

CHWP000

# 692(1)(a)

Pursuant to section 692(1)(a) of the Companies Act 1985

Company number

FC004096

**Qantas Airways Limited**

constituting or defining the constitution of the above company

A copy of the Qantas Airways Limited Constitution, amended on 13 October 2005.

Signed

Gander

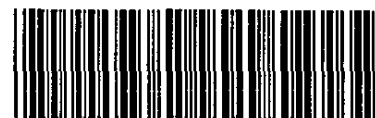
~~[Director][Secretary][Person Authorised]~~<sup>1</sup>

Date 29.12.08

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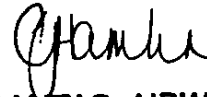
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COMPANIES HOUSE

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Secretary

**QANTAS AIRWAYS LIMITED**  
(ABN 16 009 661 901)



# CONSTITUTION

of

**QANTAS AIRWAYS LIMITED**  
(ABN 16 009 661 901)



COMPANIES HOUSE

Adopted 18 November 1998  
Amended 16 November 2000  
Amended 16 October 2003  
Amended 13 October 2005

# CONSTITUTION

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# QANTAS AIRWAYS LIMITED

(ABN 16 009 661 901) [Amended 2003 AGM]

A company limited by shares

## CONSTITUTION

Adopted – 18 November 1998

Amended – 16 November 2000

Amended – 16 October 2003

Amended – 13 October 2005

### PART 1 PRELIMINARY

#### 1.1 Name

- (a) The name of the company is 'Qantas Airways Limited'.
- (b) The name of the company must contain the expression 'Qantas', and for so long as Qantas conducts scheduled international air transport passenger services it must do so under its company name or under a registered business name that includes the expression 'Qantas'.  
[Qantas Sale Act s.7(1)(e)]

#### 1.2 Location of Head Office

The location of the Head Office of Qantas shall at all times remain located within Australia. [Qantas Sale Act s.7(1)(g)]

#### 1.3 Location of Principal Operational Centre

Of the facilities, taken in aggregate, which are used by Qantas in the provision of scheduled international air transport services (for example, facilities for the maintenance and housing of Aircraft, catering, marketing, flight operations, training and administration), the facilities located in Australia, when compared with those located in any other country, must represent the principal centre of operations of Qantas. [Qantas Sale Act s.7(1)(h)]

#### 1.4 Place of Incorporation

At all times the place of incorporation of Qantas is to remain in Australia. [Qantas Sale Act s.7(1)(k)]

#### 1.5 Definitions

In this Constitution:

'Affected Share' means any share which is designated as such in accordance with clause 4.7;

'Aircraft' means any machine or craft that can derive support in the atmosphere from the reactions of the air; [Qantas Sale Act s.7(7)]

'Air Service' means a service of providing air transportation of people or goods, or both people and goods, by:

- (a) Regular Public Transport Operation; or
- (b) Charter Operation; [Qantas Sale Act s.7(7)]

'Alternate Director' means a person appointed as an alternate Director in accordance with clause 6.19;

'Another Country' includes any region:

- (a) that is part of a foreign country;
- (b) that is under the protection of a foreign country; or
- (c) for whose international relations a foreign country is responsible; [Qantas Sale Act s.7(7)]

**'ASTC'** has the same meaning as in the Corporations Regulations; [Inserted 2003 AGM]

**'ASTC-regulated transfer'** has the same meaning as in the Corporations Regulations; [Inserted 2003 AGM]

**'ASTC Settlement Rules'** means the Operating Rules of ASTC in force from time to time; [Inserted 2005 AGM]

[Definition of 'Securities Clearing House' deleted 2003 AGM]

**'Australian Citizen'** means any person who is an Australian citizen as defined in the Australian Citizenship Act 1948; [Qantas Sale Act s.7(7)]

**'Australian International Airline'** means an international airline (other than Qantas) that may be permitted to carry people or goods, or both people and goods, under a Bilateral Arrangement as an airline designated by Australia to operate a scheduled International Air Service; [Qantas Sale Act s.7(7)]

**'Australian Person'** means:

- (a) an individual who is an Australian Citizen or is ordinarily resident in Australia;
- (b) the Commonwealth, a State or a Territory;
- (c) a person who is a nominee of the Commonwealth or of a State or a Territory;
- (d) a Commonwealth, State or Territory authority;
- (e) a person who is a nominee of a Commonwealth, State or Territory authority;
- (f) a local government body (whether incorporated or not) formed by or under a law of a State or a Territory;
- (g) a person who is a nominee of a local government body referred to in paragraph (f);
- (h) a body corporate that:
  - (1) is incorporated by or under a law of the Commonwealth or of a State or a Territory; and
  - (2) is substantially owned and effectively controlled by persons referred to in paragraph (a), (b), (c), (d), (e), (f), (g) or (i); or
- (i) a person in the capacity of a trustee, or manager, of a fund in which the total interests (if any) of persons referred to in paragraph (a), (b), (c), (d), (e), (f), (g) or (h) represent 60% or more of the total interests in the fund; [Qantas Sale Act s.7(7)]

**'Australian Territory'** means:

- (a) the territory of Australia and of every external territory;
- (b) the territorial sea of Australia and of every external territory; and
- (c) the air space over any such territory or sea; [Qantas Sale Act s.7(7)]

[Definition of 'BA' deleted 2005 AGM]

[Definition of 'BA Director' deleted 2005 AGM]

[Definition of 'BA Group' deleted 2005 AGM]

[Definition of 'BA Shares' deleted 2005 AGM]

**'Bilateral Arrangement'** means an agreement or arrangement between:

- (a) Australia, or an Entity or organisation nominated or otherwise similarly authorised by Australia to enter into the agreement or arrangement; and
- (b) Another Country,

under which the carriage by air of people or goods, or both people and goods, between Australia and the other country is permitted; [Qantas Sale Act s.7(7)]

**'Business Day'** has the meaning given to that term in the Listing Rules;

'Chairperson' means the person elected to the office of chairperson of Directors or presiding as such in accordance with clause 6.15;

'Charter Operation' means an operation of an Aircraft for the purpose of:

(a) a service of providing air transportation of people or goods, or both people and goods, that:

- (1) is provided for a fee payable by persons using the service; and
- (2) is not available to the general public on a regular basis,

whether or not the service is conducted in accordance with fixed schedules to or from fixed terminals over specific routes; or

(b) a service of providing air transportation of people or goods, or both people and goods, that:

- (1) is provided for a fee payable by persons using the service;
- (2) is available to the general public on a regular basis; and
- (3) is not conducted in accordance with fixed schedules to or from fixed terminals over specific routes; or

(c) a service of providing air transportation of people or goods, or both people and goods, that:

- (1) is not provided for a fee payable by persons using the service;
- (2) is conducted in accordance with fixed schedules to or from fixed terminals over specific routes; and
- (3) is not available to the general public; [Qantas Sale Act s.7(7)]

[Definition of 'CHESS' deleted 2003 AGM]

[Definition of 'CHESS Approved' deleted 2003 AGM]

'Commonwealth' means the Commonwealth of Australia;

'Corporations Act' means the Corporations Act 2001 (Cth); [Inserted 2003 AGM]

'Corporations Regulations' means the Corporations Regulations 2001 (Cth); [Inserted 2003 AGM]

'Deputy Chairperson' means the person elected to the office of deputy chairperson of Directors in accordance with clause 6.15;

'Director' means:

- (a) a person appointed and acting in the position of a director of Qantas; or
- (b) an Alternate Director acting in the capacity of a director of Qantas;

[Definition of 'Entitled' deleted 2000 AGM]

'Entity' in relation to the definition of 'Foreign Airline' has the meaning given to that term in the Corporations Act; [Amended 2003 AGM]

'Exchange' means the Australian Stock Exchange Limited;

'Executive Director' means a Director who is also an employee of Qantas or of a related body corporate of Qantas, in an executive capacity;

'Foreign Airline' means:

(a) an Entity which is an air transport enterprise other than:

- (1) an Australian International Airline;
- (2) Qantas; or
- (3) an air transport enterprise offering or operating an Air Service solely within Australian Territory and which, if not incorporated in Australia, does not offer or operate an Air Service in or to a country other than Australia;



- (b) an Entity which substantially owns and effectively controls an Entity referred to in paragraph (a), including, for this purpose, any Entity which has a Relevant Interest in 35% or more of the voting rights or Voting Shares in an Entity referred to in paragraph (a); or
- (c) an Entity which is substantially owned and effectively controlled by an Entity referred to in paragraph (a), including, for this purpose, any Entity 35% or more of the voting rights or Voting Shares in which the Entity referred to in paragraph (a) has a Relevant Interest; [Qantas Sale Act s.7(7)]

**'Foreign Person' means:**

- (a) a Foreign Airline; or
- (b) a person (other than a Foreign Airline) who is not an Australian Person; [Qantas Sale Act s.7(7)]

**'Head Office'** means the place of business of Qantas where central management and control are exercised; [Qantas Sale Act s.7(7)]

**'International Airline'** means an air transport enterprise offering or operating an International Air Service; [Qantas Sale Act s.7(7)]

**'International Air Service'** means an Air Service provided by means of a flight:

- (a) from a place within Australia to a place outside Australia; or
- (b) from a place outside Australia to a place within Australia; [Qantas Sale Act s.7(7)]

**'Intervening Act'** means the refusal, withholding, suspension, non-renewal or revocation of any Operating Right granted to, or enjoyed by, Qantas or any Subsidiary of Qantas, or the imposition of any conditions or limitations upon any such Operating Right which materially inhibit the exercise of such Operating Right, in either case by any state, authority or person;

**'Listed Company'** means a company admitted to, and not removed from, the official list of entities of the Exchange;

**'Listing Rules'** means the Official Listing Rules of the Exchange as varied or waived by a body with power to do so as they apply to Qantas;

**'Managing Director'** means a Director appointed as managing director in accordance with clause 7.1;

**'Minister'** means the Minister of the Commonwealth for the time being having responsibility for aviation matters;

[Definition of 'Nominations Committee' deleted 2005 AGM]

[Definition of 'Non BA Director' deleted 2005 AGM]

**'Operating Right'** means an authority, permission, licence or privilege, granted or enjoyed under a Bilateral Arrangement, which enables an Air Service to be operated;

**'Operating Rules'**, in relation to a Prescribed CS facility, means the operating rules of that Prescribed CS facility, within the meaning of Chapter 7 of the Corporations Act; [Inserted 2003 AGM]

**'Prescribed CS facility'** has the same meaning as "prescribed CS facility" has in Chapter 7 of the Corporations Act; [Inserted 2003 AGM]

**'Qantas'** means Qantas Airways Limited ABN 16 009 661 901; [Amended 2003 AGM]

**'Regular Public Transport Operation'** means an operation of an Aircraft for the purpose of an Air Service that:

- (a) is provided for a fee payable by persons using the service;
- (b) is conducted in accordance with fixed schedules to or from fixed terminals over specific routes; and
- (c) is available to the general public on a regular basis; [Qantas Sale Act s.7(7)] [Definition of 'Relevant BA Subsidiary' deleted 2005 AGM]

'Relevant Interest' has the meaning given to that term in the Qantas Sale Act 1992 (Cth); Qantas Sale Act s.7(2))

'Relevant Share' means any Voting Share in Qantas in which a Foreign Person has a Relevant Interest;

'Restricted Securities' has the meaning given to that term in the Listing Rules;

[Definition of 'SCH Business Rules' deleted 2005 AGM]

'State' means a state of the Commonwealth;

'Subsidiary' has the meaning given to that term in the Corporations Act; [Amended 2003 AGM]

'Substantial Foreign Shareholder' means any Foreign Person who has a Relevant Interest in at least 15% of the issued Voting Shares of Qantas; [Qantas Sale Act s.7(4)]

'Territory' means a territory of the Commonwealth;

'Transmission Event' means:

- (a) in respect of a member who is an individual:
  - (1) the death of the member;
  - (2) the bankruptcy of the member; or
  - (3) the member becoming of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health; and
- (b) in respect of a member who is a body corporate, the dissolution of the member or the succession by another body corporate to the assets and liabilities of the member; and

'Voting Shares' has the meaning given to that term in the Corporations Act. [Amended 2003 AGM]

## 1.6 Interpretation

- (a) A reference in a clause relating to partly paid shares to a call or an amount called in respect of a share includes a reference to a sum that, by the terms of issue of a share, becomes payable on allotment or at a fixed date.
- (b) In this Constitution, unless the context otherwise requires, a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, varying, consolidating or replacing them, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws under that statute.
- (c) In this Constitution, 'person' includes any individual, body corporate, unincorporated body, government, government department, agency and any municipal, local, statutory or other authority and any combination or association of individuals, bodies corporate, unincorporated bodies, governments, government departments, agencies and municipal, local, statutory or other authorities (in each case whether or not having a separate legal identity).
- (d) Headings and cross-references to legislation are inserted for convenience and do not affect the interpretation of this Constitution.
- (e) Notwithstanding anything else in this Constitution, a reference to a member for a particular purpose is, where the Corporations Act empowers Qantas to determine who is a member for that purpose by using a particular method or by acting in a particular way, a reference to a member determined by Qantas for that purpose by using that method or by acting in that way. [Amended 2003 AGM]
- (f) A reference to something being "written" or "in writing" includes that thing being represented or reproduced in any mode in a visible form (including electronically) or communicated in any other manner approved by the Directors from time to time. [Inserted 2003 AGM]

