Authorised Investments, or as otherwise authorised by this Constitution and other Transaction Documents.

8.2 What is an Authorised Investment

Each of the following is an Authorised Investment:

- (a) (loans on mortgage) a loan on the security of a registered mortgage of freehold or leasehold land in any State or Territory of Australia, or of any contract to acquire any such land whether or not a first mortgage;
- (b) (investments on security of other Authorised Investments) investment of money for a period of up to 10 years made on the security (whether by mortgage, submortgage, charge, transfer, assignment or otherwise) of an investment that is an Authorised Investment because of some other provision of the clause 8.2;
- (c) (mortgages and charges) the acquisition of a registered or registrable mortgage of a kind referred to in clause 8.2(a) together with, if there is one, the mortgagee's interest in a policy of insurance in relation to the mortgage;
- (d) (submortgages) a transfer or assignment by way of charge of the mortgagee's or chargee's benefit and interest in a registered or registrable mortgage of a kind referred to in clause 8.2(a) together with, if there is one, of the mortgagee's interest in a policy of insurance in relation to the mortgage and in any policy of insurance relating thereto complying in all aspects with the provisions of paragraphs (a) and (b) of this definition;
- (e) (securities) shares, securities of a corporation or any financial instrument, including any of the following:
 - (i) unsecured loans (including deposits with a bank, building society or other financial institution);
 - (ii) bonds, debentures, stock and other securities;
 - (iii) shares;
 - (iv) units in a unit trust and other interests in managed investment funds;
 - (v) futures contracts and options;
 - (vi) forward contracts and options;

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- (vii) ASX listed securities and contracts, including warrants, convertibles, securities and options;
 - (viii) Sydney Futures Exchange traded contracts;
 - (ix) swap contracts;
 - (x) Government, semi-government and corporate bonds;
 - (xi) Mortgage backed securities;
 - (xii) bank bills;
 - (xiii) promissory notes;
 - (xiv) debentures;
 - (xv) a right or option in respect of an instrument mentioned in any of paragraphs 8.2(a)(i) to 8.2(a)(xii) (inclusive);
 - (xvi) a financial instrument similar to an instrument mentioned in any of paragraphs 8.2(a)(i) to 0 (inclusive).
- (f) (negotiable instruments) negotiable instruments or bills of exchange;
 - (g) (cash) cash, whether Australian currency or otherwise.
 - (h) (property) the acquisition of all types of real property assets, being land and buildings leasehold or freehold and fixtures, fittings and operating equipment contained therein, for any purpose whatsoever, including the renovation or development of such property by a Trust.

8.3 Fund Manager's discretion

Subject to the rest of this Constitution, the Fund Manager has absolute discretion as to the investment or application of a Trust and as to the variation of those investments.

8.4 Limits on certain investments

The Fund Manager must not make an investment of a kind described in clause 8.2(a), 8,2 (c) or 8.2 (d) if the total of all amounts advanced on security of the land and improvements concerned (counting the amount of the investment in question) from its estimate is more than 95% of the value of the land and improvements on a completed value basis.

9. MANAGEMENT POWERS

9.1 Managing a Trust

The Fund Manager may do whatever it thinks proper in the management and operation of a Trust, it may do any of the following:

- (a) start and continue legal proceedings in relation to a Trust;
- (b) deal with and compromise or settle claims and demands in respect of a Trust, including claims in respect of Tax;

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- (c) deal with, appoint or engage entities (including entities that are Related Entities of the Fund Manager) in connection with a Trust, including appointing development managers, construction companies, professional firms, marketing manager, agents and valuers, to perform functions and exercise powers in relation to a Trust;
- (d) appoint a person to act as a Trust auditor or a custodian of Trust Property, with duties and functions specified in the instrument of appointment as determined solely by the Fund Manager; for example, the appointment may authorise the custodian:
 - (i) to act within or outside Australia;
 - (ii) to act in the name of the Fund Manager or, at its direction, in its own name or in a name nominated by the custodian and approved by the Fund Manager;
 - (iii) to act as nominee for the Fund Manager;
 - (iv) to appoint sub-custodians and delegates;
- (e) act in any matter on the opinion or advice of, or on information from, experts (such as valuers and lawyers), unless the Fund Manager has reason to suspect that they are not competent in the matter;
- (l) develop and otherwise deal with Trust Property;
- (g) create security interests over some or all of a Trust Property;
- (h) guarantee a liability of any person and to provide an indemnity in respect of such a liability;
- (i) enter into contracts in relation to a Trust that include provisions protecting itself, to the extent permitted by law;
- (j) if it must or may buy, sell or deal with Trust Property — delay doing so for as long as it thinks proper, and do so in a way it thinks proper (such as fixing reserve prices for property sold at auction);
- (k) rely reasonably on the apparent authenticity of a signature or official mark on an instrument (including a cheque and a transfer) given to it;
- (l) obtain financial accommodation by borrowing or otherwise for the purposes of a Trust, on terms it thinks fit;
- (m) use Trust Property as security in relation to financial accommodation for the purposes of a Trust
- (n) appoint under a contract an architectural, project management, sales management and any other professional services company in relation to the purchase and development of the assets of a Trust with costs paid by a Trust
- (o) appoint under contract a property manager in relation to the management of the property assets for a Trust and the sale of the properties, with costs paid by a Trust.
- (p) treat all unitholders who hold interests in the same class equally and treat all

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unitholders who hold an interest in different classes fairly.

- (q) ensure that this Constitution meets the requirements of the law.

9.2 Limits on certain borrowings

The Fund Manager must not obtain financial accommodation as mentioned in clause 9.1(l) if the total of all amounts outstanding on all such financial accommodation at the time, plus the amount of accommodation in question, is more than 90% of the Current Trust Value most recently determined before that time plus the amount of the accommodation in question.

9.3 Attorneys

Clauses 7.1 and 9.1 include the power to appoint attorneys in respect of dealings with Trust Property, on terms the Fund Manager thinks fit and authorising an attorney to appoint sub-attorneys.

