

Constitution

of

Racing Australia Limited

(ACN 105 994 330)

Formally Racing Information Services Australia Pty Ltd (RISA)

(ACN 105 994 330)

Adopted 20 May 2015

With effect upon finalisation of conversion
to a Public Company

(Effective date 18 September 2015)

Contents

1	Preliminary	1
1.1	Definitions and interpretation	1
1.2	Nature of the Company	1
1.3	Replaceable rules	1
1.4	Transitional	1
2	Company's objects	1
2.1	Primary object	1
3	Membership	2
3.1	Directors to be Members	2
3.2	Change in status and default	2
3.3	Register of Members	3
4	Shares	3
4.1	Issued share capital	3
4.2	Division of share capital	3
4.3	Excluded rights attaching to Shares	3
4.4	Dealing with Shares	3
4.5	No recognition of interests	3
4.6	Certificates	4
5	Calls, Company Payments, Forfeiture and Funds	4
5.1	No Unpaid Shares	4
5.2	No forfeiture	4
5.3	Contributions and amounts received by the Company	4
5.4	Grants, subventions and subsidies	4
6	Permitted Holders and Transfer of Shares	4
6.1	Permitted holders of Shares	4
6.2	Members can only hold certain Shares	4
6.3	Transfer upon office of director being vacated	4
6.4	Instrument of transfer	5
6.5	Refusal to register transfers	5
6.6	No registration fee	5
6.7	Suspension of transfers	6
7	Proceedings of Members	6
7.1	Written resolutions of Members	6
7.2	Who can call meetings of Members	6
7.3	How to call meetings of Members	6
7.4	Right to attend meetings	6
7.5	Meeting at more than one place	6
7.6	Quorum	7
7.7	Chairman	7
7.8	General conduct of meetings	8
7.9	Resolutions of Members	8
7.10	Polls	8
7.11	Adjourned, cancelled and postponed meetings	8
7.12	Number of votes	9
7.13	Proxies, attorneys and representatives	10
8	Directors	11

Constitution of Racing Australia Limited

8.1	Number of Directors	11
8.2	Appointment of Directors	11
8.3	Term of appointment	12
8.4	Appointment and Removal from office	12
8.5	Vacation of office	12
8.6	Alternate Directors	13
8.7	Remuneration of Directors	13
9	Officers	14
9.1	Chief executive officers	14
9.2	Secretary	14
9.3	Indemnity and insurance	14
10	Powers of the Company and Directors	15
10.1	General and Specific Powers	15
10.2	Committees and delegates	17
10.3	Rules and National Coordination Committee	17
10.4	Attorney or agent	18
11	Proceedings of Directors	19
11.1	Meetings of Directors	19
11.2	Who can call meetings of Directors	19
11.3	How to call meetings of Directors	19
11.4	Quorum	19
11.5	Chairman	20
11.6	Voting Rights	21
11.7	Resolution of Directors	22
12	Company not to pay Dividends	22
12.1	Company not to pay dividends	22
12.2	Income and property	22
12.3	Distribution of Surpluses	22
13	Notices	22
13.1	Notice to Directors	22
13.2	Notice to the Company	22
13.3	Time of service	22
13.4	Signatures	23
14	Winding up	23
14.1	No Distributions to Members	23
14.2	Party not compelled to accept liabilities	23
14.3	Winding Up Surplus	24
	Schedule 1 – Definitions and Interpretation	25
	Schedule 2 – Proportions for the Calculation of the Distribution of Surpluses and Surplus Property (on Winding Up)	28

1 Preliminary

1.1 Definitions and interpretation

Schedule 1 applies and forms part of this Constitution.

1.2 Nature of the Company

The Company is a public company limited by shares.

1.3 Replaceable rules

The replaceable rules in the Corporations Act apply to the Company provided that where any such replaceable rule is inconsistent with this Constitution, the Constitution shall prevail and the relevant replaceable rule shall, to the extent of the inconsistency, not apply to the Company.

1.4 Transitional

- (a) This Constitution supersedes the constitution in force immediately before its adoption. Everything done under any previous constitution of the Company continues to have the same operation and effect after the adoption of this Constitution as if properly done under this Constitution.
- (b) If the Company is converted from a proprietary company limited by shares to a public company limited by shares:
 - (i) Articles 1.2 and 10.1(a) shall be amended to reflect the conversion;
 - (ii) Article 6.5(b)(ii) shall be deleted; and
 - (iii) the name of the Company shall become 'Racing Australia Limited' and this Constitution shall be amended to reflect the change.

2 Company's objects

2.1 Primary object

The primary object for which the Company is established is for the encouragement and promotion of horse races, by, amongst other things:

- (a) establishing and conducting a national consolidated Racing Materials and information services business to service the Australian horse racing industry and other users of horse Racing Materials, including:
 - (i) developing a consolidated national uniform and standard system for the collection, processing, storage, dissemination and protection of Racing Materials;
 - (ii) establishing and maintaining participation in such a consolidated national uniform and standard Racing Materials system by the Principal Racing Authorities and all others integral to the successful conduct of such system; and
 - (iii) developing procedures to maximise the integrity, and minimise duplication and data cleansing costs, with respect to all Racing Materials collected, processed and disseminated in the conduct of such a system;
- (b) adopting, administering and altering the Australian Rules of Racing and the Rules of the Australian Stud Book;
- (c) ensuring the integrity of thoroughbred breeding in Australia including by maintaining the officially published records of thoroughbred bloodlines in Australia in the form of the Australian Stud Book contemplated by the Australian Rules of Racing;

Constitution of Racing Australia Limited

- (d) maintaining information regarding the ownership and identity of thoroughbred racehorses for racing in Australia and for export including by acting as the Registrar of Racehorses contemplated by the Australian Rules of Racing;
- (e) to conduct an efficient low-cost operation in respect of the activities referred to in Articles 2.1(a) to 2.1(d); and
- (f) the allocation of surplus funds by way of grants, subventions, subsidies or other financial assistance to the Principal Racing Authorities in accordance with the principles of allocation set out in this Constitution for the purposes of encouraging and promoting horse racing in each of the States and Territories of Australia under the control of the various Principal Racing Authorities.

3 Membership

3.1 Directors to be Members

- (a) No person other than a Director may be a Member.
- (b) Immediately upon ceasing to be a Director (**Outgoing Director**), an Outgoing Director must transfer each of his or her Shares to a replacement Director nominated by the Principal Racing Authority or, in the case of the CDT Director, the Principal Racing Authorities that appointed the Outgoing Director. If the Outgoing Director does not sign a transfer, the transfer will take effect in accordance with Article 6.3 as if the Outgoing Director were an Ex-Director.
- (c) Each Director will immediately upon becoming a Director (**New Director**) accept a transfer of each Share held by the Exiting Director from the Exiting Director, and the New Director in his or her capacity as the holder of those shares is a Member of the Company, and each Exiting Director will immediately upon and by virtue of him or her ceasing to be a Director, cease to be Member.
- (d) The entry in the Register of Directors kept by the Company of the name and address of a Director will be conclusive evidence that the Director is a Member and the entry in the Register of Directors of the fact of a person ceasing to be a Director will be conclusive evidence that the person has ceased to be a Member.
- (e) The provisions of this Article 3.1 will not apply to an Alternate Director acting in the capacity of Alternate Director.
- (f) For the purposes of this Article 3.1 only, the term "Director" does not include the Independent Director.