## 1.7 Application of the Corporations Act and Listing Rules

- (a) This Constitution is to be interpreted subject to the Corporations Act and, while Qantas is a Listed Company, the Listing Rules. [Amended 2003 AGM]

- (b) Qantas and the Directors must, notwithstanding any contrary provision in this Constitution, comply with the obligations imposed on them under the Corporations Act and, while Qantas is a Listed Company, the Listing Rules and the Operating Rules of each applicable Prescribed CS facility (including the ASTC Settlement Rules). [Amended 2003 AGM] [Amended 2005 AGM]
- (c) Qantas and the Directors must, while Qantas is a Listed Company, exercise their powers in such a way as to ensure the Listing Rules are complied with unless to do so would be unlawful or a breach of duty. This obligation does not detract from or alter the power of Qantas and the Directors to cause Qantas to cease to be a Listed Company.
- (d) Unless the contrary intention appears, an expression in a clause which is defined by or that deals with a matter dealt with by:
  - (1) a provision of the Corporations Act has the meaning given to that expression in that provision of the Corporations Act; or
  - (2) a provision of the Listing Rules has the meaning given to that expression in that provision of the Listing Rules. [Amended 2003 AGM]

## 1.8 Exercise of Powers

Qantas may exercise any power which under the Corporations Act a company limited by shares may exercise if authorised by its Constitution. [Amended 2003 AGM]

## 1.9 Replaceable Rules not to Apply

The replaceable rules contained in the Corporations Act do not apply to Qantas. [Amended 2003 AGM]

# PART 2 SHARE CAPITAL

## 2.1 Shares

Without prejudice to any special rights conferred on the holders of any shares or class of shares and subject to this Constitution, the Corporations Act and the Listing Rules, the Directors may: [Amended 2003 AGM]

- (a) issue, or grant options in respect of, or otherwise dispose of, shares to such persons, for such price, on such conditions, at such times and with such preferred, deferred or other special rights or special restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Directors think fit;
- (b) issue preference shares (including preference shares that are liable to be redeemed); and [Amended 2003 AGM]
- (c) on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the time of payment.

## 2.2 Limit on Foreign Ownership

- (a) At no time can any one Foreign Person have a Relevant Interest in shares in Qantas which exceeds 25% of the issued share capital of Qantas. [Qantas Sale Act s.7(1)(b)]
- (b) At no time can Foreign Persons have Relevant Interests in shares in Qantas which, in aggregate, exceed 49% of the issued share capital of Qantas. [Qantas Sale Act s.7(1)(a)]
- (c) At no time can Foreign Airlines have Relevant Interests in shares in Qantas which, in aggregate, exceed 35% of the issued share capital of Qantas. [Qantas Sale Act s.7(1)(aa)]

## 2.3 Overriding Clauses

The provisions of clauses 2.2, 4.7 and 4.8 apply notwithstanding any other provision of this Constitution. All other provisions of this Constitution are to be read subject to clauses 2.2, 4.7 and 4.8.

## 2.4 [Deleted 2003 AGM]

2.5 [Deleted 2005 AGM]

## 2.6 Variation of Class Rights

Unless otherwise provided by the terms of issue of a class of shares:

- (a) all or any of the rights or privileges attached to the class must not be varied, whether or not Qantas is being wound up, other than:
  - (1) with the consent in writing of the holders of three-quarters of the issued shares of that class; or
  - (2) with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class;
- (b) the provisions of this Constitution relating to general meetings apply, so far as they can and with such changes as are necessary, to each separate meeting of the holders of the issued shares of that class; and
- (c) the rights conferred upon the holders of the shares of the class are not to be taken as having been varied by the creation or issue of further shares ranking equally with them except in the case of preference shares where any issue of securities ranking in priority, or any conversion of existing securities to securities ranking equally or in priority, to an existing class of preference shares will be taken to be a variation or abrogation of the rights attached to that existing class of preference shares.

## 2.7 Power to Buy Back Ordinary Shares

Qantas may buy shares in itself in any manner authorised by the Corporations Act. (Amended 2000 AGM)  
[Amended 2003 AGM]

2.8 [Deleted 2000 AGM]

## 2.9 Joint Holders of Shares

Where two or more persons are registered as the holders of a share, they hold it as joint tenants with rights of survivorship subject to the following provisions:

- (a) they and their respective legal personal representatives are liable severally as well as jointly for all payments, including calls, which ought to be made in respect of the share;
- (b) subject to clause 2.9(a), on the death of any one of them the survivor or survivors are the only person or persons Qantas will recognise as having any title to the share;
- (c) any one of them may give effective receipts for any dividend, interest or other distribution or payment in respect of the share; and
- (d) in the case of persons jointly entitled to be registered as the holders of a share, Qantas is not bound to register more than three persons as joint holders of the share.

## 2.10 Equitable and Other Claims

Except as otherwise required by law or provided by this Constitution, Qantas is entitled to treat the registered holder of a share as the absolute owner of that share and is not compelled in any way to:

- (a) recognise a person as holding a share upon any trust, even if Qantas has notice of that trust; or
- (b) recognise, or be bound by, any equitable, contingent, future or partial claim to or interest in a share on the part of any other person except an absolute right of ownership in the registered holder, even if Qantas has notice of that claim or interest.

## 2.11 Employee Share Plans

The Directors may implement an employee share or option plan on such terms as they think fit and amend, suspend or terminate any employee share or option plan so implemented.

**Part 2A**  
**PREFERENCE SHARES**

[Inserted 2003 AGM]

**2A.1 Preference Shares**

Subject to the Corporations Act, the Directors may issue preference shares:

- (a) including preference shares which are, or at the option of Qantas are to be, liable to be redeemed by Qantas on such terms and conditions and in such manner as the Directors determined before the issue of the preference shares; and
- (b) whether the preference shares are redeemable or non-redeemable, with any of the rights set out in this Part 2A and with such other rights, not inconsistent with this Part 2A, as are conferred by the terms of issue of the preference shares.

**2A.2 Terms of Issue**

Prior to the allotment of any preference shares the Directors shall determine with respect to such preference shares the following matters or the manner in which such matters shall be determined:

- (a) where the preference shares are redeemable:
  - (1) the amount payable on redemption;
  - (2) the redemption date;
  - (3) the time, place and manner of redemption; and
  - (4) the conditions for exercise of the rights of redemption by the holder or by Qantas;
- (b) in any case:
  - (1) the rate or amount of dividends (including any additional dividends) at any time or from time to time, the basis (if any) upon which the amount of a dividend will be increased to take account of tax or other fiscal impost and the basis (if any) upon which the amount of any dividend otherwise payable in respect of the shares reduces by reference to other amounts paid to the holder of the preference shares;
  - (2) the times or circumstances for payment of dividends on the preference shares;
  - (3) the periods in respect of which the dividends are to be payable;
  - (4) the funds out of which the dividends or capital or both are to be paid;
  - (5) the premium (if any) payable;
  - (6) the currency in which dividends or capital or both are to be paid;
  - (7) whether or not the issue of further shares ranking equally with the preference shares in any or in any stated respect is permitted;
  - (8) whether the preference shares are convertible into shares of another class and, if so in what circumstances;
  - (9) if required under clause 2A.7(b)(2), the market value of an ordinary share at the date of allotment of the preference share;
  - (10) if the preference share has the rights set out in clause 2A.3(d), any right of the holder of the preference share on redemption or in a winding up to payment of an amount equal to a dividend of the type described in clause 2A.4(d);
  - (11) if the preference shares have the rights set out in clause 2A.6(b)(3), the sum or the mechanism for determining the sum to which the holder of the preference share has the right to payment in winding up;
  - (12) if applicable, any reference rate for the purposes of clause 2A.8; and
  - (13) such other matters as the Directors may determine.

**2A.3 Dividend Rights**

The Directors may issue preference shares with such rights to dividends as set out below:

- (a) a right to cumulative dividends with or without any further right to participate in profits available for dividends;
- (b) a right to non-cumulative dividends with or without any further right to participate in profits available for dividends;
- (c) a right to non-cumulative dividends and a right to additional preference shares in accordance with clause 2A.5 but with no further right to participate in profits available for dividends;

- (d) a right to non-cumulative dividends and, to the extent (if any) specified in the terms of issue, to additional dividends in connection with the conversion of a preference share into an ordinary share and/or to additional dividends in circumstances where a dividend contemplated by the terms of issue has not been paid in full on the preference shares and:
  - (1) a dividend has been, or is sought to be, declared or paid on shares ranking *pari passu* with or junior to the preference share or a sum is, or is sought to be, set aside for the payment thereof;
  - (2) shares in Qantas have been, or are sought to be, repurchased, redeemed or beneficially acquired by Qantas, or a sum is, or is sought to be, set aside or a sinking fund is, or is sought to be, established for such a purpose, but with no further right to participate in profits available for dividends; or
  - (3) Qantas has, or has sought to, effect a reduction of capital; or
- (e) no right to dividends.

The terms of issue of preference shares may provide that to the extent that an amount is paid to a holder of preference shares other than by way of dividend paid by Qantas, the amount of any dividend otherwise payable to the holder in respect of the preference shares reduces in a manner specified in the terms of issue.

#### 2A.4 Entitlement and Priority as to Payment of Dividends

The holders of preference shares will rank for payment of dividends to which they are entitled in accordance with the provisions of this clause 2A.4:

- (a) Holders of preference shares shall rank equally for payment of dividends and in priority to all holders of other classes of shares.
- (b) Where the holder of a preference share has a right to cumulative dividends, the holder shall have the right on redemption or in a winding up to payment of an amount equal to all arrears of or accrued dividends down to the date of redemption or of commencement of the winding up (as the case may be), whether earned or declared or not, with the same priority in relation to other shares or other classes of preference shares determined pursuant to clause 2A.4(a).
- (c) Where the holder of a preference share has a right to non-cumulative dividends under clause 2A.3(b) or (c) the holder shall have the right on redemption or in a winding up to payment of an amount equal to the dividend entitlement for any dividend date which has then most recently occurred (and which has not been paid by Qantas) prior to the date of redemption or of commencement of the winding up (as the case may be), only if a dividend has been declared by the Directors, and with the same priority in relation to other shares or other classes of preference shares as determined pursuant to clause 2A.4(a).
- (d) The holder of a preference share which has the right to a non-cumulative dividend set out in clause 2A.3(d) shall have, to the extent (if any) determined by the Directors prior to allotment of the preference share, the right on redemption or in a winding up to payment of an amount equal to any dividend (whether earned or declared or not) which, pursuant to the terms of issue of the preference share, Qantas was required to pay to the holder or, if there had been sufficient distributable profits, would have been required to pay to the holder, prior to the redemption or the commencement of the winding up (as the case may be), with the same priority in relation to other shares or other classes of preference shares as determined pursuant to clause 2A.4(a). Except to the extent provided pursuant to this clause 2A.4(d), the holder of such preference share shall not have a right on redemption or in a winding up to payment of an amount equal to or in respect of arrears of, or accrued but unpaid, dividends.

#### 2A.5 Right to Additional Preference Shares

- (a) If:
  - (1) a preference share is issued with the rights set out in clause 2A.3(c); and
  - (2) all or any part of a dividend otherwise payable to the holders of those preference shares on a particular dividend date has become not payable because, under the terms of issue applicable to those preference shares a dividend is not payable or is payable only in part, where in the opinion of the Directors the distributable profits of Qantas are insufficient to permit the payment in full of the dividend on those preference shares on that dividend

- date and also the payment in full of dividends stated to be payable on that dividend date on other preference shares ranking *pari passu* therewith; and
- (3) at the relevant dividend date the amount (if any) standing to the credit of Qantas' profit or loss account and the amount of the reserves of Qantas available for the purpose are in aggregate sufficient to be applied and capable of being applied in paying up in full at such price determined by the Directors in the terms of issue additional preference shares of that class on the basis provided below,

then on the relevant dividend date the Directors shall, subject to any applicable law and to the Listing Rules, allot and issue credited as fully paid to each holder of those preference shares such additional nominal amount of preference shares of that class (rounded to the nearest whole number of preference shares) as equals the cash amount of the dividend which would have been payable to the holder but for the operation of the terms described in clause 2A.5 (a)(2) multiplied by a factor determined by the Directors in the terms of issue of the preference shares or, if there was no such determination, by a factor of one, divided in each case by the issue price of those additional shares determined by the Directors.

#### **2A.6 Repayment of Capital and Priority as to Payment**

- (a) Subject to this Constitution, where any preference shares are or may be redeemable by Qantas, such preference shares shall be redeemed by Qantas in accordance with the terms of issue determined by the Directors pursuant to clause 2A.2.
- (b) Qantas may issue preference shares with any one or combination of the rights with respect to payment of capital in a winding up set out below:
- (1) a right to payment in cash of the capital paid thereon;
  - (2) a right to payment in the applicable currency for those preference shares (as specified in the terms of issue pursuant to clause 2A.2(b)(6)) of an amount equal to the amount in that applicable currency received by Qantas as the subscription moneys for those preference shares; and
  - (3) a right in respect of a preference share to payment in cash of a sum fixed by the Directors prior to allotment or capable of determination pursuant to a mechanism adopted by the Directors prior to allotment but no further or other right to participate in the assets of Qantas or a return of capital. (Without limitation, the mechanism adopted by the Directors may provide for payment in Australian currency of an amount equal to a sum denominated in a currency other than Australian currency calculated by applying a reference rate (as specified by the Directors in the terms of issue) on the date of payment of the purchase of the relevant foreign currency with Australian currency plus an amount estimated by the liquidator in his discretion to be equal to the charges and expense likely to be incurred in purchasing the relevant foreign currency with Australian currency).
- (c) Holders of preference shares shall rank equally for the payment of the amount payable on redemption of the preference shares and in a winding up of Qantas.
- (d) Holders of preference shares shall have the right in a winding up of Qantas to payment, in priority to all holders of other classes of shares, of the amount payable on redemption of the preference shares and of dividends and any other amount to which the holder is entitled in accordance with the provisions of this Constitution or the terms of issue applying to those preference shares but shall not participate in any further or other distribution of profits or assets of Qantas.