9.4 Terms of engagement of attorneys, custodians etc

The Fund Manager may, in the instrument of appointment or engagement of an attorney, custodian or other person in connection a Trust, make provision for the protection and convenience of those dealing with the custodian, as the Fund Manager thinks fit.

9.5 Other contracts etc

The Fund Manager may, despite being Fund Manager of a Trust, make a contract or other arrangement with an individual in the ordinary course of the individual's business even though:

- (a) the individual is a director or an officer of the Fund Manager or an associate of the Fund Manager; or
- (b) a director or officer of the Fund Manager, or of an associate of the Fund Manager, has a direct or indirect pecuniary interest in the contract or arrangement.

9.6 Fund Manager, director etc not accountable

The Fund Manager, and the directors and officers of the Fund Manager, do not have to account for profit arising from anything referred to in clause 9.5.

9.7 Segregation of Trust Property

The Fund Manager shall:

- (a) ensure that no money or other Trust Property of a Trust is commingled with the money or other Trust Property of any other Trust or any assets of the Fund Manager in any capacity other than as Fund Manager of the relevant Trust;
- (b) account for the Trust Property included in a Trust separately from the Trust Property included in all other Trust and any assets of the Fund Manager in any capacity other than as Fund Manager of the relevant Trust; and
- (b) keep the liabilities of, and principal amounts outstanding to the Beneficiaries and Creditors in relation to the relevant Trust separate and

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apart from the liabilities of, and principal amounts outstanding to Beneficiaries and Creditors in relation to all other Trusts and any liabilities of the Fund Manager in any capacity other than as Fund Manager of the relevant Trust.

9.8 Trust Property availability

Trust Property shall not be available to meet any liability of, or principal amounts outstanding to a Beneficiary and Creditors in relation to:

- (a) any other Trust other than the Trust of which the Trust Property form a part; or
- (b) any liability of the Fund Manager in any capacity other than as Fund Manager of the relevant Trust.

10. REGISTER

10.1 Notice of trusts

Subject to this Constitution and the Corporations Act, the Fund Manager must ignore any trust, express, implied or constructive, and any mortgage, encumbrance or lien, in respect of a Unit, whether it has notice of them or not, and treat the person named in the Register as the holder of the Unit as absolutely entitled to it.

10.2 Register to be evidence

The Register is evidence of, and the only admissible evidence of a Unit holding.

11. UNITS

11.1 Division into Units

- (a) The beneficial interest in Trust Property is divided into Units.
- (b) An interest in a class of Unit confers an interest in Trust Property of that class as a whole but does not confer an interest in a particular asset but in a pool of assets.

11.2 Creation of new Units

- (a) The Fund Manager may create new Units.
- (b) The Fund Manager may create classes of Units.
- (c) The Fund Manager may at any time elect to create a Series of units in accordance with this Constitution.
- (d) The Fund Manager may create a Series of units by registering the series in the Register.

11.3 Consolidation and division

The Fund Manager may consolidate, divide or reconstruct Units, as it thinks fit.

11.4 Classes and Series of Units

- (a) The Fund Manager may determine the rights and obligations applicable to the class of Units, when it fixes the terms of issue of Units of that class.
- (b) The Fund Manager may determine the rights and obligation applicable to the Series of Units, when it fixes the terms of issue of Units of that Series.

11.5 Fund Manager may issue Units

The Fund Manager may issue a Unit on application or under a Distribution Reinvestment Plan. The Fund Manager may issue units to any party in full payment of any fee due and payable as outlined in Appendix C of this Constitution.

11.6 Fund Manager etc may hold Units

The Fund Manager and its Associates may hold and deal with Units, either by themselves or nominees.

The Fund Manager and its Associates, as holders of Units, unless this Constitution or the Corporations Act expressly provide to the contrary, have all the rights of a Beneficiary.

12. APPLICATIONS FOR UNITS

12.1 What is a valid application

To be valid, an application for Units must be:

- (a) in writing, in the form approved by or acceptable to the Fund Manager; and
- (b) signed by the applicant; and
- (c) for the proper number of Units;
- (d) accompanied by Application Money and Entry Fee (if applicable);
- (e) given to the Fund Manager at a place, or in a way, fixed by it for the purpose.

An application may be a standing application, that is, an application that relates to more than one issue of Units to the same person.

12.2 Non-Cash consideration

The Fund Manager may in its discretion, and subject to any conditions it imposes, accept some or all the Application Money in the form of an asset other than as Cash.

If it does:

- (a) the asset must be an asset that is an Authorised Investment;
- (b) the asset is taken to represent the amount of Application Money that the Fund Manager considers acceptable; and

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- (c) the application is not to be accepted unless the asset is vested in the Fund Manager.

12.3 Number of Units

The proper number of Units is:

- (a) for an application by a person who is not a Beneficiary —10,000;
- (b) for an application by a person who is a Beneficiary —10,000

The Fund Manager may vary either of these numbers by notice given to Beneficiaries. If it does, this clause 12.3 then applies as so varied.

13. DISTRIBUTION RE-INVESTMENT PLANS

13.1 Establishing Distribution Reinvestment Plans

The Fund Manager may at its sole discretion establish arrangements for the reinvestment of distributions out of a Trust.

13.2 Terms of Distribution Reinvestment Plans

The terms of a Distribution Reinvestment Plan are to be as the Fund Manager determines, but must be consistent with the following:

- (a) the whole or part of the money payable to a Beneficiary by way of distribution of capital or income may be applied in payment for the purchase of Units; and
- (b) each Beneficiary may at any time elect to participate in a Distribution Reinvestment Plan as to the whole, or a specified proportion, of the distributions which are, or would otherwise be, payable to them; and
- (c) all Units issued to a Beneficiary under the Distribution Reinvestment Plan must be of the same class that the Beneficiary is currently invested in, and if invested in more than one class of units, then at the discretion of the Fund Manager; and
- (d) the price of each Unit issued under the Distribution Reinvestment Plan at substantially the same time must be the same; and
- (e) that price must not be less than 90% of the Current Unit Value at the time the Unit is issued.