3.2 Change in status and default

In the event that a person ceases to be a Director by virtue of Article 8.5(f) or 8.5(g), then notwithstanding anything to the contrary in this Constitution:

- (a) if at that time, there is another body or entity which has succeeded the relevant Principal Racing Authority as both a party to the RISA Participation Agreement and as a principal racing authority recognised under the Australian Rules of Racing, (**Successor Body**), then the transfer of shares held by the Exiting Director shall be transferred pursuant to this Article 3 to a person nominated by the Successor Body in accordance with Article 8 and references to the relevant Principal Racing Authority in this Constitution shall be deemed references to the Successor Body; or

Constitution of Racing Australia Limited

- (b) if at that time there is no Successor Body, then:
 - (i) the Shares held by such Director shall be transferred to the other Directors as closely as possible in the proportion to the relative shareholdings of the remaining Directors (together with the attached rights);
 - (ii) the voting rights of the remaining Directors shall be adjusted as closely as possible to maintain the relative voting proportions of the remaining Directors; and
 - (iii) the Directors shall as soon as practical propose for approval by the Members such amendments to this Constitution as they consider necessary to reflect the above.

3.3 Register of Members

Where a person has become a Member in accordance with Article 3.1, his or her name and address will be entered in the Register of Members, and where a person has ceased to be a Member the fact of his or her ceasing to be a Member will be entered in the Register of Members.

4 Shares

4.1 Issued share capital

The Directors will ensure that at all times the Company has an issued share capital of the number of fully paid ordinary Shares determined in accordance with Article 4.2.

4.2 Division of share capital

The issued share capital of the Company is 200 fully paid ordinary Shares, each fully paid to \$1.00, comprising:

- (a) 70 ordinary Shares which will be held from time to time by the RVL Director;
- (b) 70 ordinary Shares to be held from time to time by the RNSW Director;
- (c) 36 ordinary Shares to be held from time to time by the RQ Director;
- (d) 9 ordinary Shares to be held from time to time by the RWWA Director;
- (e) 9 ordinary Shares to be held from time to time by the TRSA Director; and
- (f) 6 ordinary Shares to be held from time to time by the CDT Director.

4.3 Excluded rights attaching to Shares

No Shares will entitle the holder to:

- (a) any dividend or other distribution of profits of the Company; or
- (b) participate in any distribution of the assets of the Company upon winding up in excess of the amount paid on the Shares.

4.4 Dealing with Shares

Except as permitted by this Constitution, a Member must not transfer, grant or create any interest, Encumbrance or right in respect of the whole of or any part of their Shares.

4.5 No recognition of interests

Except as required by law or this Constitution, the Company is not required to recognise any interest in, or right in respect of, a Share except an absolute right of legal ownership of the Member registered as the holder of that Share.

4.6 Certificates

- (a) The Company must issue to each Member, free of charge and in accordance with the Corporations Act, one certificate in respect of each class of Shares registered in the Member's name.
- (b) Subject to the Corporations Act, the Company must issue a replacement certificate for a Share if:
 - (i) the Company receives and cancels the existing certificate; or
 - (ii) the Company is satisfied that the existing certificate is lost or destroyed, and the Member complies with all conditions set out in the Corporations Act and pays any fee as the Directors resolve.

5 Calls, Company Payments, Forfeiture and Funds

5.1 No Unpaid Shares

The Company may only issue fully paid ordinary Shares.

5.2 No forfeiture

The Company may not forfeit a Share of a Member.

5.3 Contributions and amounts received by the Company

All money and property received by the Company, whether by way of contributions, levies, subscriptions, or charges pursuant to the RISA Participation Agreement or otherwise shall be received, dealt with and applied by the Company solely in accordance with the objects of the Company and the terms of this Constitution.

5.4 Grants, subventions and subsidies

In furtherance of its objects, the Company may, out of any surplus funds available to the Company from time to time, make such grants, or provide such subventions, subsidies, or other financial assistance to the Principal Racing Authorities as the Company may from time to time determine, provided that all such grants, subventions, subsidies or other financial assistance shall be provided in accordance with the principles of allocation set out in this Constitution.

6 Permitted Holders and Transfer of Shares

6.1 Permitted holders of Shares

The legal or beneficial interest in a Share or Shares must not be held by any person or persons other than a Director. Any purported issue or transfer of a Share or Shares to a person who is not a Director will be void as against the Company and will not be registrable.

6.2 Members can only hold certain Shares

A Director may only hold the number and class of Shares set out in Article 4.2.

6.3 Transfer upon office of director being vacated

- (a) Each Director appoints the other Directors from time to time, jointly, with effect immediately upon the Director ceasing to hold office as a Director in accordance with this Constitution (the **Ex-Director**) as his or her attorney and agent with right of delegation and full power to execute, deliver and complete in the name and on behalf of the Director a transfer of each Share held by him or her in favour of the replacement Director appointed in accordance with the provisions of Article 8.2 or 8.4, or another Director in

Constitution of Racing Australia Limited

accordance with Article 3.2, and upon an instrument of transfer in compliance with this Constitution being executed and delivered, the Directors must enter the name of the transferee in the Register of Members as the holder of the Shares.

- (b) If requested to do so, a Director must execute an enduring power of attorney in a form approved by the Directors to give further effect to the appointment in Article 6.3(a).
- (c) If a Director dies, his or her personal representative shall not be entitled to become registered as the holder of the Director's Shares unless the personal representative has executed an instrument of transfer of the Shares in favour of the replacement Director appointed in accordance with the provisions of Article 8.2 or 8.4, or another Director in accordance with Article 3.2.

6.4 Instrument of transfer

An instrument of transfer of a Share referred to in Article 6.1 must be:

- (a) in writing;
- (b) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
- (c) executed by or on behalf of the transferor, and if required by the Company, the transferee;
- (d) stamped, if required by a law about stamp duty; and
- (e) delivered to the Company, at the place where the Register is kept, together with the certificate (if any) of the Share to be transferred.

6.5 Refusal to register transfers

- (a) The Company may refuse to register a transfer of Shares if:
 - (i) Article 6.4 is not complied with;
 - (ii) the Shares are not fully paid; or
 - (iii) registration of the transfer may contravene a law or court order which applies to any of the Shares or the person transferring the Shares.
- (b) The Company must refuse to register a transfer of Shares:
 - (i) where the Corporations Act or a law about stamp duty requires the Company to do so; or
 - (ii) if upon registration of the transfer the number of Members would exceed any maximum specified by the Corporations Act for a proprietary company.
- (c) The Company must give notice in writing of any refusal to register a transfer of Shares to the person transferring those shares within 2 months after the date on which the transfer was lodged with the Company.
- (d) Failure by the Company to give notice under Article 6.5(c) does not invalidate the refusal to register the transfer.
- (e) The powers of the Company under Article 6.5(a) may only be exercised by the Directors.

6.6 No registration fee

The Company must not charge a fee to register a transfer of a Share in compliance with this Constitution.

6.7 Suspension of transfers

The Company may not suspend registration of transfers of Shares except where the proposed transfer is not in accordance with this Constitution.

7 Proceedings of Members

7.1 Written resolutions of Members

The Company may pass a resolution without a meeting of the Members in accordance with the Corporations Act.

7.2 Who can call meetings of Members

- (a) Subject to the Corporations Act, any 2 Directors may call a meeting of Members at a time and place as those Directors resolve.
- (b) The Directors must call and arrange to hold a general meeting of the Company on the request of Members made in accordance with the Corporations Act.
- (c) The Members may call and arrange to hold a general meeting of the Company as provided by the Corporations Act.

7.3 How to call meetings of Members

- (a) The Company must give not less than Prescribed Notice of a meeting of Members.
- (b) Notice of a meeting of Members must be given to each Member, each Director, each Alternate Director and any auditor of the Company.
- (c) Subject to Article 7.11(f), a notice of a meeting of Members must:
 - (i) set out the place, date and time for the meeting (and if the meeting is to be held in 2 or more places, the technology that will be used to facilitate this);
 - (ii) state the general nature of the business of the meeting; and
 - (iii) set out or include any other information or documents specified by the Corporations Act.
- (d) A person may waive notice of any meeting of Members by notice in writing to the Company to that effect.
- (e) Subject to the Corporations Act, anything done (including the passing of a resolution) at a meeting of Members is not invalid because either or both a person does not receive notice of the meeting or the Company accidentally does not give notice of the meeting to a person.