#### **2A.7 Voting Rights**

- (a) The holder of a preference share shall have the right to vote in the following circumstances:
- (1) during a period during which a dividend (or part of a dividend) in respect of the preference share is unpaid;
  - (2) on a proposal to reduce Qantas' share capital;
  - (3) on a proposal that affects rights attached to the preference share;
  - (4) on a resolution to approve the terms of a buy-back agreement;
  - (5) on a proposal to wind up Qantas;
  - (6) on a proposal for the disposal of the whole of Qantas' property, business and undertaking; and
  - (7) during the winding up of Qantas.

(b) Notwithstanding any other provision of this Constitution, the holder of a preference share, when entitled to vote under any of the circumstances set out in paragraph (a) of this clause 2A.7:

- (1) on a show of hand shall be entitled to exercise one vote; and
- (2) on a poll shall be entitled to one vote for each fully paid preference share or if the Directors so determine in the terms of issue, the number of votes per preference share which equals the sum subscribed for the preference share divided by the market value of an ordinary share (as determined by the directors or pursuant to a mechanism adopted by the Directors) on the date of allotment of the preference share (rounded to the nearest number of votes). If a preference share is not fully paid, the holder shall be entitled to a fraction of a vote for each partly paid preference share equivalent to the proportion which the amount paid is of the total amount paid and payable.

#### **2A.8 Payments Denominated in Foreign Currency**

Where any sum is payable by Qantas to the holder of a preference share in a currency other than Australian dollars, and such sum is not paid when due or a winding up of Qantas has commenced, the holder may elect by notice in writing to Qantas to require instead payment of an amount in Australian dollars equal to that foreign currency amount calculated by applying the relevant reference rate (being such rate applicable in such market at such time as determined by the Directors prior to allotment of those preference shares) on the date of payment for the sale of the relevant currency for Australian dollars.

#### **2A.9 Conversion**

A preference share which, in accordance with its terms of issue may be converted into an ordinary share shall, at and from the time of conversion and without any further act, have (subject to the terms of issue of the preference share in relation to entitlement to ordinary dividends paid after conversion) the same rights as a fully paid ordinary share and rank *pari passu* with all other fully paid ordinary shares then on issue. In addition, the terms of issue may provide for the issue of additional ordinary shares on conversion as determined by the Directors.

#### **2A.10 Variation of Rights**

Where Qantas proposes to issue preference shares or to convert issued shares into preference shares if those preference shares are to rank equally or in priority to preference shares already issued, unless that is expressly permitted by the conditions of issue of the preference shares already issued, the issue or conversion shall be deemed to be a variation of the rights attached to the preference shares already issued and clause 2.6 shall apply.

If the most recent dividend entitlement as set out in the terms of issue of any preference shares has been paid or provided for in full, the consent of any holders of preference shares, or any class of preference shares shall not be required for the reduction, redemption or buy back of share capital of Qantas ranking as regards dividends and as to rights on winding up equally with or after the preference shares or class of preference shares, except where such consent is required by the Corporations Act.

#### **2A.11 No Limit on Number of Classes of Preference Shares**

- (a) The Directors may issue more than one class of preference shares.
- (b) Each class of preference shares may have the same or different terms to any other class of preference shares.

#### **2A.12 Additional Rights of Preference Shares**

Holders of preference shares shall be entitled to the same rights as a holder of ordinary shares of Qantas in relation to receiving notices, reports and financial statements, and attending and being heard at all general meetings of Qantas.

#### **2A.13 Listing Rules**

Notwithstanding this Part 2A, Qantas may not issue preference shares which confer upon the holders rights which are inconsistent with those specified in the Listing Rules, except to the extent of any express written waiver of the Listing Rules by the Exchange.



**PART 3**  
**CALLS, FORFEITURE, INDEMNITIES AND LIEN**

**3.1 Calls**

- (a) Subject to the terms upon which any shares may be issued, the Directors may make calls upon the members in respect of any money unpaid on their shares which is not by the terms of issue of those shares made payable at fixed times.
- (b) The Directors may require a call to be paid by instalments.
- (c) The Directors must give at least 10 Business Days notice or such further period of notice as the Listing Rules require of a call, specifying the time and place of payment, and each member must pay to Qantas, by the time and at the place so specified, the amount called on the member's shares.
- (d) A call is to be taken as having been made when the resolution of the Directors authorising the call was passed.
- (e) The Directors may revoke or postpone a call or extend the time for payment.
- (f) The non-receipt of a notice of a call by, or the accidental omission to give notice of a call to, any member does not invalidate the call.
- (g) If a sum called in respect of a share is not paid in full by the day appointed for payment for the sum, the person from whom the sum is due must pay:
  - (1) interest on so much of the sum as is unpaid from time to time, from the date appointed for payment of the sum to the date of actual payment, at a rate determined under clause 3.8; and
  - (2) any costs or expenses incurred by Qantas in relation to the non-payment or late payment of the sum.
- (h) Any sum unpaid on a share that, by the terms of issue of the share, becomes payable on allotment or at a fixed date:
  - (1) is to be treated for the purposes of this Constitution as if that sum was payable under a call duly made and notified; and
  - (2) must be paid on the date on which it is payable under the terms of issue of the share.
- (i) The Directors may waive all or any part of any payment due to Qantas under the terms of issue of a share or under this clause 3.1.

**3.2 Proceedings for Recovery of Calls**

- (a) In an action or other proceedings for the recovery of a call, or interest or costs or expenses incurred in relation to the non-payment or late payment of a call, proof that:
  - (1) the name of the defendant is entered in the register as the holder or one of the holders of the share in respect of which the call is claimed;
  - (2) the resolution making the call is recorded in the minute book; and
  - (3) notice of the call was given to the defendant in accordance with this Constitution,is conclusive evidence of the debt and it is not necessary to prove the appointment of the Directors who made the call or any other matter.
- (b) In clause 3.2(a), 'defendant' includes a person against whom a set-off or counter-claim is alleged by Qantas and 'action or other proceedings for the recovery of a call' is to be construed accordingly.

**3.3 Payments in Advance of Calls**

- (a) The Directors may accept from a member the whole or a part of the amount unpaid on a share although no part of that amount has been called.

- (b) The Directors may authorise payment by Qantas of interest upon the whole or any part of an amount accepted under clause 3.3(a), until the amount becomes payable, at a rate, not exceeding the prescribed rate, agreed between the Directors and the member paying the amount.
- (c) For the purposes of clause 3.3(b), the prescribed rate of interest is:
  - (1) if the Directors have fixed a rate, the rate so fixed; or
  - (2) in any other case, equal to the weighted average yield set at the most recent weekly tender for the 13 Week Treasury Note.
- (d) The Directors may repay to a member all or any of the amount accepted under clause 3.3(a).

#### 3.4 Forfeiture of Partly Paid Shares

- (a) If a member fails to pay the whole of a call or instalment of a call by the day appointed for payment of the call or instalment, the Directors may serve a notice on that member:
  - (1) requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all costs or expenses that may have been incurred by Qantas by reason of the non-payment or late payment of the call or instalment;
  - (2) naming a further day (not earlier than the end of 14 days from the date of service of the notice) by which, and a place at which, the amount payable under clause 3.4(a)(1) is to be paid; and
  - (3) stating that, in the event of non-payment of the whole of the amount payable under clause 3.4(a)(1) by the time and at the place named, the shares in respect of which the call was made will be liable to be forfeited.
- (b) If the requirements of a notice served under clause 3.4(a) are not complied with, the Directors may by resolution forfeit any share in respect of which the notice was given at any time after the day named in the notice and before the payment required by the notice is made.
- (c) A forfeiture under clause 3.4(b) will include all dividends, interest and other money payable by Qantas in respect of the forfeited share and not actually paid before the forfeiture.
- (d) Where a share has been forfeited:
  - (1) notice of the resolution must be given to the member in whose name the share stood immediately before the forfeiture together with any notice required under the Operating Rules of each applicable Prescribed CS facility (including the ASTC Settlement Rules); and [Amended 2003 AGM] [Amended 2005 AGM]
  - (2) subject to complying with the Operating Rules of each applicable Prescribed CS facility (including the ASTC Settlement Rules), an entry of the forfeiture, with the date, must be made in the register of members. [Amended 2003 AGM] [Amended 2005 AGM]
- (e) Failure to give the notice or to make the entry required under clause 3.4(d) does not invalidate the forfeiture.
- (f) A forfeited share becomes the property of Qantas and the Directors may sell or reallocate the share in such manner as they think fit and, in the case of reallocation, with or without any money paid on the share by any former holder being credited as paid up.
- (g)
  - (1) A person whose shares have been forfeited ceases to be a member in respect of the forfeited shares, but remains liable to pay, and must immediately pay, to Qantas:
    - (A) all calls, instalments, interest, costs and expenses owing in respect of the shares at the time of the forfeiture; and
    - (B) interest on so much of the amount payable under clause 3.4(g)(1)(A) as is unpaid from time to time, from the date of the forfeiture to the date of actual payment, at a rate determined under clause 3.8.
  - (2) Except as otherwise provided by this Constitution, the forfeiture of a share extinguishes all interest in, and all claims and demands against Qantas in respect of, the forfeited share and all other rights incident to the share.

- (h) A statement in writing declaring that the person making the statement is a Director or a secretary of Qantas and that a share in Qantas has been duly forfeited on a date stated in the statement is conclusive evidence of the facts stated in the statement as against all persons claiming to be entitled to the share.
- (i) The Directors may:
  - (1) exempt a share from all or any part of this clause 3.4;
  - (2) waive all or any part of any payment due to Qantas under this clause 3.4; and
  - (3) before a forfeited share has been sold or reallocated, annul the forfeiture upon such conditions as they think fit.

### 3.5 Indemnity for Taxation

If Qantas becomes liable under any law to make any payment:

- (a) in respect of shares held solely or jointly by a member;
- (b) in respect of a transfer or transmission of shares by a member;
- (c) in respect of dividends, bonuses or other money due or payable or which may become due and payable to a member; or
- (d) otherwise for or on account of or in respect of a member,

whether as a consequence of:

- (e) the death of that member;
- (f) the non-payment of any income tax, capital gains tax, wealth tax or other tax by that member or the legal personal representative of that member;
- (g) the non-payment of any estate, probate, succession, death, stamp or other duty by that member or the legal personal representative of that member; or
- (h) any other act or thing,

then, in addition to any right or remedy that law may confer on Qantas:

- (i) the member or, if the member is dead, the member's legal personal representative must:
  - (1) fully indemnify Qantas against that liability;
  - (2) reimburse Qantas for any payment made under or as a consequence of that law immediately on demand by Qantas; and
  - (3) pay interest on so much of the amount payable to Qantas under clause 3.5(i)(2) as is unpaid from time to time, from the date Qantas makes a payment under that law until the date Qantas is reimbursed in full for that payment under clause 3.5(i)(2), at a rate determined in accordance with clause 3.8; and
- (j) the Directors may:
  - (1) exempt a share from all or any part of this clause 3.5; and
  - (2) waive all or any part of any payment due to Qantas under this clause 3.5.

### 3.6 Lien on Shares

- (a) Qantas has a first and paramount lien on:
  - (1) each partly paid share for all unpaid calls and instalments due and unpaid in respect of that share; and
  - (2) each share for such amounts (if any) as Qantas may be called upon by law to pay in respect of that share.
- (b) Any lien held by Qantas on a share extends to all dividends payable in respect of the share and to the proceeds of sale of the share.

- (c) The Directors may sell any share on which Qantas has a lien in such manner as they think fit where:
  - (1) an amount in respect of which a lien exists under this clause 3.6 is presently payable; and
  - (2) Qantas, not less than 14 days before the date of the sale, has given to the registered holder of the share a notice in writing setting out, and demanding payment of, such amount in respect of which the lien exists as is presently payable.
- (d) Registration by Qantas of a transfer of shares on which Qantas has a lien without giving to the transferee notice of its claim releases that lien insofar as it relates to sums owing by the transferor or any predecessor in title.
- (e) The Directors may:
  - (1) exempt a share from all or any part of this clause 3.6; and
  - (2) waive all or any part of any payment due to Qantas under this clause 3.6.