13.3 Where foreign Beneficiaries

If the Fund Manager reasonably considers that it would in the best interests of Beneficiaries to exclude certain Beneficiaries that are connected to a jurisdiction outside Australia ("Foreign Beneficiaries"), and it would not be unfair to the Foreign Beneficiaries to do so, the Fund Manager need not offer or issue Units under a Distribution Reinvestment Plan to the Foreign Beneficiaries if the Units concerned are sold, taking reasonably steps to maximise the sale price net of expenses of the sale, and the Foreign Beneficiaries are promptly paid the net sale price.

14. ISSUE OF UNITS

14.1 Issue Price

A Unit may only be issued at its Issue Price. The Issue Price is:

- (a) for Units issued when the Fund Manager first issues Units under the first product Disclosure Statement for the - \$1.00.
- (b) for Units issued on applications other than Units referred to in clause 14.1(a) — the Current Unit Value as at the date of issue;
- (c) for Units issued under a Distribution Reinvestment Plan — the issue price determined by the Fund Manager under clause 13.

14.2 Deciding applications

The Fund Manager may reject an application for Units. It does not have to give a reason for doing so.

14.3 What happens to rejected applications

If the Fund Manager rejects an application, it must:

- (a) give the applicant written notice of the rejection; and
- (b) cause the application money (less, in its discretion, Taxes and bank fees in connection with the application) to be paid back to the applicant.

14.4 Number of Units to be issued

The number of Units to be issued on an application or under a Distribution Reinvestment Plan is worked out using the formula:

Application Money or Amount of Beneficiary's Distribution Amount to be applied to the purchase of Units (as appropriate) ÷ Issue Price.

14.5 No fractions of Units

Fractions of Units may not be issued.

If clause 14.4 would otherwise result in the issue of a fraction of a Unit:

- (a) the number of Units is to be rounded down to the nearest whole number; and
- (b) the excess Application Money or other assets relating to the fraction becomes Trust Property.

14.6 Default in payment

If:

- (a) a cheque or similar instrument used to make a payment is dishonoured; or

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- (b) an electronic transfer to pay Application Money or application fee is not actually received by the Fund Manager;

the payment is taken never to have been made.

14.7 Issue of Units

A Unit is taken to be issued when the name of the person to whom it is issued is entered in the Register as the holder of the Unit.

15. TRANSFERRING UNITS

15.1 Beneficiaries may only transfer Units to members of the Cooperative

Subject to this Constitution, the Fund Manager may transfer a Unit only to a shareholder of the Cooperative, but does not have to, recognise a transfer of a Unit.

Without limiting this clause 15.1, the Fund Manager may refuse to recognise a transfer of Units if the result of the transfer would be that a Beneficiary would hold fewer than 10,000 Units.

The Fund Manager may vary this number by notice given to Beneficiaries. If it does, this clause 15. 1 then applies as so varied.

15.2 Recognition of transfers

The Fund Manager recognises a transfer of a Unit by entering the transferee's name in the Register as the holder of the Unit.

A transfer is not effective until so registered.

15.3 Procedure

The Fund Manager must not recognise a transfer of a Unit unless the transfer is in a form approved by the Fund Manager and is properly stamped.

15.4 Consideration for transfer — Fund Manager's obligation

The Fund Manager need not concern itself with the consideration for a transfer of a Unit unless:

- (a) if the Fund Manager or a Related Entity of the Fund Manager is the transferor — in which case the consideration for the transfer must be at least the Issue Price on the day of transfer:
- (b) if the Fund Manager or a Related Entity of the Fund Manager is the transferee — in which case the consideration for the transfer must be at least what someone else would have to pay to acquire the Unit.

16. TRANSMISSION OF UNITS

16.1 Transmission generally

Units are transmissible as follows:

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- (a) (death) on the death of a Beneficiary:
 - (i) if the Unit is held jointly with another person — to the other person; and
 - (ii) if the Unit is held jointly with 2 or more persons — to those persons jointly; and
 - (iii) otherwise — to the Beneficiary’s legal personal representative;
- (b) (bankruptcy etc) on a Beneficiary’s bankruptcy — to the assignee of its estate in bankruptcy;
- (c) (other operations of law) to a person entitled by other operation of law;
- (d) (guardianship etc) if a Beneficiary is made the subject of guardianship or administration order, or a similar order, under a law relating to the protection of the person or property of a person on the grounds of infirmity, age or disability — to the guardian, or other person who properly has the management of the Beneficiary’s estate under that law.

16.2 Transmtee entitled to Registration

Subject to the following provisions of this clause 16, a transmtee mentioned in clause 16. 1 is entitled to be registered as the holder of the Units concerned.

16.3 Ability to only nominate someone else who is member of the Cooperative

A person entitled to a Unit under clause 16. 1(a)(i), 16.1(b), or 16.1(d) may, by written notice to the Fund Manager, nominate another person as the person in whose name the Units are to be registered but only if the other person is a shareholder of the Cooperative. That person is then entitled to have the Units registered in their name.

16.4 Procedure for transmission

To be registered, the person must:

- (a) give the Fund Manager a written notice, in the form approved by the Fund Manager, of its entitlement; and
- (b) if entitled as the nominee of a transmtee — also give the Fund Manager a properly executed transfer from the nominator in a form the Fund Manager approves or accepts.

16.5 Entitlements on transmission

A person entitled to Units under this clause 16 is entitled to, and can give a proper discharge for, amounts payable to the holder of the Unit, but is not entitled to exercise any other right as a Beneficiary in respect of the Units until Registered as the holder of the Units.

17. FUND MANAGER’S FEES

The Fund Manager is to be paid fees and reimbursed for any fee, expense or cost paid or payable by the Fund Manager in regards of any Trust out of Trust Property as set out in Appendix C.