7.4 Right to attend meetings

- (a) Each Member and any auditor of the Company is entitled to attend any meetings of Members.
- (b) Subject to this Constitution, each Director is entitled to attend and speak at all meetings of Members.

7.5 Meeting at more than one place

- (a) A meeting of Members may be held in 2 or more places linked together by any technology that:
 - (i) gives the Members as a whole in those places a reasonable opportunity to participate in proceedings;

Constitution of Racing Australia Limited

- (ii) enables the chairman to be aware of proceedings in each place; and
 - (iii) enables the Members in each place to vote on a show of hands and on a poll.
- (b) If a meeting of Members is held in 2 or more places under Article 7.5(a):
 - (i) a Member present at one of the places is taken to be present at the meeting; and
 - (ii) the chairman of that meeting may determine at which place the meeting is taken to have been held.

7.6 Quorum

- (a) A quorum for a meeting of Members is at least 4 Members who between them hold at least 75% of the total number of votes that may be cast on a poll by Members entitled to vote at that meeting.
- (b) In determining whether a quorum for a meeting of Members is present where more than one proxy, attorney or representative of a Member is present, only one of those persons is counted.
- (c) A quorum for a meeting of Members must be present at all times during the meeting.
- (d) If a quorum is not present within 30 minutes after the time appointed for a meeting of Members:
 - (i) if the meeting was called under Article 7.2(b) or 7.2(c), the meeting is dissolved; and
 - (ii) any other meeting is adjourned to the date, time and place as the Directors may by notice to the Members appoint, or failing any appointment, to the same day in the next week at the same time and place as the meeting adjourned.
- (e) If a quorum is not present within 30 minutes after the time appointed for an adjourned meeting of Members, the meeting is dissolved.

7.7 Chairman

- (a) The Chairman must (if present within 15 minutes after the time appointed for the holding of the meeting and willing to act) chair each meeting of Members.
- (b) If at a meeting of Members:
 - (i) there is no Chairman;
 - (ii) the Chairman is not present within 15 minutes after the time appointed for the holding of a meeting of Members; or
 - (iii) the Chairman is present within that time but is not willing to chair all or part of that meeting,the Deputy Chairman will chair all or part of the meeting of Members.
- (c) If at a meeting of Members:
 - (i) there is no Chairman or Deputy Chairman;
 - (ii) the Chairman and Deputy Chairman are not present within 15 minutes after the time appointed for the holding of a meeting of Members; or
 - (iii) one of both of the Chairman and Deputy Chairman are present within that time but are not willing to chair all or part of that meeting,the Directors present may, by majority vote, elect a person present to chair all or part of the meeting of Members.

- (d) Subject to Article 7.7(a), if at a meeting of Members:
 - (i) a chairman of that meeting has not been elected by the Directors under Article 7.7(b), 7.7 (c) ; or
 - (ii) the chairman elected by the Directors is not willing to chair all or part of a meeting of Members,the Members present must elect another person present and willing to act to chair all or part of that meeting.

7.8 General conduct of meetings

- (a) Subject to the Corporations Act, the chairman of a meeting of Members is responsible for the general conduct of that meeting and for the procedures to be adopted at that meeting.
- (b) The chairman of a meeting of Members may delegate any power conferred by this Article to any person.
- (c) The powers conferred on the chairman of a meeting of Members under this Article 7.8 do not limit the powers conferred by law.

7.9 Resolutions of Members

- (a) A resolution at any meeting of Members and any resolution of Members is passed if and only if it is passed by an affirmative vote of at least 75% of the votes cast by Members entitled to vote on the resolution.
- (b) Unless a poll is requested in accordance with Article 7.10, a resolution put to the vote at a meeting of Members will be decided on a show of hands.

7.10 Polls

- (a) A poll may be demanded on any resolution at a meeting of Members.
- (b) A poll on a resolution at a meeting of Members may be demanded by:
 - (i) 1 or more Members present and entitled to vote on that resolution; or
 - (ii) the chairman of that meeting.
- (c) A poll on a resolution at a meeting of Members may be demanded:
 - (i) before a vote on that resolution is taken; or
 - (ii) before or immediately after the results of the vote on that resolution on a show of hands are declared.
- (d) A demand for a poll may be withdrawn.
- (e) The result of a poll demanded on a resolution of a meeting of Members is a resolution of that meeting.
- (f) A demand for a poll on a resolution of a meeting of Members does not prevent the continuance of that meeting or that meeting dealing with any other business.

7.11 Adjourned, cancelled and postponed meetings

- (a) Subject to the Corporations Act, the chairman:
 - (i) may adjourn a meeting of Members to any day, time and place; and
 - (ii) must adjourn a meeting of Members if the Members present with a majority of votes that may be cast at that meeting agree or direct the chairman to do so. The chairman may adjourn that meeting to any day, time and place.

Constitution of Racing Australia Limited

- (b) No person other than the chairman of a meeting of Members may adjourn that meeting.
- (c) Subject to the Corporations Act and this Article 7.11, the Directors may at any time postpone or cancel a meeting of Members by giving notice not less than 5 Business Days before the time at which the meeting was to be held to each person who is, at the date of the notice:
 - (i) a Member;
 - (ii) a Director or Alternate Director; or
 - (iii) an auditor of the Company.
- (d) A general meeting called under Article 7.2(b) must not be cancelled by the Directors without the consent of the Members who requested the meeting.
- (e) A general meeting called under Article 7.2(c) must not be cancelled or postponed by the Directors without the consent of the Members who called the meeting.
- (f) A notice under Article 7.11(c) of a meeting of Members resumed from an adjourned meeting and a notice postponing a meeting of Members must set out the place, date and time for the revised meeting (and if the revised meeting is to be held in 2 or more places, the technology that will be used to facilitate this).

7.12 Number of votes

- (a) Subject to this Constitution and any rights or restriction attached to a class of Shares, on a show of hands at a meeting of Members, every Member present has one vote.
- (b) Subject to this Constitution and any rights or restrictions attached to a class of Shares, on a poll at a meeting of Members, every Member present has:
 - (i) one vote for each fully paid up Share (whether the issue price of the Share was paid up or credited or both) that the Member holds; and
 - (ii) a fraction of one vote for each partly paid up Share that the Member holds. The fraction is equal to the proportion which the amount paid up or credited on that Share (excluding any amounts paid up in advance of the applicable due date for payment), is to the total amounts paid up and payable (including amounts credited) on that Share.
- (c) If the total number of votes to which a Member is entitled on a poll does not constitute a whole number, the Company must disregard the fractional part of that total.
- (d) In the case of an equality of votes on a resolution at a meeting of Members, the chairman of that meeting does not have a casting vote on that resolution either on a show of hands or on a poll.
- (e) Subject to this Constitution, a person may vote in respect of a Share at a meeting of Members if the person is entitled to be registered as the holder of that Share because of a Transmission Event. In that event, the Member of that Share must not vote.
- (f) A Member present at a meeting of Members is not entitled to vote on a resolution at that meeting where that vote is prohibited by the Corporations Act or an order of a court of competent jurisdiction.
- (g) The Company must disregard any vote on a resolution purported to be cast by a Member present at a meeting of Members where that person is not entitled to vote on that resolution.

- (h) The authority of a proxy or attorney for a Member to speak or vote at a meeting of Members in respect of the Shares to which the authority relates is suspended while the Member is present in person at that meeting.