### 3.7 Sale or Reallotment of Forfeited Shares and Sale of Shares on which Qantas has a Lien

- (a) The Directors may:
  - (1) receive the purchase money or consideration given for the shares on; and
  - (2) appoint a person to execute an instrument of transfer or allotment of the shares or to take any action necessary or appropriate (including effecting a transfer in accordance with the Operating Rules of each applicable Prescribed CS facility (including the ASTC Settlement Rules)) for the purpose of giving effect to, [Amended 2003 AGM] [Amended 2005 AGM]

any sale or reallotment under clause 3.4(f) or any sale under clause 3.6(c).
- (b) Qantas must register the purchaser or allottee as the holder of the shares sold or reallotted under clause 3.4(f) or sold under clause 3.6(c).
- (c) The purchaser or allottee is not bound to see to the regularity or validity of the proceedings or to the application of the purchase money or consideration on any sale or reallotment under clause 3.4(f) or on any sale under clause 3.6(c) and the title of the purchaser or allottee to the shares is not affected by any irregularity or invalidity in the proceedings.
- (d) The remedy of any person aggrieved by a sale or reallotment under clause 3.4(f) or a sale under clause 3.6(c) is limited to damages only and is against Qantas exclusively.
- (e) The proceeds of a sale or reallotment under clause 3.4(f) or a sale under clause 3.6(c) must be applied in the payment of:
  - (1) first, the expenses of the sale or reallotment; and
  - (2) second, all money presently payable to Qantas (if any) by the former holder whose shares have been sold or reallotted,

and the balance (if any) must be paid (subject to any lien that exists under clause 3.6 in respect of money due and unpaid) to the former holder on the former holder delivering to Qantas the certificate (if any) for the shares that have been sold or reallotted or taking such other action as Qantas requires to relinquish the former holder's claim on such shares and to surrender all evidence of any such claim.

### 3.8 Interest Payable by Member

- (a) For the purposes of clauses 3.1(g)(1), 3.4(g)(1)(B) and 3.5(i)(3), the rate of interest payable to Qantas is:
  - (1) if the Directors have fixed a rate, the rate so fixed; or
  - (2) in any other case, the rate as fixed in accordance with clause 3.3(c)(2) plus 2%.
- (b) Interest payable under clauses 3.1(g)(1), 3.4(g)(1)(B) and 3.5(i)(3) accrues daily and may be capitalised monthly or at such other intervals as the Directors think fit.

**PART 4**  
**TRANSFER AND TRANSMISSION OF SHARES**

**4.1 Transfer of Shares**

- (a) A member may transfer all or any of the member's shares by any lawful method.
- (b) A transferor of shares remains the holder of the shares transferred until the transfer is registered and the name of the transferee is entered in the register of members in respect of the shares or until the transfer is effected in accordance with:
  - (1) in the case of a transfer that is an ASTC-regulated transfer, the ASTC Settlement Rules; and [Amended 2005 AGM]
  - (2) in the case of a transfer that is regulated by the Operating Rules of any other Prescribed CS facility, the Operating Rules of that Prescribed CS facility. [Amended 2003 AGM]
- (c) Qantas must not charge a fee for the registration of a transfer of shares.
- (d) Except in the case of fraud, Qantas must return any instrument of transfer which the Directors decline to register to the person who deposited it with Qantas.
- (e) Qantas:
  - (1) may do anything permitted by the Corporations Act, the Listing Rules or the Operating Rules of each applicable Prescribed CS facility (including the ASTC Settlement Rules) that the Directors think necessary or desirable in connection with Qantas taking part in a computerised or electronic system established or recognised by the Corporations Act, the Listing Rules or the Operating Rules of a Prescribed CS facility (including the ASTC Settlement Rules) for the purpose of facilitating dealings in shares; and [Amended 2005 AGM]
  - (2) must comply with obligations imposed on it by the Listing Rules or the Operating Rules of an applicable Prescribed CS facility (including the ASTC Settlement Rules) in relation to dealings in shares. [Inserted 2003 AGM] [Amended 2005 AGM]

**4.2 Registration of Transfers**

- (a) The Directors:
  - (1) may decline to register a transfer of securities only if that refusal would not contravene the Listing Rules or the Operating Rules of an applicable Prescribed CS facility (including the ASTC Settlement Rules); [Amended 2005 AGM]
  - (2) may apply a holding lock to specified securities where permitted to do so under the Listing Rules; and
  - (3) must not register a transfer if the Corporations Act, the Listing Rules or the Operating Rules of the applicable Prescribed CS facility (including the ASTC Settlement Rules) forbid registration. [Amended 2005 AGM]
- (b) [Deleted 2003 AGM]
- (c) [Deleted 2003 AGM]
- (d) If the Directors decline to register a transfer, Qantas must give to the party lodging the transfer written notice of the refusal and the precise reasons for the refusal within five Business Days after the date on which the transfer was lodged with Qantas, but failure to do so will not invalidate the decision of the Directors to decline to register the transfer. [Amended 2003 AGM]

**4.3 Transmission of Shares**

- (a) In the case of the death of a member, the only persons Qantas will recognise as having any title to the member's shares are:
  - (1) the legal personal representative of the deceased where the deceased was a sole holder; and
  - (2) the survivor or survivors where the deceased was a joint holder.
- (b) Nothing contained in clause 4.3(a) releases the estate of a deceased member from any liability in respect of a share, whether that share was held by the deceased solely or jointly with other persons.

- (c) A person who becomes entitled to a share in consequence of a Transmission Event may, upon producing the certificate for the share and such other evidence as the Directors may require to prove that person's entitlement to the share, elect:
  - (1) to be registered as the holder of the share by signing and serving on Qantas a notice in writing stating that election; or
  - (2) to have some other person nominated by that person registered as the transferee of the share by effecting a transfer of the share to that other person.
- (d) The provisions of this Constitution relating to the right to transfer, and the registration of transfers, of shares apply, so far as they can and with such changes as are necessary, to any notice or transfer under clause 4.3(c) as if the relevant Transmission Event had not occurred and the notice or transfer were a transfer effected by the registered holder of the share.

#### 4.4 Divestiture

- (a) Where shares have been transferred to a member in circumstances such that the Directors would have been entitled to prevent that transfer occurring or to decline to register that transfer in accordance with clause 4.2(a) (assuming for this purpose, if necessary, that clause 4.2(a) had applied) the Directors may at any time, by notice in writing to that member, require that member to sell, within a period nominated by the Directors in the notice not being less than 30 days, any shares specified in the notice, held by that member. [Amended 2003 AGM]
- (b) If a member fails to comply with a notice given under clause 4.4(a) within the time specified by that notice, the Directors may sell any shares specified in the notice given under clause 4.4(a) in any manner the Directors think fit. The Directors may appoint a person to execute an instrument of transfer of such shares or any other instrument or to take any other action necessary or appropriate for the purpose of giving effect to such sale including effecting a transfer in accordance with the Operating Rules of each applicable Prescribed CS facility (including the ASTC Settlement Rules). [Amended 2003 AGM] [Amended 2005 AGM]
- (c) The Directors may receive the purchase money or consideration given for the shares on any sale under clause 4.4(b).
- (d) Qantas must register as the holder of the shares the person to whom the shares are sold under clause 4.4(b).
- (e) A person to whom shares are sold under clause 4.4(b) is not bound to see to the regularity or validity of, or to the application of the purchase money or consideration on, any sale under clause 4.4(b) and the title of that person to the shares is not affected by any irregularity or invalidity in the sale.
- (f) The remedy (if any) of any person aggrieved by a sale under clause 4.4(b) is limited to damages only and is against Qantas exclusively.
- (g) The proceeds of a sale under clause 4.4(b) must be applied in the payment of:
  - (1) first, the expenses of the sale; and
  - (2) second, all money presently payable to Qantas (if any) by the former holder whose shares have been sold,
 and the balance (if any) must be paid (subject to any lien that exists under clause 3.6 in respect of money due and unpaid) to the former holder on the former holder delivering to Qantas the certificate (if any) for the shares that have been sold or taking such other action as Qantas requires to relinquish the former holder's claim on such shares and to surrender all evidence of any such claim.

#### 4.5 Member's Information

- (a) In addition to any power or right of Qantas to seek information under the Corporations Act, the Directors may, by written notice, request a member to provide any or all of the following information: [Amended 2003 AGM]
  - (1) the total number of shares in Qantas in which the member has a Relevant Interest;

- (2) the names, addresses and Relevant Interests of all other persons known, after making reasonable inquiries, to have a Relevant Interest in shares in Qantas in respect of which the member is the registered holder;
  - (3) whether or not the member is a Foreign Person or a Foreign Airline;
  - (4) which, if any, of the persons referred to in clause 4.5(a)(2) are Foreign Persons or Foreign Airlines; and
  - (5) any other information which the Directors reasonably consider necessary for the purposes of the proper operation of clauses 4.7 and 4.8 and which could reasonably be expected to be within the knowledge of the member.
- (b) If a member does not provide the requested information referred to in clause 4.5(a) within 14 days of being requested to do so:
- (1) the Directors may exercise all of the powers set out in clause 4.7 in respect of the member's shares as if those shares were Affected Shares; and
  - (2) the member's right to vote in respect of, and to remain the holder of, those shares shall be determined as if those shares were Affected Shares for the purposes of clause 4.7.
- (c) The Directors shall, by written notice to the member, withdraw any notice served on that member in accordance with this clause 4.5 where:
- (1) the member supplies the requested information to the Directors; or
  - (2) the failure to provide the information arises by reason of honest mistake or for reasons beyond the reasonable control of the member.

#### 4.6 Separate Records [Qantas Sale Act s.9(1)]

- (a) The Directors shall maintain a separate register or a sub-register forming part of its main register in which shall be entered such particulars (including whether a Foreign Airline has a Relevant Interest in the share) as the Directors consider appropriate in respect of any share which:
- (1) has been acknowledged by the registered holder to be a Relevant Share; or
  - (2) the Directors consider may be a Relevant Share but only if after making reasonable enquiries in accordance with clause 4.6(f) the Directors have not been satisfied that the share is not a Relevant Share,
- and which, in either case has not, to the satisfaction of the Directors, ceased to be a Relevant Share.
- (b) A Foreign Person must, within 10 days of becoming a registered holder of shares, notify the Directors (or such other persons as the Directors nominate) that the shares acquired by the Foreign Person are Relevant Shares.
- (c) A Foreign Airline must, within 10 days of becoming a registered holder of shares, notify the Directors (or such other persons as the Directors nominate) that it has acquired the shares.
- (1) A person must, within 10 days of becoming a registered holder of shares, notify the Directors (or such other persons as the Directors nominate) of any Relevant Interest of Foreign Persons and/or Foreign Airlines in those shares of which the person is aware.
  - (2) Registered holders of shares which have not been acknowledged to be Relevant Shares, within 10 days of becoming aware that a Foreign Person has a Relevant Interest in the shares, must notify the Directors (or such other persons as the Directors nominate) that a Foreign Person has a Relevant Interest in such shares held by them and whether that Foreign Person is a Foreign Airline.
- (e) The Directors shall remove from the separate register or sub-register maintained in accordance with clause 4.6(a) particulars of any share in respect of which the holder of such a share, or such other person as the Directors think appropriate, provides a declaration, together with such evidence as the Directors may require (and which is satisfactory to them) that such share is no longer a Relevant Share.
- (f) Enquiries made by or on behalf of the Directors to ascertain whether a share is a Relevant Share under clause 4.6(a)(2) shall:
- (1) be in writing addressed to the registered holder, or any other person who appears to the Directors to have a Relevant Interest in the share which is the subject of the enquiry; and

- (2) require the addressee to provide, within 14 days of receiving the notice (or such longer period as specified in the notice), any information necessary to enable the Directors to determine whether the share which is the subject of the notice is, or should be treated as, a Relevant Share.

#### 4.7 Affected Shares

- (a) The provisions of clause 4.7(b) to (q) shall apply if the Directors are notified or otherwise become aware that:
  - (1) an Intervening Act has taken place or is imminent; or
  - (2) the foreign ownership or control of Qantas is such that an Intervening Act is likely to occur.
- (b) The Directors shall take one or both of the following steps as seem to them necessary to overcome, prevent or avoid an Intervening Act:
  - (1) remove a Director from office; Or [Qantas Sale Act s.7(1)(d)(iii)] [Amended 2005 AGM]
  - (2) seek to identify those shares the acquisition of which caused the Intervening Act to occur or resulted in an Intervening Act becoming imminent or caused the foreign ownership or control of Qantas to be such that an Intervening Act is likely to occur, and then implement the procedure set out below.
- (c) The Directors may determine to treat as Affected Shares the shares identified under clause 4.7(b)(2). In making such a determination, the Directors are not limited to Relevant Shares, but may, for example, take account of any arrangements or understandings between shareholders or entitlements to shares.
- (d) The Directors shall give written notice ('First Notice') to the registered holder of any share which they determine to treat as an Affected Share and to any other person who appears to the Directors to be entitled to that share, setting out the relevant provisions of this clause 4.7. The holder and any such other person may make representations to the Directors as to why any share identified in the First Notice should not be treated as an Affected Share.
- (e) The Directors must promptly withdraw the First Notice if:
  - (1) after considering the representations referred to in clause 4.7(d) and any other information the Directors consider relevant, the Directors reasonably consider that the shares specified in the First Notice should not be treated as Affected Shares or should no longer be treated as Affected Shares; or
  - (2) the Directors become aware that the shares specified in the First Notice have ceased to be Affected Shares.
- (f) A registered holder of an Affected Share on whom a First Notice has been served and not withdrawn is not entitled to vote in respect of such share at any general meeting of Qantas but is entitled to attend the meeting. Until the First Notice is withdrawn, the vote attached to the Affected Share vests in the Chairperson who must exercise that vote in accordance with the recommendation of the Directors. [Qantas Sale Act s.7(1)(d)(iii)]
- (g) If the First Notice has not been withdrawn in accordance with clause 4.7(e) within 30 days of service, the Directors shall give a further written notice ('Second Notice') to each person to whom the First Notice was given, requiring that person, within the period specified in the Second Notice (which period must not expire more than 60 days after the date of service of the Second Notice), to dispose of either the Affected Share or any Relevant Interest set out in the Second Notice such that it ceases to be an Affected Share.
- (h) The Directors must promptly advise the registered holder if they become aware that a share identified in a Second Notice has ceased to be an Affected Share.
- (i) If, after the period for disposal specified in the Second Notice, the Directors are not satisfied that a suitable disposal has been made, the Directors may arrange for the sale of the Affected Share on behalf of the registered holder such that it ceases to be an Affected Share. Such sale shall be effected at the best price reasonably obtainable at the time of sale, based upon independent advice obtained by the Directors for the purpose, provided that the Directors shall not be liable to any person for any consequence of reliance on such advice. The net proceeds of sale shall be held on trust by Qantas for, and paid (together with interest at such rate as the Directors deem appropriate) to, the former registered holder. [Qantas Sale Act s.7(1)(d)(ii)]