18. INDEMNITIES OUT OF TRUST PROPERTY, AND LIABILITIES

18.1 Fund Manager to be indemnified

The Fund Manager is to be indemnified out of a Trust Property for all the following Losses, liabilities and expenses:

- (a) those incurred in connection with acquiring, valuing, registering, transferring, exchanging, maintaining, improving and replacing Trust Property, holding Trust Property in custody, disposing of or otherwise dealing with Trust Property (for example, commission, bank charges and stamp duty);
- (b) those incurred in connection with investigating and inquiring into property proposed to be acquired for a Trust and its development;
- (c) those incurred in connection with the retirement or appointment of a Trust auditor;
- (d) those incurred in connection with Beneficiary meetings, including implementing resolutions resulting from such meetings;
- (e) reasonable fees and expenses of a Trust auditor;
- (l) expenses and liabilities arising in respect of Trust Property (for example, calls on shares);
- (g) expenses associated with the use of computers in respect of a Trust;
- (h) fees to agents, delegates, custodians, brokers, lawyers, bankers, accountants, valuers and other experts and persons appointed or engaged in relation to a Trust, including legal costs on a full indemnity basis;
- (i) all Taxes charged to or payable by the Fund Manager in connection with a Trust (but not income tax in respect of the Fund Manager's own income derived in respect of a Trust);
- (j) costs connected with making offers or invitations in respect of Units, including costs of preparing, lodging, registering, distributing, advertising and promoting Disclosure Statements or other disclosure documents and costs in relation to underwriting (including underwriting calls on partly paid Units);⁵
- (k) costs of preparing, printing and posting communications with and distributions to Beneficiaries;
- (l) expenses in connection with keeping the Register and accounting records;
- (m) costs in connection with the operation of the Compliance Plan and the Compliance Committee, so far as they relate to a Trust;
- (n) costs in connection with this Constitution, for example, drafting and stamping it, and lodging it and drafting, stamping and lodging amendments to it;
- (o) costs in connection with contracts and proposed contracts in relation to a Trust;
- (p) compliance costs for regulatory and legislative compliance in respect of a Trust, including Tax returns;
- (q) administration costs.

⁵ See clause 18.2.

18.2 Limits on certain costs

In respect of any financial year, the maximum total amount that the Fund Manager at its discretion is entitled to recover from a Trust in respect of the costs described in 18.1 (j) is 5% of the current value of a Trust. Upon expiry of the first Disclosure Statement for a Trust, reducing to 3% of the current value of the trust for any subsequent Disclosure Statements.

18.3 Fund Manager not liable for certain matters

Except as otherwise provided by law, the Fund Manager is not liable for the following Losses, liabilities and expenses:

- (a) those that arise because Trust Property that is sold or auctioned does not attract a particular price;
- (b) those caused by its relying on:
 - (i) the Register; or
 - (ii) information or a document given to it by its agent or adviser;unless it has reason to suspect that it is incorrect;
- (c) those caused by its relying on a document as authentic, unless it has reason to suspect that it is not authentic;
- (d) those caused by its relying on an opinion or information from an expert, unless it has reason to suspect that the expert does not have the appropriate expertise;
- (e) those caused by its relying on an opinion or information from a banker, a Trust's auditor;
- (f) those caused by its complying with a law or an order or direction of a court or government official;
- (g) something the operator of a securities title, transfer or holding system does or does not do.

18.4 Indemnity etc not limited

Clauses 18.1 and 18.32 are not limited by provisions in any other agreement between the Fund Manager (in whatever capacity) and a Beneficiary.

18.5 Compliance Committee Member liabilities and indemnity

A member of the Compliance Committee who incurs a loss, liability or expense in that capacity is to be indemnified for it:

- (a) out of a Trust Property; and
- (b) if there is not enough Trust Property at the relevant time to meet the obligation to indemnify the member — by the Fund Manager, which is itself entitled to be indemnified for the amount out of Trust Property.

18.6 Limitations on indemnity

- (a) Clause 18.1 does not apply to the Fund Manager in relation to, and does not indemnify the Fund Manager in relation to losses, liabilities and expenses unless they arise out of the proper performance of the person's duties as Fund Manager or are incurred in the proper performance of those duties.
- (b) Clause 18.1 does not apply to and clause 18.5 does not indemnify a person in relation to losses or liabilities and expenses that arise out of conduct involving a lack of good faith or willful misconduct.

19. VALUING TRUST PROPERTY

19.1 Valuation

The Fund Manager must before purchase determine the value of any property which is to become Trust Property.

The Fund Manager may determine the value of a Trust Property thereafter as frequently as it determines is appropriate.

The value of a Trust Property is to be what a qualified property valuer determines to be the market value of the property owned by a Trust and the value of all other assets as considered by the Fund Manager to be their market value.

20. RESERVES

The Fund Manager may establish reserves, as it thinks fit.

The Fund Manager may separate net realised and unrealised gains and losses of a Trust from other receipts, profits and gains of a Trust, and credit them to a reserve.

Reserves may be distributed to Beneficiaries in the same way as Distributable Amounts.

21. CURRENT TRUST VALUE AND UNIT VALUE

21.1 When the Current Trust Value is to be worked out

The Fund Manager is to work out the Current Trust Value whenever it is necessary to do so, but at least as at the end of each Financial Year.

It may do so more frequently.

21.2 Working out the Current Trust Value

The Current Trust Value as at a particular day is worked out using the formula:

value of all Trust Property at that day less a Trust Expenses at that day where:

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“value of all Trust Property” is worked out using the formula:

total of the values of all a Trust Property, as most recently determined before that day⁶
less
amount paid or to be paid out of a Trust Property in respect of Units redeemed on that day.

21.3 Effect of determination

The Fund Manager’s determination of a Current Trust Value binds all the Beneficiaries.

21.4 Working out the Current Unit Value

The Current Unit Value as at a particular day is worked out using the formula:

(Current Trust Value at that day ÷ Units in Issue on that day) less the Issue Provision.

22. PAYING TRUST EXPENSES

Trust Expenses for a Distribution Period are to be paid, first, out of the income of a Trust for that Distribution Period and then, if that is not enough, out of Trust Property.

23. DISTRIBUTIONS

23.1 Overview

This is an overview of the process for making distributions from a Trust.