7.13 Proxies, attorneys and representatives

- (a) A Member may appoint a proxy, attorney or representative for:
 - (i) all or any number of meetings of Members; or
 - (ii) a particular meeting of Members.
- (b) A Member may not appoint the chairman as a proxy, attorney or representative nor any other person if that person is a Member or a proxy, attorney or representative of another Member.
- (c) An instrument appointing a proxy is valid if it is signed by the Member making the appointment and contains:
 - (i) the name and address of that Member;
 - (ii) the name of the Company;
 - (iii) the name of the proxy or the name of the office of the proxy; and
 - (iv) the meetings of Members at which the proxy may be used.
- (d) The chairman of a meeting of Members may determine that an instrument appointing a proxy is valid even if it contains only some of the information specified in Article 7.13(c).
- (e) An instrument appointing an attorney or representative must be in a form as the Directors may prescribe or the chairman of a meeting of Members may accept.
- (f) Subject to the Corporations Act, the decision of the chairman of a meeting of Members as to the validity of an instrument appointing a proxy, attorney or representative is final and conclusive.
- (g) Unless otherwise provided in the Corporations Act or in the instrument appointing a proxy or attorney, a proxy or attorney may:
 - (i) agree to a meeting of Members being called by shorter notice than is required by the Corporations Act or this Constitution;
 - (ii) agree to a resolution being either or both proposed and passed at a meeting of Members of which notice of less than 21 days is given;
 - (iii) speak on any resolution at a meeting of Members on which the proxy or attorney may vote;
 - (iv) vote at a meeting of Members (but only to the extent allowed by the appointment);
 - (v) demand or join in demanding a poll on any resolution at a meeting of Members on which the proxy or attorney may vote; and
 - (vi) attend and vote at any meeting of Members which is rescheduled or adjourned.
- (h) Unless otherwise provided in the Corporations Act or in the instrument appointing a proxy or attorney, a proxy or attorney may vote on:
 - (i) any amendment to a resolution on which the proxy or attorney may vote;
 - (ii) any motion not to put that resolution or any similar motion; and

Constitution of Racing Australia Limited

- (iii) any procedural motion relating to that resolution, including a motion to elect the chairman of a meeting of Members, vacate the chair or adjourn that meeting, even if the appointment directs the proxy or attorney how to vote on that resolution.
- (i) If the name of the proxy or the name of the office of the proxy in a proxy form of a Member is not filled in, the proxy of that Member is:
 - (i) the person specified by the Company in the form of proxy in the case the Member does not choose; or
 - (ii) if no person is so specified, the chairman of that meeting.
- (j) Member may specify the manner in which a proxy or attorney is to vote on a particular resolution at a meeting of Members.
- (k) The appointment of a proxy or attorney by a Member may specify the proportion or number of the Member's votes that the proxy or attorney may exercise.
- (l) If the Company has received notice in writing of the matter not less than 1 hour before the time scheduled for the commencement of a meeting of Members, a vote cast at that meeting by a person appointed by a Member as a proxy, attorney or representative is, subject to this Constitution, not valid if, before the person votes:
 - (i) there is a Transmission Event in respect of that Member;
 - (ii) that Member revokes the appointment of that person;
 - (iii) that Member revokes the authority under which the person was appointed by a third party; or
 - (iv) that Member transfers the Shares in respect of which the appointment is made.

8 Directors

8.1 Number of Directors

- (a) The number of Directors will be the number of Directors entitled to be appointed under Article 8.2(a).
- (b) If the number of Directors is less than 4, the Directors must not act except to fulfil administrative functions, in emergencies or to call and arrange to hold a meeting of Members.

8.2 Appointment of Directors

- (a) Subject to Article 8.1, the Directors will be as follows:
 - (i) 1 Director nominated by RVL from time to time;
 - (ii) 1 Director nominated by RNSW from time to time;
 - (iii) 1 Director nominated by RQ from time to time;
 - (iv) 1 Director nominated by RWWA from time to time;
 - (v) 1 Director nominated by TRSA from time to time;
 - (vi) 1 Director jointly nominated by CRC, TRNT and TR from time to time;
 - (vii) 1 Director, or such higher number as the Members may approve, appointed by resolution of the Directors from time to time (at their discretion),in each case, in accordance with Article 8.4(c).

- (b) Without limiting and in addition to obligations under the Corporations Act, each Director must, in his or her capacity as a director of the Company, act in the best interests of the Company as a whole.

8.3 Term of appointment

Subject to Articles 3, 8.4 and 8.5:

- (a) the Chairman is appointed for a term of 2 years, after which the Chairman is eligible for re-appointment;
- (b) the Deputy Chairman is appointed for a term of 2 years, after which the Deputy Chairman is eligible for re-appointment; and
- (c) each other Director is appointed for a term of 2 years, after which the Director is eligible for re-nomination or re-appointment (as applicable).

8.4 Appointment and Removal from office

- (a) At any time by notice in writing to the Company:
 - (i) RVL may revoke its nomination of the RVL Director;
 - (ii) RNSW may revoke its nomination of the RNSW Director;
 - (iii) RQ may revoke its nomination of the RQ Director;
 - (iv) RWWA may revoke its nomination of the RWWA Director;
 - (v) TRSA may revoke its nomination of the TRSA Director;
 - (vi) CRC, TRNT and TR, acting jointly, may revoke their nomination of the CDT Director,and in each case nominate a replacement Director.
- (b) A notice issued pursuant to Article 8.4(a) shall:
 - (i) specify the details of the Director in respect of whom the nomination is revoked, and accordingly to be removed;
 - (ii) specify the details of the replacement Director nominated and accordingly to be appointed pursuant to Article 8.2;
 - (iii) attach a consent to act as Director executed by the replacement Director.
- (c) The appointment or removal of a Director consequent upon the operation of Articles 3.2, 8.2 or 8.4 respectively, shall be deemed effected immediately upon receipt by the Company at its registered office of a written instrument nominating the appointment and/or revoking the nomination for appointment signed by the relevant nominating party.
- (d) A Director may not be removed except in accordance with this Article 8.4.

8.5 Vacation of office

A Director ceases to be a Director if:

- (a) the Director becomes of unsound mind or a person whose property is liable to be dealt with under a law about mental health;
- (b) the Director is absent without the consent of the Directors from all meetings of the Directors held during a period of 6 months;
- (c) the Director resigns or is removed under this Constitution;

Constitution of Racing Australia Limited

- (d) the Director becomes the subject of a "disqualification" or "warning-off" or his or her name is entered into a forfeit list under or pursuant to the Australian Rules of Racing;
- (e) the Director becomes an insolvent under administration;
- (f) the Principal Racing Authority which nominated such Director ceases for whatever reason to be a principal racing authority recognised as such under the Australian Rules of Racing;
- (g) the RISA Participation Agreement is terminated as between RISA and the Principal Racing Authority which nominated such Director; or
- (h) the Corporations Act so provides.

8.6 Alternate Directors

- (a) A Director may appoint a person as an alternate director of that Director for any period.
- (b) A Director may not appoint a person as Alternate Director if that person is concurrently a Director or an Alternate Director of another Director.
- (c) An Alternate Director need not be a Member.
- (d) The appointing Director may terminate the appointment of his or her Alternate Director at any time.
- (e) A notice of appointment, or termination of appointment, of an Alternate Director is effective only if:
 - (i) the notice is in writing;
 - (ii) the notice is signed by the Director who appointed that Alternate Director;
 - (iii) in the case of an appointment, it is accompanied by a consent to act as Alternate Director executed by the proposed Alternate Director; and
 - (iv) the Company is given a copy of the notice.
- (f) Subject to this Constitution, an Alternate Director may:
 - (i) attend, count in the quorum of, speak at, and vote at a meeting of Directors in place of his or her appointing Director if that Director is not present at a meeting; and
 - (ii) exercise any other powers (except the power under Article 8.6(a)) that his or her appointing Director may exercise.
- (g) An Alternate Director cannot exercise any powers of his or her appointing Director if that appointing Director ceases to be a Director.
- (h) A person does not cease to be a Director under Article 8.6(g) if that person retires as a Director at a meeting of Members and is re-elected as a Director at that meeting.
- (i) Subject to Article 8.7(c), the Company is not required to pay any remuneration to an Alternate Director.
- (j) An Alternate Director is an officer of the Company and not an agent of his or her appointing Director.