- (j) For the purpose of any sale in accordance with clause 4.7(i), the Directors may appoint any person to effect as transferor a transfer in favour of the transferee and may enter the name of the transferee in respect of the transferred share in the share register. The transfer shall be effective as if it had been effected by the registered holder.
- (k) In deciding which shares are to be dealt with as Affected Shares, the Directors shall have regard to the chronological order in which particulars of Relevant Shares have been entered in the register or sub-register kept in accordance with the provisions of clause 4.6(a), on the basis that the last registered share is to be the first treated as an Affected Share, except where in their opinion to do so would be: [Amended 2005 AGM]
  - (1) inequitable; or
  - (2) not in the best interests of Qantas,
 in which case the Directors shall apply such other criteria in their absolute discretion as they may consider appropriate. [Amended 2005 AGM]
- (l) [Deleted 2005 AGM]
- (m) [Deleted 2005 AGM]
- (n) Subject to any other provision in this Constitution, unless contrary information is provided to the Directors, they shall be entitled to assume without inquiry that all shares are not Relevant Shares.
- (o) The Directors are not obliged to serve any notice required under this clause 4.7 upon any person if they do not know the identity or address of that person. The absence of a notice in such circumstance or any accidental error or failure to give any notice to any person upon whom notice is required to be served under this clause 4.7 shall not prevent the implementation or validity of any procedure or action taken under this clause 4.7.
- (p) The Directors, so long as they act reasonably and in good faith, shall be under no liability to Qantas or to any other person:
  - (1) for failing to treat any share, or erroneously determining that any share should be treated, as an Affected Share or Relevant Share in accordance with the provisions of this clause 4.7 or clause 4.6(a); or
  - (2) if on the basis of any such determination, they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this clause 4.7 in relation to such share.
- (q) Any resolution, determination or decision to exercise any discretion or power by the Directors under this clause 4.7 shall be final and conclusive in the absence of bad faith or manifest error on the part of the Directors.

#### 4.8 Enforcement of Foreign Ownership Limitations

- (a) On the Directors becoming aware of a breach of clause 2.2 and determining which shares give rise to the breach ('Offending Shares'), the Directors must promptly give notice in accordance with clause 4.8(c) which, in accordance with the provisions under this clause 4.8:
  - (1) will lead to the registered holder of the Offending Shares not being able to vote in respect of those shares; and
  - (2) may lead to the disposal of the Offending Shares.
- (b) In determining which shares are Offending Shares, the Directors must, unless in their opinion it would be inequitable or not in the best interests of Qantas to do so, have regard to the chronological order in which particulars of Relevant Shares have been entered in the register or sub-register kept in accordance with the provisions of clause 4.6(a), on the basis that the last registered share is to be the first treated as an Offending Share. [Amended 2005 AGM]
- (c) The Directors shall give written notice ('First Notice') to the registered holder of any Offending Share and to any other Foreign Person who appears to the Directors to have a Relevant Interest in that share, setting out the relevant provisions of this clause 4.8. The holder or any such other person may make representations to the Directors as to why any share so identified should not be regarded as having given rise to a breach of clause 2.2 or, if having given rise to the breach, should not be dealt with as an Offending Share because the breach is not continuing.

- (d) The Directors must promptly withdraw the First Notice if:
  - (1) after considering the representations referred to in clause 4.8(c) and any other information the Directors consider relevant, the Directors reasonably consider that the shares specified in the First Notice should not be treated as Offending Shares or should no longer be treated as Offending Shares; or
  - (2) the Directors become aware that the shares specified in the First Notice have ceased to be Offending Shares.
- (e) A registered holder of an Offending Share on whom a First Notice has been served and not withdrawn is not entitled to vote in respect of such share at any general meeting of Qantas but is entitled to attend the meeting and be heard. Until the First Notice is withdrawn, the vote attached to the Offending Share vests in the Chairperson who must exercise that vote in accordance with the recommendation of the Directors. [Qantas Sale Act s.7(1)(d)(iii)]
- (f) If the First Notice has not been withdrawn within 30 days of service, the Directors shall give a further written notice ('Second Notice') to each person to whom the First Notice was given, requiring that person, within the period specified in the Second Notice (which period must not expire more than 60 days after the date of service of the Second Notice), to dispose of either that Offending Share or any Relevant Interest referred to in the Second Notice such that the share ceases to be an Offending Share.
- (g) The Directors must promptly advise the registered holder if they become aware that a share identified in a Second Notice has ceased to be an Offending Share.
- (h) If, after the period for disposal specified in the Second Notice the Directors are not satisfied that a suitable disposal has been made, the Directors may arrange for the sale of the Offending Share on behalf of the registered holder such that it ceases to be an Offending Share. Such sale shall be effected at the best price reasonably obtainable at the time of sale, based upon independent advice obtained by Directors for the purpose, provided that the Directors shall not be liable to any person for any consequence of reliance on such advice. The net proceeds of sale shall be held on trust by Qantas for, and paid (together with interest at such rate as the Directors deem appropriate) to, the former registered holder. [Qantas Sale Act s.7(1)(d)(i)]
- (i) For the purpose of any sale in accordance with clause 4.8(h), the Directors may appoint any person to effect as transferor a transfer in favour of the transferee and may enter the name of the transferee in respect of the transferred share in the share register. The transfer is effective as if it had been effected by the registered holder.
- (j) [Deleted 2005 AGM]
- (k) If implementation of the procedure outlined in paragraphs (a) to (h) of this clause 4.8 is not sufficient to cure the breach referred to in clause 4.8(a), the Directors may remove a Director from office if such removal would have the effect of curing the breach.
- (l) Subject to any other provision in this Constitution, unless contrary information is provided to the Directors, they shall be entitled to assume without inquiry that all shares are not Relevant Shares.
- (m) The Directors are not obliged to serve any notice required under this clause 4.8 upon any person if they do not know the identity or address of that person. The absence of a notice in such circumstance or any accidental error or failure to give any notice to any person upon whom notice is required to be served under this clause 4.8 shall not prevent the implementation or validity of any procedure or action taken under this clause 4.8.
- (n) The Directors shall, so long as they act reasonably and in good faith, be under no liability to Qantas or to any other person:
  - (1) for failing to treat any share, or erroneously determining that any share should be treated, as an Offending Share or Relevant Share in accordance with the provisions of this clause 4.8; or
  - (2) if, on the basis of any such determination, they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under this clause 4.8 in relation to such share.

- (o) Any resolution, determination or decision to exercise any discretion or power by the Directors under this clause 4.8 shall be final and conclusive in the absence of bad faith or manifest error on the part of the Directors.

## PART 5 GENERAL MEETINGS

### 5.1 Convening of General Meetings

- (a) One or more Directors may convene a general meeting whenever they think fit.
- (b) Members may request or convene general meetings in accordance with the procedures set out in the Corporations Act. [Amended 2003 AGM]
- (c) A general meeting may be held at two or more venues simultaneously using any technology which gives the members as a whole a reasonable opportunity to participate.

### 5.2 Notice of General Meetings

- (a) At least 28 days notice (or such shorter period as may be authorised by the Corporations Act) of a general meeting (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day appointed for the meeting) must be given in the manner authorised by Part 13 of this Constitution to each person who is at the time of giving the notice:
  - (1) a member;
  - (2) entitled under this Constitution either to be registered as the holder, or to the transfer of, any shares and who has satisfied the Directors of that person's right to be registered as the holder of, or the transferee of, the shares;
  - (3) a Director; or
  - (4) an auditor of Qantas. [Amended 2003 AGM]
- (b) A notice of a general meeting must:
  - (1) specify the place, date and time of the meeting and state the general nature of the business to be transacted at the meeting;
  - (2) contain any statement or information required by the Corporations Act; and [Amended 2003 AGM]
  - (3) be accompanied by a proxy form which will:
    - (A) enable the shareholder to vote for or against, or abstain from, each resolution to be put to the meeting; and
    - (B) allow for the insertion by the shareholder of the name of the person or persons to be appointed as proxy and may also provide that, in such circumstances and on such conditions specified in the form as are not inconsistent with this Constitution, the chairperson of the relevant meeting (or another person specified in the proxy form) is appointed as proxy.
- (c) Failure to comply with clause 5.2 does not invalidate any act, matter or thing done or resolution passed at the general meeting if:
  - (1) the failure occurred by accident or error; or
  - (2) before or after the meeting, the person:
    - (A) has waived or waives notice of that meeting under clause 5.2(d); or
    - (B) has notified or notifies Qantas of the person's agreement to that act, matter, thing or resolution by notice in writing to Qantas.
- (d) A person's attendance at a general meeting waives any objection that person may have to a failure to give notice, or the giving of a defective notice, of the meeting unless the person at the beginning of the meeting objects to the holding of the meeting.

### 5.3 Admission to General Meetings

The chairperson of a general meeting may refuse admission to, or require to leave and remain out of the meeting, any person:

- (a) in possession of a pictorial-recording or sound-recording device;
- (b) in possession of a placard or banner;

- (c) in possession of an article considered by the chairperson of the meeting to be dangerous, offensive or liable to cause disruption;
- (d) who refuses to produce or to permit examination of any article, or the contents of any article, in the person's possession;
- (e) who behaves or threatens to behave in a dangerous, offensive or disruptive manner; or
- (f) who is not a member, Director or auditor of Qantas or a person referred to in clause 5.2(a)(2), or any other person at the absolute discretion of the chairperson of the meeting.

#### 5.4 Quorum at General Meetings

- (a) No business may be transacted at any general meeting, except the election of a chairperson of the meeting and the adjournment of the meeting, unless a quorum of members is present when the meeting proceeds to business.
- (b) A quorum consists of two members entitled to vote and be present at the meeting.
- (c) A member is to be taken to be present at a general meeting if the member is present in person or by proxy, attorney or representative.
- (d) If a quorum is not present within 30 minutes after the time appointed for the general meeting:
  - (1) where the meeting was convened upon the request of members, the meeting must be dissolved; or
  - (2) in any other case:
    - (A) the meeting stands adjourned to such day, and at such time and place, as the Directors determine or, if no determination is made by the Directors, to the same day in the next week at the same time and place; and
    - (B) if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the members present shall constitute a quorum.

#### 5.5 Chairperson of General Meetings

- (a) The Chairperson, if present within 15 minutes after the time appointed for the meeting and willing to act, must preside as chairperson at each general meeting.
- (b) If at a general meeting:
  - (1) there is no Chairperson;
  - (2) the Chairperson is not present within 15 minutes after the time appointed for the meeting; or
  - (3) the Chairperson is present within that time but is not willing to act as chairperson of the meeting,

then if the Directors have elected a Deputy Chairperson, the Deputy Chairperson, if present within 15 minutes after the time appointed for the meeting and willing to act, must preside as chairperson at the meeting.

- (c) Subject to clause 5.5(a), if at a general meeting:
  - (1) there is no Deputy Chairperson;
  - (2) the Deputy Chairperson is not present within 15 minutes after the time appointed for the meeting; or
  - (3) the Deputy Chairperson is present within that time but is not willing to act as chairperson of the meeting,

the members present must elect as chairperson of the meeting:

- (4) another Director who is present and willing to act; or
- (5) if no other Director willing to act is present at the meeting, a member who is present and willing to act.

## **5.6 Adjournment of General Meetings**

- (a) The chairperson of a general meeting may with the consent of the meeting, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (b) Where a meeting is adjourned for 14 days or more, notice of the adjourned meeting must be given as in the case of an original meeting.
- (c) Except as provided by clause 5.6(b), it is not necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

## **5.7 Decisions at General Meetings**

- (a) Except in the case of any resolution which as a matter of law requires a special majority, questions arising at a general meeting are to be decided by a majority of votes cast by the members present at the meeting and any such decision is for all purposes a decision of the members.
- (b) In the case of an equality of votes upon any proposed resolution:
  - (1) the chairperson of the meeting will not have a second or casting vote; and
  - (2) the proposed resolution is to be taken as having been lost.
- (c) A resolution put to the vote of a general meeting must be decided on a show of hands unless:
  - (1) before a vote is taken;
  - (2) before the voting result on a show of hands is declared; or
  - (3) immediately after the declaration of the result of vote or a show of hands, a poll is demanded by:
    - (4) the chairperson of the meeting;
    - (5) members with at least 5% of the votes that may be cast on the resolution on a poll; or
    - (6) at least five members entitled to vote on the resolution.
- (d) A demand for a poll does not prevent the continuation of a general meeting for the transaction of any business other than the question on which the poll has been demanded.
- (e) Unless a poll is duly demanded, a declaration by the chairperson of a general meeting that a resolution has on a show of hands been carried or lost, and an entry to that effect in the book containing the minutes of the proceedings of general meetings, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- (f) If a poll is duly demanded at a general meeting, it will be taken in such manner and (subject to clause 5.7(g)) either at once or after an interval or adjournment or otherwise as the chairperson of the meeting directs, and the result of the poll will be the resolution of the meeting at which the poll was demanded.
- (g) A poll demanded at a general meeting on the election of a chairperson of the meeting or on a question of adjournment must be taken immediately.
- (h) The demand for a poll may be withdrawn.
- (i) Subject to clause 5.7(g), if a poll has been taken the chairperson of the meeting may close the meeting, provided that the results of any such poll must be declared by notice in appropriate newspapers nominated, at the meeting, by the chairperson of the meeting within two Business Days of closure of the meeting.