- F(a) The Distribution Periods are established (see clause 23.2).
- (b) For each Distribution Period, the Fund Manager determines a Trust Income and a Trust Expenses (see clause 23.3).
- (c) Then, the Fund Manager works out the Distributable Income for the Distribution Period (see clause 23.5).
- (d) Then, the Fund Manager works out each Beneficiary’s Distribution Amount for the Distribution Period (see clause 23.6).
- (e) Then, the Fund Manager transfers all the Beneficiaries’ Distribution Amount for the Distribution Period to a Distribution Account (see clause 23.8).
- (f) Then, the Fund Manager makes distributions to Beneficiaries (see clause 23.10).

23.2 Distribution periods

The first distribution period starts on the receipt of first Beneficiary’s monies and ends on the last day of the period as nominated by the Fund Manager in the applicable Disclosure Statement.

Each later Distribution Period starts at the end of the Distribution Period before it and ends at the start of the next Distribution Period as nominated by the Fund Manager, except that the last Distribution Period ends when the Trust Property has all been distributed.

⁶ See clause 19.

23.3 Trust Income and Trust Expenses

For each Distribution Period the Fund Manager must determine what a Trust Income and Trust Expenses are.

23.4 Receipts held over

The Fund Manager may treat an item of income received or accrued during a Distribution Period as having accrued in the next Distribution Period, but only if it is not practical to deal with it for the first Distribution Period.

23.5 Distributable Income

The Distributable Income for a Distribution Period is worked out using the formula nominated by the Fund Manager in the Disclosure Statements.

23.6 Beneficiaries' Distribution Amounts

A Beneficiary's Distribution Amount for a Distribution Period is worked out using the formula nominated by the Fund Manager in the Disclosure Statement.

23.7 Capital distributions

The Fund Manager may distribute capital of a Trust to the Beneficiaries.

23.8 Distribution account

As soon as practicable after the end of a Distribution Period, the Fund Manager must transfer each Beneficiary's Distribution Amount for the Distribution Period to a separate Distribution Account.

When so transferred, these amounts are not part of a Trust.

23.9 Present entitlement

Subject to the terms of issue of any particular Unit, each person who is a Beneficiary on the last day of a Distribution Period is presently and irrevocably entitled, to its Beneficiary's Distribution Amount for that Distribution Period.

23.10 Obligation to distribute the distributable income

The Fund Manager must distribute their entitlements to the Beneficiaries who:

- (a) were Beneficiaries at any time during the Distribution Period; and
- (b) are Beneficiaries at the distribution date for the Distribution Period.

It must do so no later than 28 business days after the end of the Distribution Period.

The Fund Manager may deduct, before payment of a Beneficiary's Distribution Amount for a Distribution Period:

- (a) the amount of (or the amount it reasonably determines to be) Taxes, fees and charges

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- in respect of the Beneficiary accrued for the Distribution Period; and
- (b) any fees or other amounts payable by the Beneficiary to the Fund Manager.

23.11 Unreceived income

If an amount included in the Distributable Income for a Distribution Period is not actually received during that Distribution Period, the Fund Manager may set it off against the income for a later Distribution Period, and make appropriate adjustments to payments and entitlements.

23.12 Determination whether capital or income

The question whether an amount is capital or income is to be determined by a Trust's auditor acting as an expert, and not acting as an arbitrator. Its determination is binding and conclusive.

23.13 Distribution statements

The Fund Manager must send, or cause to be sent, a distribution for the periods as nominated in the Disclosure Statement to the Beneficiaries. It must do as soon as soon as practicable after the end of the nominated period.

24. WITHDRAWING FROM A TRUST

24.1 Rights to withdraw by redemption

A Beneficiary has a right to withdraw from a Trust by requiring the Fund Manager to redeem Units on the basis outlined in the Disclosure Statement for the applicable Series and or class of Units:

- (a) if a Trust is liquid — only in accordance with this Constitution; and
- (b) if a Trust is not liquid — only in accordance with this Constitution.

24.2 Other rights to withdraw

A Beneficiary has a right to withdraw from a Trust by transfer of some or all of their Units, subject to the other provisions of this Constitution.

24.3 Redemption while a Trust is liquid

The following provisions apply while a Trust is liquid.

- (a) **(redemption period)** Subject to this Constitution, the Fund Manager must satisfy a Redemption Application no later than 90 Business Days from the end of the month in which it receives a valid written notice to redeem subject to liquidity.
- (b) **(extension of period)** The Fund Manager may extend this period for up to a further 14 days if it considers that the Current Unit Value worked out within this period would not properly reflect the Current Unit Value because of:
- (i) a suspension of the normal operation of a market in which a Trust Property is invested (such as the ASX); or
- (ii) an expected revaluation of Trust Property that would result a substantial

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change in the Current Trust Value.

- (c) **(limits on rights to withdraw by redemption)** A Beneficiary does not have a right to withdraw from a Trust by requiring the Fund Manager to redeem Units from a Trust, and the Fund Manager is not to satisfy a Beneficiary's request to withdraw from a Trust by redeeming Units from a Trust:
- (i) after a meeting of Beneficiaries has been called to vote on the question whether to wind up a Trust and before the vote is concluded; and
 - (ii) after a Trust is terminated or while it is being wound up and
 - (iii) within the first 18 months of a Beneficiary being allocated Units.
- (d) **(requirement to redeem)** The Fund Manager must satisfy a Redemption Application unless, in the Fund Manager's reasonable opinion:
- (i) a Trust will not be liquid at the end of the redemption period;⁷ or
 - (ii) if the Application is for some of the Beneficiary's Units to be redeemed — after the proposed redemption, the Beneficiary will have fewer than 10,000 Units; or
 - (iii) the Fund Manager would be inadequately indemnified; or
 - (iv) the Fund Manager's liability would be limited to an extent less than permitted by this Constitution.
- (e) **(minimum holding requirements)** If clause 24.3(d)(ii) applies, the Fund Manager may treat the Redemption Application as a Redemption Application in respect of all the Beneficiary's Units.
- (f) **(procedure)** The procedure for redeeming Units is as follows:
- (i) the Beneficiary gives the Fund Manager a Redemption Application, in a form approved by or acceptable to the Fund Manager;
 - (ii) the Redemption Application cannot be withdrawn without the Fund Manager's agreement;
 - (iii) the Fund Manager determines to redeem the Units;
 - (iv) the Fund Manager may, in its absolute discretion, dispose of Trust Property to meet the Redemption Application;
 - (v) the Fund Manager works out the Redemption Amount for each Unit to be redeemed, as at the day before the payment is actually made, worked out using the formula:
Current Unit Value on the day immediately before the day the Unit is redeemed
less Redemption Provision;

⁷ See clause 24.1(a).