8.7 Remuneration of Directors

- (a) The Company may pay to the Independent Directors a maximum remuneration for services rendered by way of a director's fee, determined by the Company in general meeting, or until so determined, as the Directors resolve.

Constitution of Racing Australia Limited

- (b) Subject to Article 8.7(a), the Company may not pay to any other Director, any fees or other remuneration.
- (c) The Principal Racing Authority that nominated a Director in accordance with Article 8.2(a) must pay all reasonable travelling, accommodation and other expenses that that Director (or any Alternate Director appointed by that Director) properly incurs:
 - (i) in attending meetings of Directors or any meetings of committees of Directors;
 - (ii) in attending any meetings of Members; and
 - (iii) in connection with the business of the Company.
- (d) Subject to the Corporations Act, the Company may give, or agree to give, a person a benefit in connection with that person's, or someone else's, retirement as an Independent Director or from a managerial office in the Company or a related body corporate of the Company.

9 Officers

9.1 Chief executive officers

- (a) The Directors may delegate any of their powers (including the power to delegate) to a chief executive officer of the Company or a division of the Company.
- (b) The Directors may revoke or vary:
 - (i) the appointment of a chief executive officer; or
 - (ii) any power delegated to a chief executive officer.
- (c) A chief executive officer must exercise the powers delegated to him or her in accordance with any directions of the Directors.
- (d) The exercise of a delegated power by a chief executive officer is as effective as if the Directors exercised the power.

9.2 Secretary

- (a) Subject to any agreement between the Company and a Secretary, the Directors may remove or dismiss a Secretary at any time, with or without cause.
- (b) The Directors may revoke or vary the appointment of a Secretary.

9.3 Indemnity and insurance

- (a) To the extent permitted by law, the Company must indemnify each Relevant Officer against:
 - (i) a Liability of that person; and
 - (ii) Legal Costs of that person.
- (b) To the extent permitted by law, the Company may make a payment (whether by way of advance, loan or otherwise) to a Relevant Officer in respect of Legal Costs of that person.
- (c) To the extent permitted by law, the Company may pay, or agree to pay, a premium for a contract insuring a Relevant Officer against:
 - (i) a Liability of that person; and
 - (ii) Legal Costs of that person.
- (d) To the extent permitted by law, the Company may enter into an agreement or deed with:
 - (i) a Relevant Officer; or

Constitution of Racing Australia Limited

- (ii) if the Directors consider it appropriate, a person who is, or has been an employee of the Company or a director, secretary or employee of a subsidiary of the Company,

under which the Company must do all or any of the following:

- (iii) keep books of the Company and allow either or both that person and that person's advisers access to those books on the terms agreed;
- (iv) indemnify that person against any Liability of that person;
- (v) make a payment (whether by way of advance, loan or otherwise) to that person in respect of Legal Costs of that person; and
- (vi) keep that person insured in respect of any act or omission by that person while a Relevant Officer or an officer of the Company or a subsidiary of the Company, on the terms agreed (including as to payment of all or part of the premium for the contract of insurance).

10 Powers of the Company and Directors

10.1 General and Specific Powers

- (a) Subject to this Constitution, the Company may exercise in any manner permitted by the Corporations Act any power which a proprietary company limited by shares may exercise under the Corporations Act.
- (b) The business of the Company is managed by or under the direction of the Directors.
- (c) The Directors may exercise all the powers of the Company except any powers that the Corporations Act or this Constitution requires the Company to exercise in general meeting.
- (d) Without limitation to Article 10.1(e) or to matters which require the approval of Directors (whether that requirement arises under this Constitution or otherwise), the following matters require a resolution of Directors and must not be acted upon by any Director or officer of the Company, unless a resolution in respect of the relevant matter has been passed by the Directors namely:
 - (i) **(Rule changes)**: rescission, alteration or addition to the Australian Rules of Racing or the Rules of the Australian Stud Book;
 - (ii) **(Business plan and budget)**: approval of the annual business plan and budget and any material departure from or variation to the annual business plan and budget;
 - (iii) **(Capital and operating expenditure)**: any expenditure by the Company or agreement by the Company to expend amounts whether on capital or expense items or a series of related or interconnected or operationally inter-dependant items, or any agreement by the Company to incur any liability, contingent or otherwise, which is not provided for in the business plan and budget for that financial year or provided for by a chief executive officer's delegated authority;
 - (iv) **(Material change of business)**: the establishment by the Company of any new or substitute business or any material alteration in the nature, scale or direction of the business other than as approved in the business plan and budget;
 - (v) **(Disposal of assets)**: other than for full value and in the ordinary course of business, the disposal of any asset of the Company having a book or market value (whichever is the greater) in excess of \$50,000 but not greater than

\$200,000 (when aggregated with all other disposals in a financial year) and which is not provided for in the business plan and budget for that financial year;

- (vi) **(Borrowings)**: any borrowings or financial accommodation (in whatever form, including finance leases) of the Company and which are not provided for in the business plan and budget for that financial year;
- (vii) **(Senior executives)**: the appointment of a person as a senior executive of the Company;
- (viii) **(Board delegation)**: the creation of any committee of the board of Directors or the delegation of any powers of the board of Directors to any person;
- (ix) **(Related party arrangements)**: except as specifically contemplated by this Constitution or the RISA Participation Agreement, the entering into of any agreement or arrangements between the Company and any Directors or Members or their related bodies corporate or associates of any such entity or any third party not at arm's length with any of them or any amendment of any such agreement or arrangement.

The fact that a matter is not set out in this Article 10.1(d) does not mean or imply that the matter does not require the approval of Directors or that the matter can be acted upon by any Director or officer of the Company without obtaining the approval of the Directors.

- (e) Without limitation to Article 10.1(d), the following matters require a resolution of Members in accordance with Article 7.9 and must not be acted upon by any Director or officer of the Company unless a resolution in respect of the relevant matter has been passed by Members in accordance with Article 7.9 namely:
 - (i) **(Material change in shareholder rights)**: any proposed change in the rights of a Member under the Constitution;
 - (ii) **(Winding-up)**: any proposal to cease to carry on the business or a substantial part of the business of the Company or to wind-up or dissolve the Company or to take advantage of any law providing for the relief of debtors in adverse financial circumstances;
 - (iii) **(RISA Participation Agreement)**: the amendment or termination of the RISA Participation Agreement;
 - (iv) **(Disposal of assets)**: other than for full value and in the ordinary course of business, the disposal of any asset of the Company having a book or market value (whichever is the greater) in excess of \$200,000 (when aggregated with all other disposals in a financial year) and which is not provided for in the business plan and budget for that financial year;
 - (v) **(Share capital)**: the allotment of unissued Shares or rights or options to or in respect of Shares, or the variation of any rights attaching to issued or unissued Shares, except as contemplated by this Constitution;
 - (vi) **(Capital structure)**: any variation to the share capital of the Company including by way of a buy back, a capital reduction, the conversion of shares of one class into shares of another class, or the conversion of shares into a larger or smaller number of shares;
 - (vii) **(Auditors)**: the appointment or removal of a person as the auditor of the Company;

Constitution of Racing Australia Limited

- (viii) **(Encumbrances and guarantees)**: the grant of any encumbrance over any assets of the Company or the giving of a guarantee by the Company other than in the ordinary course of business;
 - (ix) **(Mergers and disposals of business undertaking)**: the merger of all or a substantial part of the business with any other entity (including by way of scheme of arrangement or otherwise), the acquisition by the Company of any interest in any corporation or business, or the disposal of all or a substantial part of the business;
 - (x) **(Company constitution)**: the adoption of a constitution of the Company or any variation to the constitution of the Company;
 - (xi) **(SysCapex)**: any expenditure by the Company of or agreement by the Company to expend, prior to the full and final payment (by whatever means, including by way of cash or set-off) by the Company of the RSB Purchase Price, an amount or amounts in excess of \$1,200,000 on SysCapex in any one or more financial years.
- (f) The Company may execute a document as a deed if the document is expressed to be executed as a deed and is executed in accordance with the Corporations Act.
 - (g) The Directors may resolve, generally or in a particular case, that any signature on certificates for securities of the Company may be affixed by mechanical or other means.
 - (h) Negotiable instruments may be signed, drawn, accepted, endorsed or otherwise executed by or on behalf of the Company in the manner and by the persons as the Directors resolve.