## **5.8 Voting Rights**

- (a) Subject to any rights or restrictions attached to any shares or class of shares, at a general meeting:
  - (1) on a show of hands, every member present has one vote; and
  - (2) on a poll, every member present has:

- (A) one vote for each fully paid share held by the member; and
  - (B) a fraction of a vote for each partly paid share held by the member, equivalent to the proportion which the amount paid up (not credited) on the share bears to the total amounts paid and payable (excluding amounts credited) on the share.
- (b) Where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member on a show of hands:
  - (1) the person is entitled to one vote only despite the number of members the person represents; and
  - (2) that vote will be taken as having been cast for all the members the person represents; and
  - (3) if the person has been appointed as a proxy under two or more instruments that specify different ways to vote on a resolution, the person may not vote as a proxy on a show of hands, however, if the person is a member, the person may vote on a show of hands without regard to the proxies the person holds.
- (c) Where a member appoints two proxies to vote in respect of shares held by the member and both are in attendance:
  - (1) on a show of hands, only the first person named in the instrument appointing the proxies, or if they are named in separate instruments, the person whose name is earlier in alphabetical sequence, may vote; and
  - (2) on a poll, each proxy may only exercise votes in respect of those shares for which the proxy has been validly appointed proxy.
- (d) In the case of joint holders the vote of the joint holder first named in the register of members in respect of the shares who tenders a vote, whether in person or by proxy, attorney or representative, must be accepted to the exclusion of the votes of the other joint holders.
- (e) The parent or guardian of an infant member may vote at any general meeting upon such evidence being produced of the relationship or of the appointment of the guardian as the Directors may require and any vote tendered by a parent or guardian of an infant member in accordance with this clause 5.8(e) must be accepted to the exclusion of the vote of the infant member.
- (f) A person entitled under clause 4.3(c) to be registered as the holder of or to the transfer of any shares may vote at any general meeting in respect of those shares in the same manner as if that person were the registered holder of those shares if, before the meeting, the Directors have:
  - (1) admitted that person's right to vote at the meeting in respect of those shares; or
  - (2) been satisfied of that person's right to be registered as the holder of, or transferee of, those shares,

and any vote tendered by such a person in accordance with this clause 5.8(f) must be accepted to the exclusion of any other vote purported to be cast for the registered holder of those shares.
- (g) Where a member holds any share upon which any call or other sum of money payable to Qantas has not been duly paid:
  - (1) that member is only entitled to be present at a general meeting and vote if other shares are held by that member upon which no money is then due and payable; and
  - (2) on a poll, that member is not entitled to vote in respect of that share but may vote in respect of any other shares held upon which no money is then due and payable.
- (h) A member is not entitled to vote on any resolution if the Listing Rules provide that:
  - (1) the member must not vote or must abstain from voting on the resolution; or
  - (2) a vote on the resolution by the member must be disregarded for the purposes of the Listing Rules,

and if the member does vote on such a resolution, his or her vote must not be counted.
- (i) An objection to the qualification of a person to vote at a general meeting:
  - (1) must be raised before or at the meeting at which the vote objected to is given or tendered; and
  - (2) must be referred:

- (A) if it is raised before the meeting, to the Directors; or
- (B) if it is raised at the meeting, to the chairperson of the meeting,

whose decision is final.

- (j) A vote not disallowed by the Directors or the chairperson of a meeting under clause 5.8(i) is valid for all purposes.

#### 5.9 Representation at General Meetings (including Proxies)

- (a) Subject to this Constitution, each member entitled to vote at a meeting of members may vote:
  - (1) in person;
  - (2) by not more than two proxies;
  - (3) by an attorney; or
  - (4) where the member is a body corporate, by its representative appointed in accordance with the Corporations Act. [Amended 2003 AGM]
- (b) An attorney or representative may be appointed for all general meetings, or for any number of general meetings, or for a particular general meeting.
- (c) A proxy, attorney or representative may, but need not, be a member of Qantas.
- (d) Subject to clause 5.2(b)(3)(B), an instrument appointing a proxy, attorney or representative may be in any usual form or any other form that the Directors approve.
- (e) Unless otherwise provided in the instrument (even though the instrument may refer to specific resolutions and may direct the proxy, attorney or representative how to vote on those resolutions) an instrument appointing a proxy, attorney or representative will be taken to confer authority:
  - (1) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion;
  - (2) to vote on any procedural motion, including any motion to elect the chairperson of the meeting, to vacate the chair or to adjourn the meeting;
  - (3) to speak to any proposed resolution on which the proxy, attorney or representative may vote; and
  - (4) to demand or join in demanding a poll on any resolution on which the proxy, attorney or representative may vote.
- (f) Where a member appoints two proxies to vote in respect of the member's shares at the same general meeting and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
- (g) An instrument appointing a proxy or attorney may direct the manner in which the proxy or attorney is to vote in respect of a particular resolution and, where an instrument so provides, the proxy or attorney is not entitled to vote on the proposed resolution except as directed in the instrument.
- (h) An appointment of a proxy or attorney must be in writing and:
  - (1) in the case of a natural person, signed by the appointer; or
  - (2) in the case of a body corporate, executed in a form acceptable to the Directors.

For the purposes of this clause 5.9(h) and clause 5.9(i), the appointment of a proxy or attorney which is sent by electronic message to an electronic address specified for that purpose in the notice convening the meeting will be taken to have been signed (in the case of a natural person) or executed in a form acceptable to the Directors (in the case of a body corporate) if the appointment:

- (A) includes or is accompanied by a personal identification code allocated by Qantas to the member making the appointment; or
  - (B) has been authorised by the member in another manner approved by the Directors.
- [Amended 2003 AGM]

- (i) A proxy may not vote at a general meeting unless the instrument appointing the proxy (and a copy of any power of attorney or other authority under which the instrument is signed) are

received at the registered office of Qantas or are sent to and received at a facsimile number at that office or are sent to and received at another facsimile number or address including an electronic address specified for that purpose in the notice convening the meeting not less than 48 hours before: [Amended 2003 AGM]

- (1) in the case of a meeting or an adjourned meeting, the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - (2) in the case of a poll, the time appointed for the taking of the poll.
- (j) A vote given in accordance with the terms of an instrument appointing a proxy or attorney is valid even if, before the proxy or attorney votes:
- (1) the appointing member dies;
  - (2) the member is mentally incapacitated;
  - (3) the member revokes the proxy's or attorney's appointment;
  - (4) the member revokes the instrument or the authority under which the proxy or attorney was appointed by a third party; or
  - (5) the member transfers the share in respect of which the proxy or attorney was given,
- if no notice in writing of the death, mental incapacity, revocation or transfer has been received by Qantas before the start or resumption of the relevant meeting.
- (k) A vote given in accordance with the terms of an instrument appointing a proxy or attorney is valid despite the transfer of the share in respect of which the instrument was given if the transfer is not registered by the time at which the instrument appointing the proxy or attorney is required to be received under clause 5.9(i). [Amended 2003 AGM]
- (l) The appointment of a proxy or attorney is not revoked by the appointer attending and taking part in the general meeting but, if the appointer votes on any resolution, the person or persons acting as proxy or attorney for the appointer are not entitled to vote, and must not vote, as the appointer's proxy or attorney on the resolution.

## PART 6 DIRECTORS

### 6.1 Number of Directors

- (a) The number of Directors must be not less than three or more than the maximum number set by the Directors from time to time. [Amended 2005 AGM]
- (b) At all times, at least two-thirds of the Directors must be Australian Citizens. [Qantas Sale Act s.7(1)(i)]
- (c) Substantial Foreign Shareholders in aggregate may not vote to appoint any more than one third of the Directors. [Qantas Sale Act s.7(1)(c)]
- (d) [Deleted 2005 AGM]
- (e) The remaining Directors shall remove any Director appointed under a resolution or notice of appointment in breach of this clause 6.1.
- (f) [Deleted 2005 AGM]

### 6.2 [Deleted 2005 AGM]

### 6.3 Appointment and Removal of Directors [Amended 2005 AGM]

- (a)
  - (1) This clause 6.3 is to be read subject to clause 6.1.
  - (2) The members may by ordinary resolution appoint or remove a Director. [Amended 2005 AGM]
- (b)
  - (1) At the annual general meeting of Qantas one third of the Directors (rounded down, if required, to the nearest whole number), but excluding the Managing Director, shall retire from office, such one-third not to include any Director retiring in accordance with clause 6.5(b). [Amended 2000 AGM] [Amended 2005 AGM]
  - (2) The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agreed among themselves) be determined by lot. [Amended 2005 AGM]
  - (3) A Director retiring under this clause 6.3 or clause 6.5(b) shall be eligible for re-election and shall act as a Director throughout the meeting at which he or she retires. [Amended 2005 AGM]



- (4) No Director (other than the Managing Director) shall remain in office for a period in excess of three years or after the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. [Amended 2000 AGM]  
[Amended 2005 AGM]
- (5) The members may, at the meeting at which a Director retires, by ordinary resolution fill the vacated office by electing a person to that office. [Amended 2005 AGM]
- (6) A person may only be elected to the office of a Director at a general meeting if: [Amended 2005 AGM]
  - (A) the person is a Director retiring from office under this clause 6.3 or clause 6.5(b) and standing for re-election at that meeting;
  - (B) the person has been nominated by the Directors for election at that meeting; or
  - (C) [Deleted 2000 AGM]

the person has been nominated by:

- (i) members with at least 5% of the votes attaching to all the Voting Shares in Qantas; or [Amended 2005 AGM]
- (ii) at least 100 members entitled to vote at a general meeting,

and who have given Qantas notice under section 249N of the Corporations Act.  
[Amended 2003 AGM] [Amended 2005 AGM]

(c) [Deleted 2005 AGM]

(d) [Deleted 2005 AGM]

**6.4** [Deleted 2005 AGM]

#### **6.5 Casual Vacancy**

- (a) Subject to clause 6.1, the Directors may at any time appoint any natural person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. [Amended 2005 AGM]
- (b) Any Director appointed in accordance with clause 6.5(a) shall hold office only until the next general meeting of Qantas.

#### **6.6 Vacation of Office**

The office of a Director becomes vacant:

- (a) in the circumstances prescribed by the Corporations Act; [Amended 2003 AGM]
- (b) if the Director becomes of unsound mind or a person who is, or whose estate is, liable to be dealt with in any way under the law relating to mental health; or
- (c) if the Director resigns by notice in writing to Qantas.

#### **6.7 Remuneration of Directors**

- (a) Each Director is entitled to such remuneration out of the funds of Qantas as the Directors determine, but the remuneration of non-Executive Directors may not exceed in aggregate in any year the amount fixed by the members in general meeting for that purpose.
- (b) The remuneration of Directors:
  - (1) in the case of all Directors, may be a stated salary or a fixed sum for attendance at each meeting of Directors or both; or
  - (2) in the case of non-Executive Directors:
    - (A) may be a share of the amount fixed under clause 6.7(a), divided among them in the manner and in the proportion determined by the Directors and in default equally; and
    - (B) may include travel benefits up to a level determined by the members in general meeting and to be distributed among them in the manner determined by the Directors,

and if it is a stated salary under clause 6.7(b)(1) or a share of a fixed sum under clause 6.7(b)(2)(A), will accrue from day to day.

- (c) The remuneration payable by Qantas to a Director must not include a commission on, or percentage of, operating revenue.
- (d) The Directors are entitled to be paid all travelling and other expenses properly incurred by them in connection with the affairs of Qantas, including attending and returning from general meetings of Qantas or meetings of the Directors or of committees of the Directors.
- (e) Subject to clause 6.7(a), if a Director renders or is called upon to perform extra services or to make any special exertions in connection with the affairs of Qantas, the Directors may arrange for a special remuneration to be paid to that Director, either in addition to or in substitution for that Director's remuneration under clause 6.7(b).
- (f) The salary paid to an Executive Director is not to be included in the amount fixed in accordance with clause 6.7(a).
- (g) The Directors may make a lump sum payment in respect of past services to any Director or to the widow or widower or dependants of any Director on or at any time after the Director ceases to hold office as Director.
- (h) The Directors may establish or support or assist in the establishment or support of funds and trusts to provide pension, retirement, superannuation or similar payments or benefits to the Directors.

#### 6.8 Share Qualifications

- (a) A Director is not required to hold any shares in Qantas by way of qualification.
- (b) A Director who is not a member of Qantas is nevertheless entitled to attend and speak at general meetings.