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- (vi) the Fund Manager pays the Beneficiary the Redemption Amount for each Unit redeemed; and
- (vii) the Fund Manager makes an appropriate entry in the Register cancelling the Units redeemed; this cancels the Units.

24.4 Varying minimum holding requirements

The Fund Manager may, by notice given to Beneficiaries, vary the number fixed by clause 24.3(d)(ii). If it does, this clause 24 thereafter applies as so varied.

24.5 Redemption while a Trust is illiquid

The following provisions apply while a Trust is not liquid.

- (a) **(Redemption Offers)** The Fund Manager may at any time offer Beneficiaries an opportunity to have all or some of the Beneficiaries' Units redeemed. However, the Fund Manager must not make a Redemption Offer:
 - (i) after a meeting of Beneficiaries has been called to vote on the question whether to wind up a Trust and before the vote is concluded; or
 - (ii) after a Trust is terminated or while it is being wound up; and
- (b) **(giving Redemption Offers to the Beneficiaries)** The procedure for making a Redemption Offer is the sending of a copy of the offer to each Beneficiary by the Fund Manager or, in the case of joint Beneficiaries, to any of them, but a Redemption Offer is not ineffective merely because a Beneficiary does not receive the notice.
- (c) **(contents of Redemption Offers)** To be valid, a Redemption Offer must:
 - (i) be in writing; and
 - (ii) specify a period of at least 21 days after the Offer is made during which it will remain open; and
 - (iii) identify the assets that will be used to satisfy Redemption Applications under the Offer; and
 - (iv) set out the Fund Manager's estimate of the amount of money expected to be available when those assets are converted to money; and
 - (v) make it clear that Redemption Applications under the Offer will be satisfied only to the extent that the identified assets are available and can be converted to money within 21 days after the period for making Redemption Applications closes;⁸ and
 - (vi) describe how Redemption Applications will be handled if there is not enough money available from those assets to satisfy them all; and
 - (vii) be accompanied by a Redemption Application form.

⁸ The minimum holding rules in clauses 24.3(d)(ii) and 24.4 do not apply if a Trust is illiquid.

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- (d) **(Cancelling Redemption Offers)** The Fund Manager may cancel a Redemption Offer at any time while it is still open and must do so if:
- (i) a meeting of Beneficiaries is called to vote on the question whether to wind up a Trust and before the vote is concluded; or
 - (ii) a Trust is terminated;⁹ or
 - (iii) a Trust is being wound up.¹⁰

The procedure for doing this is sending a copy of the notice to each Beneficiary to whom the Redemption Offer was sent or, in the case of joint Beneficiaries, to any of them, but the cancellation is not ineffective merely because a Beneficiary does not receive the relevant notice.

24.6 Beneficiary's powers after withdrawal request

A Beneficiary has no power to deal with Units that it has required the Fund Manager to redeem until the Fund Manager determines not to redeem the Units.

25. GOODS AND SERVICES TAX

25.1 Indemnities and reimbursement of expenses

If a payment to the Fund Manager under an indemnity or by way of reimbursement of expenses under this Constitution gives rise to a liability of the Fund Manager to pay GST, the indemnity extends to amount payable as GST, and the Fund Manager's entitlement to recover the expense extends to recovering the GST.

25.2 Costs on which GST payable

If the Fund Manager has a right to be indemnified for a cost on which it has to pay GST, the indemnity extends to the GST except to the extent to which the Fund Manager can get an input tax credit for the GST.

26. HOW THE FUND MANAGER DEALS WITH COMPLAINTS

26.1 How complaints are dealt with

This is how the Fund Manager is to deal with a complaint.

- (a) The Beneficiary gives the Fund Manager a written complaint — if the complaint is not written, the Fund Manager must tell the Beneficiary that it needs to be in writing before the Fund Manager can deal with it.
- (b) The Fund Manager sends the Beneficiary a written acknowledgment that it has got the complaint — this is to be done as soon as practicable but always within 14 days.
- (c) The Fund Manager appoints an officer of the Fund Manager to examine the complaint and try to reach agreement with the complainant on the matter.

⁹ See clauses 27.2 and 27.3.

¹⁰ See clause 28.

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- (d) If:
 - (i) no agreement with the complainant can be reached within 2 months after the complaint was made; and
 - (ii) the complaint alleges that the Fund Manager breached the Corporations Act or this Constitution;
 - (iii) the complaint is to be referred to the Compliance Committee.
- (e) The Compliance Committee then considers the complaint and makes a recommendation to the Fund Manager how to resolve it.
- (f) The recommendation must be made within 45 days after the complaint is referred to the Compliance Committee, but:
 - (i) the Compliance Committee can ask the Beneficiary for more information; and
 - (ii) if it does, the period from its request until the information is given to the Compliance Committee is not counted in the 45 days.
- (g) The Fund Manager considers the recommendation and decides whether to implement it. The decision is to be made within 2 calendar months after the Fund Manager gets the recommendation.
- (h) As soon as practicable after it makes a decision, the Fund Manager must give the Beneficiary written notice of:
 - (i) what the Compliance Committee recommended; and
 - (ii) what the Fund Manager's decision was; and
 - (iii) what remedies (if any) are available to the Beneficiary; and
 - (iv) what other avenues of complaint are available to the Beneficiary.

27. TERMINATION OF FUND AND TRUSTS

27.1 *Rule against perpetuities*

This Master Trust Deed terminates 80 years from the date of its creation unless sooner terminated when there are no Trusts in existence by agreement between the Fund Manager and the Appointor.