10.2 Committees and delegates

- (a) The Directors may delegate any of their powers (including this power to delegate) to a committee of Directors or any other person or persons as the Directors think fit, a Director, an employee of the Company or any other person.
- (b) The Directors may revoke or vary any power delegated under Article 10.2(a).
- (c) A committee or delegate must exercise the powers delegated in accordance with any directions of the Directors.
- (d) The exercise of a delegated power by the committee or delegate is as effective as if the Directors exercised the power.
- (e) Article 11 applies with the necessary changes to meetings of a committee that is delegated power under Article 10.2(a).
- (f) The Directors shall as soon as practical establish a committee of no less than two Members to be known as the "Finance and Audit Committee".

10.3 Rules and National Coordination Committee

- (a) **(Establishment and composition)** There shall be a committee of the Directors to be known as the "Rules and National Coordination Committee" (the **Committee**) comprising:
 - (i) two members nominated by each Principal Racing Authority by notice in writing to the Company; and
 - (ii) such other persons as the board of Directors may determine from time to time.

Constitution of Racing Australia Limited

- (b) **(Chairman)** The board of Directors shall appoint a Committee member on the Committee's recommendation to be the Chairman of the Committee.
- (c) **(Term of appointment)** Subject to Article 10.3(d), each Committee member, and the Chairman of the Committee shall be nominated or appointed (as applicable) for a two-year term, after which he or she shall be eligible for re-nomination or re-appointment (as applicable).
- (d) **(Appointment and removal from office)** At any time by notice in writing to the Company, a Principal Racing Authority may revoke the nomination of a Committee member nominated by it and nominate a replacement. The board of Directors may at any time remove any Committee member who it has appointed.
- (e) **(Responsibilities of the Committee)**

The Committee shall be responsible for:

 - (i) overseeing and reporting to the Directors in respect of the administration of the Australian Racing Rules and the Rules of the Australian Stud Book;
 - (ii) considering and making recommendations to the Directors in respect of any proposed codes of practice, regulations, approvals, orders, prescribed matters, nominations, appointments, determinations, promulgations, consents or permissions contemplated by the Australian Racing Rules or the Rules of the Australian Stud Book or any revocations or alterations thereto;
 - (iii) considering and making recommendations to the Directors in respect of any proposed alterations to the Australian Racing Rules or the Rules of the Australian Stud Book; and
 - (iv) such other responsibilities as the Directors may determine from time to time.
- (f) **(Charter)** The board of Directors may adopt and, from time-to-time revoke or alter, a charter to govern the operations of the Committee and the discharge of its responsibilities. If there is an inconsistency between the charter and this Constitution, this Constitution shall prevail.
- (g) **(Quorum)** A quorum for a meeting of the Committee is at least 4 Directors who between them hold at least 75% of the total number of votes that may be cast by Committee delegates entitled to vote at that meeting.
- (h) **(Decision-making)** In communicating a Committee recommendation to the board of Directors, the Chairman of the Committee shall endeavour to inform the board of Directors of the diversity of viewpoints that may exist among Committee members in relation to the subject matter of the recommendation.

10.4 Attorney or agent

- (a) The Directors may appoint any person to be attorney or agent of the Company for any purpose, for any period and on any terms (including as to remuneration) as the Directors resolve.
- (b) The Directors may delegate any of their powers (including the power to delegate) to an attorney or agent.
- (c) The Directors may revoke or vary:
 - (i) an appointment under Article 10.4(a); or
 - (ii) any power delegated to an attorney or agent.

11 Proceedings of Directors

11.1 Meetings of Directors

- (a) The Directors may meet, adjourn and otherwise regulate their meetings as they think fit provided that they shall meet not less than 4 times each financial year.
- (b) A meeting of Directors may be held using any technology consented to by all the Directors.
- (c) The consent of a Director under Article 11.1(b):
 - (i) may be for all meetings of Directors or for any number of meetings; and
 - (ii) may only be withdrawn by that Director within a reasonable period before a meeting of Directors.
- (d) If a meeting of Directors is held in 2 or more places linked together by any technology:
 - (i) a Director present at one of the places is taken to be present at the meeting unless and until the Director states to the chairman of the meeting that the Director is discontinuing his or her participation in the meeting; and
 - (ii) the chairman of that meeting may determine at which place the meeting will be taken to have been held.

11.2 Who can call meetings of Directors

- (a) A Director may call a meeting of Directors at any time.
- (b) On request of any Director, a Secretary of the Company must call a meeting of the Directors.

11.3 How to call meetings of Directors

- (a) A notice of meeting of Directors must:
 - (i) set out the place, date and time for the meeting (and, if the meeting is to be held in 2 or more places, the technology that will be used to facilitate this); and
 - (ii) state the general nature of the business of the meeting.
- (b) The Company must give not less than 24 hours notice of a meeting of Directors, unless all Directors agree otherwise.
- (c) A Director or Alternate Director may waive notice of a meeting of Directors by notice in writing to the Company to that effect.

11.4 Quorum

- (a) A quorum for a meeting of Directors is at least 4 Directors who between them hold at least 75% of the total number of votes that may be cast by Directors entitled to vote at that meeting.
- (b) A quorum for a meeting of Directors must be present at all times during the meeting.
- (c) In determining whether a quorum for a meeting of Directors is present where a Director has appointed an Alternate Director, that Alternate Director is counted if the appointing Director is not present.

Constitution of Racing Australia Limited

- (d) If a quorum is not present within 30 minutes after the time appointed for a meeting of Directors, then unless the Director who called the meeting agrees that the meeting should be dissolved:
 - (i) the meeting is adjourned to the same day in the next week at the same time and place as the meeting adjourned and notice of the adjourned meeting must be given to all Directors so that it is received by each Director no less than 4 days prior to the adjourned meeting. For the avoidance of doubt, the notice of the adjourned meeting may only include the items of business set out in the notice of the original meeting;
 - (ii) the quorum for the adjourned meeting of Directors referred to in Article 11.4(d)(i) is as set out in Article 11.4(a);
 - (iii) if a quorum is not present within 30 minutes after the time appointed for the adjourned meeting of Directors referred to in Article 11.4(d)(i), the meeting is adjourned again to the same day in the next week at the same time and place as the adjourned meeting under Article 11.4(d)(i) (**Second Adjourned Meeting**). Notice of the Second Adjourned Meeting must be given to all Directors so that it is received by each Director no less than 4 days prior to the Second Adjourned Meeting and must include the precise terms of the resolutions to be proposed in respect of the items of business at the Second Adjourned Meeting (and not simply the general nature of that business). For the avoidance of doubt, the notice of the Second Adjourned Meeting may only include the items of business set out in the notice for the original meeting and the resolutions to be proposed in respect of those items of business must be consistent with the notice of the original meeting;
 - (iv) the only business which may be considered at the Second Adjourned Meeting is the resolutions in the precise terms set out in the notice of the Second Adjourned Meeting;
 - (v) the quorum for the Second Adjourned Meeting is at least 4 Directors who between them hold at least 60% of the total number of votes that may be cast by Directors entitled to vote at that meeting; and
 - (vi) if a quorum is not present within 30 minutes after the time appointed for the Second Adjourned Meeting, then the meeting is dissolved.
- (e) If there are not enough Directors to form a quorum for a meeting of Directors, one or more of the Directors (including those who have an interest in a matter being considered at that meeting) may call a general meeting of the Company and the general meeting may pass a resolution to deal with the matter.