#### 6.9 Interested Directors

- (a) A Director may hold any other office or place of profit in Qantas (other than auditor) in conjunction with his or her directorship and may be appointed to that office or place upon such terms as to remuneration, tenure of office and otherwise as the Directors think fit.
- (b) A Director of Qantas may be or become a Director or other officer of, or otherwise interested in, any related body corporate or any other body corporate promoted by Qantas or in which Qantas may be interested as a shareholder or otherwise and (unless otherwise agreed) is not accountable to Qantas for any remuneration or other benefits received by the Director as a Director or officer of, or from having an interest in, that body corporate.
- (c) A Director is not disqualified merely because of being a Director from contracting with Qantas in any respect including, without limitation:
  - (1) selling any property to, or purchasing any property from, Qantas;
  - (2) lending any money to, or borrowing any money from, Qantas with or without interest and with or without security;
  - (3) guaranteeing the repayment of any money borrowed by Qantas for a commission or profit;
  - (4) underwriting or guaranteeing the subscription for shares in Qantas or in any related body corporate or any other body corporate promoted by Qantas or in which Qantas may be interested as a shareholder or otherwise, for a commission or profit; or
  - (5) being employed by Qantas or acting in any professional capacity (other than auditor) on behalf of Qantas.
- (d) No contract made by a Director with Qantas and no contract or arrangement entered into by or on behalf of Qantas in which any Director may be in any way interested is avoided or rendered voidable merely because of the Director holding office as a Director or of the fiduciary obligations arising out of that office.
- (e) No Director contracting with or being interested in any arrangement involving Qantas is liable to account to Qantas for any profit realised by or under any such contract or arrangement merely

because of the Director holding office as a Director or of the fiduciary obligations arising out of that office.

- (f) A Director who has a material personal interest in any matter to be considered at a meeting of Directors must not:

- (1) be present while the matter is being considered at the meeting; or
- (2) vote on the matter,

unless permitted by the Corporations Act to do so, in which case the Director may: [Amended 2003 AGM]

- (1) be counted in determining whether or not a quorum is present at any meeting of Directors considering that matter;
- (2) sign or countersign any document relating to that matter; and
- (3) vote in respect of, or in respect of any thing arising out of, that matter. [Inserted 2000 AGM]

- (g) Each Director who has a material personal interest in a matter that relates to the affairs of Qantas must comply with section 191 of the Corporations Act. [Inserted 2000 AGM] [Amended 2003 AGM]

- (h) A Director will be required to declare at a meeting of Directors any:

- (1) direct or indirect interest in a contract or proposed contract with Qantas; and
- (2) potential or actual conflict of interest arising (whether directly or indirectly) from any office held or property possessed by the Director,

only if the Director is required to do so by the Corporations Act. [Inserted 2000 AGM] [Amended 2003 AGM]

#### **6.10 Powers and Duties of Directors**

- (a) The Directors are responsible for managing the business of Qantas and may exercise to the exclusion of the members in general meeting all the powers of Qantas which are not required by the Corporations Act, by the Listing Rules or by this Constitution to be exercised by the members in general meeting. [Amended 2003 AGM]
- (b) Without limiting the generality of clause 6.10(a), the Directors may exercise all the powers of Qantas to borrow or otherwise raise money, to charge any property or business of Qantas or all or any of its uncalled capital and to issue debentures or give any other security for a debt, liability or obligation of Qantas or of any other person.
- (c) The Directors may determine how cheques, promissory notes, bankers drafts, bills of exchange or other negotiable instruments must be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by or on behalf of Qantas.
- (d) The Directors may:
- (1) appoint or employ any person to be an officer, agent or attorney of Qantas for such purposes with such powers, discretions and duties (including powers, discretions and duties vested in or exercisable by the Directors), for such period and upon such conditions as they think fit;
  - (2) authorise an officer, agent or attorney to delegate all or any of the powers, discretions and duties vested in the officer, agent or attorney; and
  - (3) subject to any agreement entered into with the relevant officer, agent or attorney, remove or dismiss any officer, agent or attorney of Qantas at any time, with or without cause.
- (e) A power of attorney may contain such provisions for the protection and convenience of the attorney or persons dealing with the attorney as the Directors think fit.
- (f) The powers of the Directors under clauses 6.10(d) and 6.10(e) may be exercised by any two Directors, or a Director and the secretary, by executing a deed in accordance with section 127(1) of the Corporations Act. [Inserted 2000 AGM] [Amended 2003 AGM]

## 6.11 Proceedings of Directors

- (a) The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.
- (b) The contemporaneous linking together by any technology which facilitates communication of a number of the Directors sufficient to constitute a quorum, constitutes a meeting of the Directors and all the provisions in this Constitution relating to meetings of the Directors apply, so far as they can and with such changes as are necessary, to meetings of the Directors by such technology.
- (c) A Director participating in a meeting by any such technology is to be taken to be present in person at the meeting.

## 6.12 Convening of Meetings of Directors

A Director may, whenever the Director thinks fit, convene a meeting of the Directors.

## 6.13 Notice of Meetings of Directors

- (a) Subject to this Constitution, notice of a meeting of Directors must be given to each person who is at the time of giving the notice a Director.
- (b) A notice of a meeting of Directors:
  - (1) must specify the time and place of the meeting;
  - (2) [Deleted 2005 AGM]
  - (3) must be given not less than five days before the meeting; and
  - (4) may be given in person or by post, facsimile transmission, electronic message, telephone or other method of written, audio or audio visual communication. [Amended 2003 AGM]
- (c) A Director may waive notice of any meeting of Directors by notifying Qantas to that effect in person or by post, facsimile transmission, electronic message, telephone or other method of written, audio or audio visual communication. If at least half of the Directors waive notice in accordance with this clause 6.13(c), the meeting of Directors may be held at any time after such waivers are received by the secretary. [Amended 2003 AGM] [Amended 2005 AGM]
- (d) Failure to give notice to a Director of a meeting of Directors does not invalidate any act, matter or thing done or resolution passed at the meeting if:
  - (1) the failure occurred by accident or error;
  - (2) before or after the meeting, the Director:
    - (A) has waived or waives notice of that meeting under clause 6.13(c); or
    - (B) has notified or notifies Qantas of the Director's agreement to that act, matter, thing or resolution personally or by post, facsimile transmission, electronic message, telephone or other method of written, audio or audio visual communication; or [Amended 2003 AGM]
  - (3) the Director or an Alternate Director appointed by the Director attended the meeting.
- (e) Attendance by a person at a meeting of Directors waives any objection that person may have to a failure to give notice of the meeting and:
  - (1) if the person is a Director, any objection that an Alternate Director appointed by that person; or
  - (2) if the person is an Alternate Director, any objection that the Director who appointed that person as Alternate Director and any other Alternate Director appointed by that Director,may have to a failure to give notice of the meeting.

## 6.14 Quorum at Meetings of Directors

- (a) No business may be transacted at a meeting of Directors, unless a quorum of Directors is present at the time the meeting proceeds to business.

- (b) A quorum consists of three Directors which must include a majority of Directors who are Australian Citizens. [Amended 2005 AGM]
- (c) A Director is to be taken to be present at a meeting of Directors if the Director is present in person or by Alternate Director.
- (d) In the event of a vacancy in the office of a Director or vacancies in the offices of Directors, the remaining Director or Directors may act but, if the number of remaining Directors is not sufficient to constitute a quorum at a meeting of Directors, the remaining Director or Directors may act only for the purpose of increasing the number of Directors to a number sufficient to constitute a quorum or of convening a general meeting of Qantas.

#### 6.15 Chairperson and Deputy Chairperson

Subject to the provisions of clauses 6.16 and 6.17:

- (a) The Directors may elect one of the Directors to the office of Chairperson and may determine the period for which that Director is to be Chairperson, provided that the person is an Australian citizen. [Qantas Sale Act s.7(1)(j)] [Amended 2005 AGM]
- (b) The Directors may elect one of the Directors to the office of Deputy Chairperson and may determine the period for which that Director is to be Deputy Chairperson.
- (c) The office of Chairperson or Deputy Chairperson shall not be treated as an extra service or special exertion performed by the Director holding that office for the purposes of clause 6.7(e).
- (d) The Chairperson (if present within 10 minutes after the time appointed for the holding of the meeting and willing to act) must preside as chairperson at each meeting of Directors.
- (e) If at a meeting of Directors:
  - (1) there is no Chairperson;
  - (2) the Chairperson is not present within 10 minutes after the time appointed for the holding of the meeting; or
  - (3) the Chairperson is present within that time but is not willing to act as chairperson of the meeting,
 then if the Directors have elected a Deputy Chairperson, the Deputy Chairperson (if present within 10 minutes after the time appointed for the holding of the meeting and willing to act) must preside as the chairperson of the meeting.
- (f) Subject to clause 6.15(e), if at a meeting of Directors:
  - (1) there is no Deputy Chairperson;
  - (2) the Deputy Chairperson is not present within 10 minutes after the time appointed for the holding of the meeting; or
  - (3) the Deputy Chairperson is present within that time but is not willing to act as chairperson of the meeting,

the Directors present must elect one of themselves to be chairperson of the meeting.

#### 6.16 Chairperson to be Australian Citizen

At all times the person presiding as chairperson at a meeting of Directors must be an Australian Citizen. [Qantas Sale Act s.7(1)(j)]

#### 6.17 Decisions of Directors

- (a) A meeting of Directors at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Directors under this Constitution.
- (b) Questions arising at a meeting of Directors are to be decided by a majority of votes cast by the Directors present and any such decision is for all purposes a determination of the Directors.
- (c) [Deleted 2005 AGM]

- (d) In the case of an equality of votes upon any proposed resolution the chairperson of the meeting will not have a second or casting vote and the proposed resolution is to be taken as having been lost.

#### 6.18 Written Resolutions

- (a) If a document containing a statement to the effect that an act, matter or thing has been done or resolution has been passed:
  - (1) is sent to all Directors; and
  - (2) is assented to by at least half of the Directors, [Amended 2005 AGM]
  - (3) [Deleted 2005 AGM]that act, matter, thing or resolution is to be taken as having been done at or passed by the Directors without a meeting.
- (b) For the purposes of clause 6.18(a):
  - (1) the written resolution is to be taken as having been passed:
    - (A) if the Directors assented to the document on the same day, on that day at the time at which the document was last assented to by a Director; or
    - (B) if the Directors assented to the document on different days, on the day on which, and at the time at which, the document was last assented to by a Director required under clause 6.18(a) to assent to the document;
  - (2) two or more separate documents in identical terms each of which is assented to by one or more Directors are to be taken as constituting one document; and
  - (3) a Director may signify assent to a document by signing and returning the document to Qantas in person, by post, facsimile transmission or by electronic message. [Amended 2003 AGM]
- (c) Where a document is assented to in accordance with clause 6.18(a), the document must be included in the minute book.

#### 6.19 Alternate Directors

- (a) A Director other than an Alternate Director (in this clause 6.19, an 'appointor') may appoint:
  - (1) a person to be the appointor's Alternate Director for such period as the appointor thinks fit; and
  - (2) another person to be the appointor's Alternate Director in the absence of any Alternate Director appointed under clause 6.19(a)(1).
- (b) An Alternate Director must be:
  - (1) a Director of Qantas; or
  - (2) any other person who is approved by the Directors. [Amended 2005 AGM]
- (c) One person may act as Alternate Director to more than one appointor.
- (d) If the appointor is not present at a meeting, an Alternate Director is entitled to be counted in a quorum and vote as a Director.
- (e) An Alternate Director is entitled to a separate vote for each appointor the Alternate Director represents in addition to any vote the Alternate Director may have as Director in his or her own right.
- (f) An Alternate Director is an officer of Qantas and is not an agent of the appointor.
- (g) The provisions of this Constitution which apply to Directors also apply to Alternate Directors, except that Alternate Directors are not entitled in that capacity to any remuneration from Qantas.
- (h) In the absence of the appointor, an Alternate Director may exercise any powers that the appointor may exercise and the exercise of any such power by the Alternate Director is to be taken to be the exercise of the power by the appointor.
- (i) The office of an Alternate Director is vacated if and when the appointor vacates office as a Director.

- (j) The appointment of an Alternate Director may be terminated at any time by the appointer even though the period of the appointment of the Alternate Director has not expired.
- (k) An appointment, or the termination of an appointment, of an Alternate Director must be in writing signed by the appointor and takes effect upon receipt by Qantas of notice in writing of the appointment or termination or on the date nominated in the notice, whichever is the later.
- (l) In determining whether a quorum is present at a meeting of Directors, an Alternate Director who attends the meeting is to be counted as a Director for each Director he or she represents at the meeting.
- (m) An Alternate Director is not to be taken into account in determining the minimum or maximum number of Directors allowed under this Constitution.

## 6.20 Committees of Directors

- (a) The Directors may delegate any of their powers to a committee or committees consisting of such number of Directors as they think fit. [Amended 2005 AGM]
- (b) A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Directors.
- (c) The provisions of this Constitution applying to meetings of Directors apply, so far as they can and with such changes as are necessary, to meetings of a committee of Directors except that a quorum shall be two Directors. [Amended 2005 AGM]
- (d) Membership of a committee of Directors may, if the Directors so resolve, be treated as an extra service or special exertion performed by the members for the purposes of clause 6.7(e).