27.2 *Fund Manager may terminate a Trust*

The Fund Manager may fix a day (the "Last Day") as the day a Trust terminates. It must give notice to the Beneficiaries. The day cannot be earlier than 7 days after the notice is given. The Trust terminates on that day.

27.3 Beneficiaries may terminate a Trust

The Beneficiaries may, by special resolution, determine that a Trust is to terminate on a day specified in the resolution (also the "Last Day"). The day must be at least 1 month after the date of the resolution. The Trust terminates on that day.

27.4 Effect on other termination powers

This clause 27 does not limit the effect of a law about terminating a Trust.

28. WINDING UP A TRUST

28.1 Winding up

A Trust is to be wound up when it terminates. Prior to termination, an independent registered company auditor will audit the final accounts of a Trust for delivery to all current unitholders, detailing available Trust monies for distribution to the unitholders. Furthermore a Trust will be wound up if:

- (i) The holders of at least 75% of the units on issue so require, and if The Fund Manager is directed in writing;
- (ii) At any time after one year after the date of the Constitution, a Trust has fewer than 20,000 units on issue, and the Fund Manager determines to terminate a Trust.

28.2 Liquidation of Trust Property

The Fund Manager must liquidate all remaining Trust Property within 180 days after the Last Day, but may extend this period if it considers that it is in the interests of Beneficiaries to do so.

28.3 Disposition of Trust Property

After liquidating a Trust Property the Fund Manager must:

- (a) first, pay the expenses incurred by it in winding up a Trust;
- (b) next, pay outstanding fees, expenses and liabilities incurred in relation to a Trust;
- (c) next, pay any fixed entitlements of Beneficiaries in accordance with the terms of issue of their Units; and
- (d) next, distribute the balance of a Trust to the Beneficiaries and for this purpose, subject to the terms of the issue of Units, all Units rank equally.

28.4 Statement to Beneficiaries

The Fund Manager must, as soon as practicable after the final distribution, send a statement to each Beneficiary setting out the proceeds of liquidation, the expenses and how each Beneficiary's final distribution was worked out.

29. PAYMENT AND DISCHARGE

29.1 *How payments can be made*

The Fund Manager may pay money to a Beneficiary by any means it thinks fit. In particular, it may pay an amount by:

- (a) paying the amount into an account with a financial institution nominated by the Beneficiary, where the Fund Manager has not received a notice that the nomination is withdrawn; or
- (b) sending a crossed, not negotiable, cheque drawn in favour of the Beneficiary by post to the Beneficiary or, if there are joint Beneficiaries, to any of them.

29.2 *Discharge*

A discharge or release by a Beneficiary or, in the case of joint Beneficiaries, by any of them, to the Fund Manager is a good discharge for the liability concerned.

Payments in accordance with clause 29.1 are good discharges to the Fund Manager for its liability to the Beneficiary for the amount concerned.

A payment or distribution may only be made against delivery to the Fund Manager of a form of receipt and discharge it accepts (acting reasonably).

30. WAIVER OF RIGHTS

The Fund Manager can waive a right it has under this Constitution but only by giving a written notice to that effect.

That the Fund Manager does not exercise, or delays in exercising, a right or power does not mean that it has given it up or waived it or that it cannot exercise it, or other rights and powers, later.

That the Fund Manager exercises a right or power once or partly does not mean that it cannot exercise it again (partly or completely), or other rights or powers later.

31. THINGS TO BE DONE ON BUSINESS DAYS

If the day on or by which a person must do something under this contract is not a Business Day:

- (a) in the case of a payment due — the person must make the payment by the next Business Day;
- (b) in any other case — the person must do it by the previous Business Day.

32. NOTICES

32.1 *Application*

This clause 32 applies to serving a notice or document (called a "Notice") on a Beneficiary for the purposes of this Constitution, whether the expression "serve", "give", "send" or a similar expression is used.

32.2 Australia

For the purposes of this clause 32, Australia's external Territories are not within Australia.

32.3 How to serve

Subject to the rest of this clause 32, a Notice may be served on a Beneficiary in any of the following ways:

- (a) by giving it to the Beneficiary; or
- (b) in any of the following ways, in each case addressed as set out in clause 32.4:
 - (i) by leaving it at the Beneficiary's address;
 - (ii) by post, that is, by sending it by pre-paid post addressed to the Beneficiary at its address;
 - (iii) by fax, that is, by sending it by fax addressed to the Beneficiary at its fax number;
 - (iv) by email, that is, by sending it by email addressed to the Beneficiary at its email address;
- (c) in any other way the law provides for service on the Beneficiary.

A Notice may be served on the Fund Manager in the same way.

32.4 Fund Manager's and Beneficiaries' addresses etc

The Fund Manager's address details are its principal place of business as registered with ASIC and as advised to Beneficiaries. Correspondence is to be addressed to the Managing Director.

A Beneficiary's address details (including fax number and email address) are:

- (a) those shown in the Register as the Beneficiary's address details at the relevant time;
- (b) if the address shown in the Register as the Beneficiary's address is outside Australia — either that address or an address within Australia that the Beneficiary has notified the Fund Manager is to be used for service of Notices.

The Fund Manager may change any of its details by Notice to the Beneficiaries. If it does, this clause 32.4 thereafter takes effect with the change.

32.5 Sending Notices by post to overseas Beneficiaries

A Notice to be served by post on a Beneficiary to an address outside Australia must be sent by airmail.

32.6 When Notices sent by post received

A Notice served by post to an address in Australia, if not received earlier, is taken to be received after two (2) Business Days.

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If sent to an address outside Australia, it is taken to be received 3 Business Days later.

32.7 Service by fax

A Notice served by fax is taken to be received by the person to whom it is sent (whether it is in fact received or not) on the day of transmission, if a Business Day; otherwise, on the next Business Day.

It is not taken to be served unless a complete and correct transmission report is received.

32.8 Notices to joint Beneficiaries

Except as otherwise expressly provided in this Constitution, a Notice to 1 or more holders of a Unit is effectively given to all of them if given to any of them.