11.5 Chairman

- (a) The Chairman of Directors will be appointed by the Nominated Directors and may be a Nominated Director or Independent Director.
- (b) The Chairman must (if present within 15 minutes after the time appointed for the holding of the meeting and willing to act) chair each meeting of Directors.
- (c) If:
 - (i) there is no Chairman;
 - (ii) the Chairman is not present within 15 minutes after the time appointed for the holding of a meeting of Directors; or

Constitution of Racing Australia Limited

- (iii) the Chairman is present within that time but is not willing to chair all or part of that meeting,

the Deputy Chairman will chair all or part of the meeting of Directors.

11.5A Deputy Chairman

- (a) The Deputy Chairman of Directors will be appointed by the Nominated Directors and may be a Nominated Director or Independent Director.

- (b) If:

- (i) there is no Chairman;
- (ii) the Chairman is not present within 15 minutes after the time appointed for the holding of a meeting of Directors; or
- (iii) the Chairman is present within that time but is not willing to chair all or part of that meeting,

the Deputy Chairman will chair all or part of the meeting of Directors.

- (c) If:

- (i) there is no Chairman or Deputy Chairman;
- (ii) the Chairman or Deputy Chairman are not present within 15 minutes after the time appointed for the holding of a meeting of Directors; or
- (iii) one or both of the Chairman and Deputy Chairman are present within that time but is not willing to chair all or part of that meeting,

the Directors present must elect one of themselves to chair all or part of the meeting of Directors.

11.6 Voting Rights

- (a) Directors are entitled to the following number of votes at a meeting of Directors:

- (i) RVL Director has 70 votes;
- (ii) RNSW Director has 70 votes;
- (iii) RQ Director has 36 votes;
- (iv) RWWA Director has 9 votes;
- (v) TRSA Director has 9 votes; and
- (vi) CDT Director has 6 votes.

An Independent Director has no voting rights.

- (b) Where the Nominated Directors appoint the Chairman in accordance with Article 8.3(a) and the Chairman is a Nominated Director, the Voting Rights of the Nominated Director as specified in Article 11.6(a) remain as specified in Article 11.6(a) when appointed as Chairman.
- (c) Where the Nominated Directors appoint the Deputy Chairman in accordance with Article 8.3(a) and the Deputy Chairman is a Nominated Director, the Voting Rights of the Nominated Director as specified in Article 11.6(a) remain as specified in Article 11.6(a) when appointed as Deputy Chairman.

11.7 Resolution of Directors

A resolution of Directors is passed if it is passed by an affirmative vote of at least 75% of votes cast by Directors present and entitled to vote on the resolution.

12 Company not to pay Dividends

12.1 Company not to pay dividends

The Company will not pay any dividend or other distribution whatsoever to any Director or Member.

12.2 Income and property

The income and property of the Company however derived will be applied solely towards the objects of the Company as set out in this Constitution.

12.3 Distribution of Surpluses

RISA shall pay to each Participating Principal Racing Authority (or set-off in accordance with the RISA Participation Agreement) a proportion of any Surplus calculated in accordance with Schedule 2 by way of non-repayable grant at the same times as the balance of such Surplus is paid to all other Participating Principal Racing Authorities.

13 Notices

13.1 Notice to Directors

The Company may give Notice to a Director or Alternate Director:

- (a) in person;
- (b) by sending it by post to the usual residential address of that person or the alternative address (if any) nominated by that person;
- (c) by sending it to the fax number or electronic address (if any) nominated by that person; or
- (d) by any other means agreed between the Company and that person.

13.2 Notice to the Company

A person may give Notice to the Company:

- (a) by leaving it at the registered office of the Company;
- (b) by sending it by post to the registered office of the Company;
- (c) by sending it to a fax number at the registered office of the Company nominated by the Company for that purpose;
- (d) by sending it to the electronic address (if any) nominated by the Company for that purpose; or
- (e) by any other means permitted by the Corporations Act.

13.3 Time of service

- (a) A notice sent by post to an address within Australia is taken to be given:
 - (i) in the case of a notice of meeting, one Business Day after it is posted; or
 - (ii) in any other case, at the time at which the notice would be delivered in the ordinary course of post.

Constitution of Racing Australia Limited

- (b) A notice sent by post or air mail to an address outside Australia is taken to be given:
 - (i) in the case of a notice of meeting, 5 Business Days after it is posted; or
 - (ii) in any other case, at the time at which the notice would be delivered in the ordinary course of post.
- (c) A notice sent by air courier to a place outside Australia is taken to be given 3 Business Days after delivery to the air courier.
- (d) A notice sent by fax is taken to be given on the Business Day it is sent, provided that the sender's transmission report shows that the whole notice was sent to the correct fax number.
- (e) The giving of a notice by post, air mail or air courier is sufficiently proved by evidence that the notice:
 - (i) was addressed to the correct address of the recipient; and
 - (ii) was placed in the post or delivered to the air courier.
- (f) A certificate by a Director or Secretary of a matter referred to in Article 13.3(e) is sufficient evidence of the matter, unless it is proved to the contrary.

13.4 Signatures

The Directors may decide, generally or in a particular case, that a notice given by the Company be signed by mechanical or other means.

14 Winding up

14.1 No Distributions to Members

If on a winding up of the Company there remains after the satisfaction of all debts and liabilities of the Company any surplus property whatsoever, subject only to the return of the Paid-up share capital to Members holding shares in accordance with this Constitution, such surplus (***Winding Up Surplus***) shall not be paid to or distributed among the Members, but shall be given, transferred or applied for the benefit of some other society association or club having objects similar to the objects of the Company and which is a society association or club established for the encouragement of animal racing within Item 9.1(a) of section 50-45 of the *Income Tax Assessment Act 1997*, including the Principal Racing Authorities. For this purpose the liquidator shall pay or distribute such Winding Up Surplus amongst the Participating Principal Racing Authorities in accordance with Article 14.3 and shall for such purpose set such a value as the liquidator considers fair upon any property to be so divided.

14.2 Party not compelled to accept liabilities

No party referred to in Article 14.1 will be compelled to accept any property carrying a liability.

14.3 Winding Up Surplus

For the purposes of the distribution of any Winding Up Surplus pursuant to Article 14.1, the Principal Racing Authorities shall be entitled to have paid or distributed to each of them (or their nominee) the same proportion of any surplus property as the proportion set out in or determined in accordance with (as the case may be) Schedule 2 provided that such entitlement shall not apply in relation to a particular Principal Racing Authority if:

- (a) in the case of CRC, TRNT and TR:
 - (i) there is no CDT Director (unless, at the same time as there ceased to be a CDT Director there also ceased to be a Director appointed by any other Principal Racing Authority); or
 - (ii) the CDT Director is not a Member (unless, at the same time as there ceased to be a CDT Director as a Member, there also ceased to be a Director appointed by any other Principal Racing Authority as a Member);
- (b) in the case of Principal Racing Authorities other than CRC, TRNT and TR:
 - (i) there is no Director appointed by the relevant Principal Racing Authority (unless, at the same time as there ceased to be a Director appointed by the relevant Principal Racing Authority there also ceased to be a Director appointed by any other Principal Racing Authority); or
 - (ii) the Director appointed by the relevant Principal Racing Authority is not a Member (unless, at the same time as there ceased to be a Director appointed by the relevant Principal Racing Authority as a Member, there also ceased to be a Director appointed by any other Principal Racing Authority as a Member);
- (c) the RISA Participation Agreement has been terminated in respect of the relevant Principal Racing Authority (unless the RISA Participation Agreement was also terminated at the same time in respect of all other Principal Racing Authorities who were then party to the RISA Participation Agreement); or
- (d) the relevant Principal Racing Authority (or its nominee) is not a body or entity of the nature referred to in Article 14.1.

Schedule 1 – Definitions and Interpretation

1 Definitions

In this Constitution:

Alternate Director means a person for the time being holding office as an alternate director of the Company under Article 8.6.

Australian Rules of Racing means the Australian Rules of Racing as adopted, administered and altered by the Company from time to time in accordance with its terms and this Constitution.

Business Day means a day except a Saturday, Sunday or public holiday in Melbourne, Victoria.

Corporations Act means the *Corporations Act 2001* (Commonwealth), except to the extent of any exemption, modification, declaration or order made in respect of that legislation which applies to the Company.

CDT Director means the Director jointly nominated by CRC, TRNT and TR.

Chairman means the Chairman of Directors.

CRC means the Canberra Racing Club Incorporated (ABN 21 423 896 409).

Deputy Chairman means the Deputy Chairman of Directors.

Directors means the directors of the Company for the time being, and if the Company has only one director, that director.

Encumbrance includes any mortgage, charge, pledge, lien, encumbrance, assignment, security interest, title retention, preferential right, trust arrangement, contractual right of set-off or any other security agreement or arrangement in favour of any person by way of security for the payment of a debt or any other monetary obligation.

Independent Director means a Director appointed by resolution of the Directors from time to time as provided for in Article 8.2(a)(vii).

Legal Costs of a person means legal costs incurred by that person in defending an action for a Liability of that person.

Liability of a person means any liability incurred by that person as Relevant Officer of the Company or, if applicable, an employee of the Company or a director, secretary or employee of a subsidiary of the Company.

Member means a person whose name is entered in the Register as the holder of a Share.

Nominated Director means a Director nominated by a Principal Racing Authority from time to time as provided for in Articles 8.2(a) and 8.4.

Notice means a notice given pursuant to, or for the purposes of, this Constitution or any applicable law.

Paid-up share capital means the amount standing to the credit of the Company's share capital account (excluding the amount if any that represents an amount unpaid on issued shares).

Participating Principal Racing Authorities means, as at a particular time, a Principal Racing Authority who at the relevant time is a party to and bound by the RISA Participation Agreement.

Prescribed Notice means 21 days or any shorter period of notice for a meeting allowed under the Corporations Act.

Principal Racing Authorities means RVL, RNSW, RWWA, TRSA, CRC, TRNT and TR and also RQ if it has become party to the RISA Participation Agreement.

Racing Materials means materials directly or indirectly relating to horses and thoroughbred

Constitution of Racing Australia Limited

horse racing anywhere in the world.

Register means the register of Members kept under the Corporations Act and, where appropriate, includes any branch register.

Relevant Officer means a person who is, or has been, a Director or Secretary.

RISA Participation Agreement means the agreement so entitled between the Company and the Principal Racing Authorities.

RNSW means Racing New South Wales (ABN 86 281 604 417).

RNSW Director means the Director nominated by RNSW.

RQ means Queensland All Codes Industry Board (ABN 80 730 390 733), trading as Racing Queensland.

RQ Director means the Director nominated by RQ, where RQ is entitled to appoint a Director under Article 8.

RSB Purchase Price has the same meaning as Purchase Price in the RSB Sale of Business Agreement.

RSB Sale of Business Agreement means the agreement so titled between the Company as purchaser and RVL as vendor dated on or about the date of adoption of this Constitution by the Company.

Rules of the Australian Stud Book means the Rules of the Australian Stud Book as adopted, administered and altered by the Company from time to time in accordance with its terms and this Constitution.

RVL means Racing Victoria Limited (ACN 096 917 930).

RVL Director means the Director nominated by RVL.

RWWA means Racing and Wagering Western Australia (ABN 21 347 055 603).

RWWA Director means the Director nominated by RWWA.

Secretary means a company secretary of the Company for the time being.

Share means a share in the capital of the Company.

Surplus means any moneys which the Directors determine from time to time are available for distribution to Principal Racing Authorities in accordance with this Constitution.

SysCapex has the meaning given to that term in Schedule L of the RSB Sale of Business Agreement.

TR means TasRacing Pty. Ltd. (ACN 137 188 286).

Transmission Event means:

- (a) if a Member is an individual:
 - (i) death or bankruptcy of that Member; or
 - (ii) that Member becoming of unsound mind or becoming a person whose property is liable to be dealt with under a law about mental health;
- (b) if a Member is a body corporate, the deregistration of that Member under the laws of the jurisdiction of its registration; or
- (c) in any case, the vesting in, or transfer to, a person of the Shares of a Member without that person becoming a Member.

TRNT means Thoroughbred Racing NT Incorporated (ABN 15 688 350 211).

TRSA means Thoroughbred Racing SA Limited (ACN 094 475 939).

TRSA Director means the Director nominated by TRSA.

2 Interpretation

- (a) In this Constitution:
- (i) a reference to a partly paid Share is a reference to a Share on which there is an amount unpaid;
 - (ii) a reference to a call or an amount called in respect of a Share includes an amount that, by the terms of issue of a Share or otherwise, is payable at one or more fixed times;
 - (iii) a reference to a Share which is jointly held is a reference to a Share for which there is more than one Member;
 - (iv) a reference to a meeting of Members includes a meeting of any class of Members;
 - (v) a Member is taken to be present at a meeting of Members if the Member is present in person or by proxy, attorney or representative; and
 - (vi) a reference to a notice or document in writing includes a notice or document given by fax or another form of written communication.
- (b) In this Constitution, headings are for convenience only and do not affect interpretation, and unless the context indicates a contrary intention:
- (i) words importing the singular include the plural (and vice versa);
 - (ii) words indicating a gender include every other gender;
 - (iii) the word "person" includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
 - (iv) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning; and
 - (v) the word "includes" in any form is not a word of limitation.
- (c) Unless the context indicates a contrary intention, in this Constitution:
- (i) a reference to an Article or a Schedule is to an article or a schedule of this Constitution;
 - (ii) a reference in a schedule to a paragraph is to a paragraph of that schedule;
 - (iii) a schedule is part of this Constitution; and
 - (iv) a reference to this Constitution is to this Constitution (and where applicable any of its provisions) as modified or repealed from time to time.
- (d) Unless the context indicates a contrary intention, in this Constitution, a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it.
- (e) Unless the context indicates a contrary intention:
- (i) an expression in a provision of this Constitution that deals with a matter dealt with by a provision of the Corporations Act has the same meaning as in that provision of the Corporations Act; and

- (ii) an expression in a provision of this Constitution that is defined in section 9 of the Corporations Act has the same meaning as in that section.

3 Exercise of powers

Where this Constitution confers a power or imposes a duty, then, unless the contrary intention appears, the power may be exercised and the duty must be performed from time to time as the occasion requires.

4 Severing invalid provisions

If at any time any provision of this Constitution is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that does not affect or impair:

- (a) the legality, validity or enforceability in that jurisdiction of any other provision of this Constitution; or
- (b) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Constitution.

Schedule 2 – Proportions for the Calculation of the Distribution of Surpluses and Surplus Property (on Winding Up)

In the event that the Directors determine that a Surplus is available for distribution to the Participating Principal Racing Authorities that Surplus will be distributed between the Principal Racing Authorities in accordance with their proportions, calculated as follows:

RVL	35%
RNSW	35%
RQ	18%
RWWA	4.5%
TRSA	4.5%
TR	1%
TRNT	1%
CRC	1%