32.9 Notices when Beneficiary dies etc

A Notice served in accordance with clause 32.3, even if the Unit concerned is then subject to clause 15, is taken to be validly served on each person entitled to be registered in respect of the Unit and all persons who claim through such person.

32.10 Signature of Notice

The Fund Manager may sign a Notice in any way it determines.

32.11 Counting days

Where a specified period must elapse after giving a Notice before an action may be taken, neither the day the Notice is given nor the day the action is to be taken is counted in reckoning the period.

32.12 Certificate of Director or Secretary

A certificate signed by a Director or Secretary of the Fund Manager that the Fund Manager gave a Notice as set out in the certificate is admissible as evidence, and is conclusive evidence, that the Notice was so served.

32.13 Deemed service of Notices

If:

- (a) the Fund Manager, or an officer of the Fund Manager, believes on reasonable grounds that a Beneficiary is not at the Beneficiary's address; or
- (b) on 2 or more consecutive occasions a Notice served on the Beneficiary at that address is returned with an indication that the Beneficiary is not known there;

a Notice may be effectively served on the Beneficiary by exhibiting it at the Fund Manager's registered office for at least 48 hours.

However, this does not apply if, before the end of the 48 hours, the Beneficiary gives the Fund Manager Notice of a new address.

33. SEVERING PROVISIONS OF THIS CONSTITUTION

If a provision of this Constitution is or becomes invalid or unenforceable in a particular jurisdiction, it is to be read down (if possible) to be valid and enforceable.

If it cannot, this Constitution, so far as it can, takes effect as if it did not include the provision.

34. LAW AND JURISDICTION

This Constitution is governed by the law in force in Queensland.

In any matter arising under it, each party, and those who claim through them, submits to the non-exclusive jurisdiction of the courts exercising jurisdiction under that law and waives any right it might have to claim that those courts are an inconvenient forum.

EXECUTED as a Deed.

THE COMMON SEAL of Queensland Lifestyle Cooperative Limited QC0318, the fixing of which was witnessed by:



Signature of director – David Mitchell

Signature of director and secretary – Leonard O'Mara

THE COMMON SEAL of QLCL Member Development Fund Manager Pty Limited ACN 606 339 888, the fixing of which was witnessed by:



Signature of director – David Mitchell

Signature of director and secretary – Leonard O'Mara

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APPENDIX A - NOTICE OF CREATION OF TRUST

Under clause 4.2 of the Master Trust Deed of the QLCL Member Development Fund dated 10 June 2015 (as amended from time to time) establishing the QLCL Member Development Fund (the Master Trust Deed) the Fund Manager gives notice of the creation of a Trust under the Master Trust Deed to be known as the [QLCL Member Development Fund – No. ? Trust].

The [QLCL Member Development Fund – No. ? Trust] will be a Trust for the purposes of the Master Trust Deed.

This Notice of Creation of Trust is accompanied by \$10.00 from [] being the Settlor in accordance with clause 4.2 of the Master Trust Deed for the benefit of first beneficiary being the Queensland Lifestyle Cooperative Limited and the Settlor acknowledges and agrees that no monies or property including this settlement amount will ever be paid to the Settlor from this Trust.

QLCL Member Development Fund Manager Pty Limited agrees to act as the Fund Manager of the [QLCL Member Development Fund – No. ? Trust] in accordance with the terms of the Master Trust Deed and be bound by the Master Trust Deed as amended from time to time.

Terms defined in the Mater Trust Deed have the same meaning when used in this Notice of Creation of Trust.

Dated:

For and on behalf of [] (the Settlor)

For and on behalf of Queensland Lifestyle Cooperative Limited QC0318

Authorised Officer

For and on behalf of QLCL Member Development Fund Manager Pty Limited ACN 606 339 888

Authorised Officer

[] To be inserted by the Fund Manager.

APPENDIX B - BENEFICIARIES' MEETINGS

A.1 Interpretation

In this Appendix B:

"Meeting" means a meeting of Beneficiaries.

A.2 Period of notice for meetings

The period of notice for a Meeting is in accordance with the Corporations Act.

A.3 Proxies

An instrument appointing a proxy must be in a form approved by or satisfactory to the Fund Manager.

If an appointment of a proxy by an attorney is received by the Fund Manager, by fax, within 48 hours before the Beneficiaries meeting, the appointment is ineffective unless the appointor's authority to appoint is deposited with the Fund Manager no later than the time appointed for the Meeting.

A.4 Quorum for Beneficiaries meetings

The quorum for an Beneficiaries meeting is:

- (a) 5 Beneficiaries present in person or by proxy; or
- (b) Beneficiaries the total value of whose Units is at least 10% of the Current Trust Value (both values to be worked out as at the end of the day before the Meeting), present in person or by proxy;

except at an adjourned or resumed Meeting, where the quorum is the number of Beneficiaries present in person or by proxy at the time of the Meeting.

A.5 When a poll cannot be demanded

At a Meeting a poll cannot be demanded on a resolution about:

- (a) the election of a person to chair the Meeting; or
- (b) an adjournment of the Meeting.

A.6 How many Beneficiaries does it take to demand a poll?

A poll on a resolution may be demanded by:

- (a) 5 Beneficiaries present in person or by proxy and entitled to vote on the resolution; or
- (b) Beneficiaries present in person or by proxy with 5% of the votes that may be cast on the resolution.

A.7 Chairman

The Fund Manager shall appoint a person to chair Beneficiaries meetings.

The chairman has power to make a decision on a matter relating to the conduct of any meetings. Such decision is final.

A.8 Adjourning a meeting

The person chairing a Meeting may, with the consent of the Meeting, adjourn the Meeting from time to time and from place to place.

A.9 Resolutions binding

A resolution passed at a Meeting binds all Beneficiaries, whether or not they were present at the Meeting.

APPENDIX C - FEES

The Entry Fee, Issue Costs, Issue Provision and any other fees or costs payable or reimbursable to the Fund Manager or other parties are determined by the Fund Manager at its sole discretion and identified in the current Disclosure Statement or if no current Disclosure Statement then the latest Disclosure Statement previously current.

Fees are to be paid monthly on a pro-rata basis within 20 days of the end of each calendar month.