## 6.21 [Deleted 2005 AGM]

## 6.22 Delegation to Individual Directors or Officers

- (a) The Directors may delegate any of their powers in accordance with the Corporations Act. [Amended 2000 AGM] [Amended 2003 AGM] [Amended 2005 AGM]
- (b) Any person to whom any powers have been so delegated must exercise the powers delegated in accordance with any directions of the Directors. [Amended 2000 AGM]
- (c) Acceptance of such a delegation by a Director may, if the Directors so resolve, be treated as an extra service or special exertion performed by the Director for the purposes of clause 6.7(e). [Amended 2000 AGM]

## 6.23 Validity of Acts

- (a) All acts done by any person acting as a Director are, even if it is discovered afterwards that there was a defect in the person's appointment as a Director or that the person was disqualified to be a Director, valid as if the person has been duly appointed as, and was qualified to be, a Director.
- (b) All acts done by a meeting of Directors or a committee of Directors are, even if it is discovered afterwards that there was a defect in the appointment of a person as a Director or that a person appointed as a Director was disqualified to be a Director, valid as if the person had been duly appointed as, and was qualified to be, a Director.

# PART 7 EXECUTIVE OFFICERS

## 7.1 Managing Director

- (a) The Directors shall appoint a Director to the office of Managing Director. That person shall be the chief executive of Qantas. [Amended 2005 AGM]
- (b) The Managing Director's appointment as Managing Director automatically terminates if the Managing Director ceases to be a Director.

## 7.2 Deputy Managing Directors

- (a) The Directors may appoint a Director to the office of Deputy Managing Director.
- (b) A Deputy Managing Director's appointment as Deputy Managing Director automatically terminates if the Deputy Managing Director ceases to be a Director.

## 7.3 Chief Financial Officer

- (a) The Directors shall appoint a director who is a Non-BA Director to the office of Chief Financial Officer of Qantas.
- (b) The Chief Financial Officer's appointment as Chief Financial Officer automatically terminates if the Chief Financial Officer ceases to be a Director.

## 7.4 Executive Directors

- (a) The Directors may confer on an Executive Director such titles as they think fit.
- (b) An Executive Director may be appointed on one or more of the following bases:
  - (1) that the Executive Director's appointment as a Director automatically terminates if the Executive Director ceases to be an officer of Qantas, or of a related body corporate, in a capacity other than Director; or
  - (2) that the Executive Director's appointment as an officer of Qantas, or of a related body corporate, in a capacity other than Director automatically terminates if the Executive Director ceases to be a Director.

## 7.5 Secretaries

- (a) The Directors may appoint one or more secretaries.
- (b) The Directors may appoint one or more assistant secretaries.

## 7.6 Provisions Applicable to All Executive Officers

- (a) A reference in this clause 7.6 to an Executive Officer is a reference to a Managing Director, Deputy Managing Director, Chief Financial Officer, Executive Director, secretary or assistant secretary appointed under this Part 7.
- (b) The appointment of an Executive Officer may be for such period, at such remuneration and upon such conditions as the Directors think fit.
- (c) Subject to the terms of any agreement entered into between Qantas and the relevant Executive Officer, any Executive Officer of Qantas may be removed or dismissed by the Directors at any time, with or without cause.
- (d) The Directors may: *(Amended 2005 AGM)*
  - (1) confer on an Executive Officer such powers, discretions and duties (including any powers, discretions and duties vested in or exercisable by the Directors) as they think fit;
  - (2) withdraw, suspend or vary any of the powers, discretions and duties conferred on an Executive Officer; and
  - (3) authorise the Executive Officer to delegate all or any of the powers, discretions and duties conferred on the Executive Officer.
- (e) An Executive Officer is not required to hold any shares to qualify for appointment.
- (f) All acts done by any person acting as an Executive Officer, even if it is discovered afterwards that there was a defect in the person's appointment as an Executive Officer or that the person was disqualified to be an Executive Officer, are valid as if the person had been duly appointed as, and was qualified to be, an Executive Officer.



## PART 8 EXECUTION OF DOCUMENTS

### 8.1 Register of Documents Executed in Accordance with Section 127 of the Corporations Act

Qantas must keep a register of the documents it executes in accordance with section 127 of the Corporations Act and, upon execution of a document, must enter in the register particulars of the document, giving in each case the date of the document, the names of the parties to the document, a short description of the document and the names of the persons who signed the document. [Amended 2003 AGM]

### 8.2 Signing of Certificates

The Directors may determine either generally or in a particular case that the signature of any Director or secretary is to be affixed to any certificate for securities in Qantas by some mechanical or other means.

## PART 9 DISTRIBUTION OF PROFITS

### 9.1 Dividends

- (a) Subject to the rights of persons entitled to shares with special rights to dividends, the Directors may declare and authorise the payment by Qantas of a dividend in such a way as they consider appropriate. [Amended 2005 AGM]
- (b) The Directors may declare and authorise the payment by Qantas to the members of such interim dividends as appear to the Directors to be justified by the financial position of Qantas.
- (c) Interest is not payable by Qantas in respect of any dividend.
- (d)
  - (1) The Directors may, before declaring any dividend, set aside out of the profits of Qantas such sums as they think proper as reserves to be applied, at the discretion of the Directors, for any purpose for which the profits of Qantas may be properly applied.
  - (2) Pending any such application, the reserves may, at the discretion of the Directors, be used in the business of Qantas or be invested in such investments as the Directors think fit.
  - (3) the Directors may carry forward so much of the profits remaining as they consider ought not to be distributed as dividends without transferring those to a reserve.
- (e) The Directors may, subject to the Listing Rules, fix a record date in respect of a dividend.
- (f) A transfer of shares does not pass the right to any dividend declared on the shares unless the transfer is registered or left with Qantas for registration on or before: [Amended 2003 AGM]
  - (1) where the Directors have fixed a record date in respect of that dividend, that date; or
  - (2) where the Directors have not fixed a record date in respect of that dividend, the date the dividend was declared.
- (g)
  - (1) Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid (not credited) on the shares in respect of which the dividend is paid.
  - (2) All dividends shall be apportioned and paid proportionately to the ratio of the amount paid (not credited) on the shares to the amounts paid and payable (excluding amounts credited) on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it will rank for dividend as from a particular date, that share ranks for dividend accordingly.
  - (3) An amount paid on a share in advance of a call shall not be taken for the purposes of this clause 9.1(g) to be paid on the share.

- (h) The Directors may deduct from any dividend payable to a member all sums of money (if any) presently payable by the member to Qantas on account of calls or otherwise in relation to shares in Qantas.
- (i)
  - (1) When declaring a dividend the Directors may direct payment of the dividend wholly or partly by the distribution of specific assets, including paid up shares in, or debentures of, any other corporation.
  - (2) Where a difficulty arises in regard to such a distribution, the Directors may settle the matter as they consider expedient and fix the value for distribution of the specific assets or any part of those assets and may determine that cash payments will be made to any members on the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as the Directors consider expedient.
- (j)
  - (1) Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque sent through the post directed to:
    - (A) the address of the holder as shown in the register of members, or in the case of joint holders, to the address shown in the register of members as the address of the joint holder first named in that register; or
    - (B) to such other address as the holder or joint holders in writing directs or direct.
  - (2) Any one or two or more joint holders may give effectual receipts for any dividends, interest or other money payable in respect of the shares held by them as joint holders.

## 9.2 Capitalisation of Profits

Subject to any rights and restrictions attaching to any shares or any class of shares, the Directors may capitalise any sum, being the whole or a part of the amount for the time being standing to the credit of any reserve accounts or the profit and loss account or otherwise available for distribution to members, in the proportions to which those members would have been entitled in a distribution of that sum by way of dividend, unless the Directors determine in a particular case that the capitalisation should not be pro-rata.

## 9.3 Ancillary Powers

For the purpose of giving effect to any resolution for the satisfaction of a dividend by the distribution of specific assets under clause 9.1(i)(1) or the capitalisation of any amount under clause 9.2, the Directors may:

- (a) settle as they think expedient any difficulty that may arise in making the distribution or capitalisation and, in particular, determine that amounts or fractions of less than a particular value determined by the Directors may be disregarded in order to adjust the rights of all parties;
- (b) fix the value for distribution of any specific assets;
- (c) pay cash or issue debentures to any members in order to adjust the rights of all parties;
- (d) vest any such specific assets or cash or debentures in trustees upon such trusts for the persons entitled to the dividend or capitalised amount as may seem expedient to the Directors; and
- (e) authorise any person to make, on behalf of all the members entitled to any further shares or other securities as a result of the distribution or capitalisation, an agreement with Qantas or another body corporate providing, as appropriate:
  - (1) for the issue to them of such further shares or other securities; or
  - (2) for the payment by Qantas on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised.

## 9.4 Dividend Reinvestment Plans

The Directors may:

- (a) implement a dividend reinvestment plan under which the whole or any part of any dividend due to members who participate in the plan on their shares or any class of shares may be applied in subscribing for securities of Qantas or of a related body corporate; and
- (b) amend, suspend or terminate any dividend reinvestment plan so implemented.

**9.5** [Deleted 2005 AGM]

**9.6 Bonus Share Plans**

The Directors may:

- (a) implement a bonus share plan on such terms as they think fit under which participants may elect to forgo the whole or any part of any dividend due to them on their shares and, in lieu of that dividend, be issued bonus shares in Qantas; and
- (b) amend, suspend or terminate any bonus share plan so implemented.

**PART 10  
WINDING UP**

**10.1 Distribution of Surplus**

Subject to the rights or restrictions attached to any shares or class of shares, if Qantas is wound up and the value of the property of Qantas available for distribution among the members exceeds the capital paid up at the commencement of the winding up, any excess must be divided among the members in proportion to the shares held by them, irrespective of the amounts paid or credited as paid on the shares.

**10.2 Division of Property**

- (a) If Qantas is wound up, the liquidator may, with the sanction of a special resolution:
  - (1) divide among the members the whole or any part of the property of Qantas; and
  - (2) determine how the division is to be carried out as between the members or different classes of members.
- (b) Any division under clause 10.2(a) may be otherwise than in accordance with the legal rights of the members and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part.
- (c) Where a division under clause 10.2(a) is otherwise than in accordance with the legal rights of the members, a member is entitled to dissent and to exercise the same rights as if the special resolution sanctioning that division were a special resolution passed under section 507 of the Corporations Act. [Amended 2003 AGM]
- (d) If any of the property to be divided under clause 10.2(a) includes securities with a liability to calls, any person entitled under the division to any of the securities may within 10 days after the passing of the special resolution referred to in that clause, by notice in writing direct the liquidator to sell the person's proportion of the securities and to account for the net proceeds and the liquidator must, if practicable, act accordingly.
- (e) Nothing in this clause 10.2 derogates from or affects any right to exercise any statutory or other power which would have existed if this clause 10.2 were omitted.
- (f) Clause 9.3 applies, so far as it can and with such changes as are necessary, to a division by a liquidator under clause 10.2(a) as if references in clause 9.3 to the Directors and to a distribution or capitalisation were references to the liquidator and to the division under clause 10.2(a) respectively.

**PART 11  
MINUTES AND RECORDS**

**11.1 Minutes**

The Directors must cause minutes of all proceedings of:

- (a) general meetings;
- (b) meetings of the Directors;

- (c) meetings of committees of the Directors; and
- (d) written resolutions of Directors passed without a meeting,

to be entered within one month after the relevant meeting is held, in books kept for that purpose.

#### 11.2 Signing of Minutes

Except in the case of a document entered in the minute book in accordance with clause 6.18(c), those minutes must be signed within a reasonable time after the meeting by the chairperson of the meeting at which the proceedings took place or by the chairperson of the next succeeding meeting.

#### 11.3 Minutes as Evidence

Any minutes of a meeting purporting to be signed by the chairperson of the meeting or of the next succeeding meeting and any document entered in the minute book in accordance with clause 6.18(c) purporting to be signed by a Director, are (in the absence of proof of the contrary) sufficient evidence:

- (a) of the matters stated in the minutes or document; and
- (b) in the case of minutes of a meeting, of:
  - (1) the meeting having been duly convened and held; and
  - (2) the validity of all proceedings at the meeting.

#### 11.4 Inspection of Records

- (a) A Director may inspect any record of Qantas including, without limitation, the minute books, accounting records, internal management documents or such other documents or material as the Director requires.
- (b) The Directors may determine whether and to what extent and at what time and places and under what conditions, the minute books, accounting records and other documents of Qantas or any of them will be open to the inspection of members other than Directors.
- (c) A member other than a Director does not have the right to inspect any books, records or documents of Qantas except as provided by law, or as authorised by the Directors in accordance with clause 11.4(b).

### PART 12 PROTECTION OF CERTAIN OFFICERS (Inserted 2000 AGM)

#### 12.1 Indemnity

To the fullest extent permitted by law and subject to this clause 12, Qantas indemnifies and will keep indemnified each Director, secretary and assistant secretary against:

- (a) any liability (other than for legal costs) incurred by that person as an officer (or former officer) of a Relevant Company; and
- (b) any legal costs reasonably incurred by that person in connection with any Claim brought against that person as an officer (or former officer) of a Relevant Company.

#### 12.2 Insurance

To the extent permitted by law, Qantas may pay, or agree to pay, a premium directly or indirectly in respect of a contract insuring a person who is or has been an officer of Qantas against a liability incurred by that person as an officer or former officer of Qantas (including any such liability incurred by that person in their capacity as an officer of a Relevant Company).

### 12.3 Interpretation

In this clause 12:

(a) 'Claim' means:

(1) any:

- (A) legal proceedings (whether civil or criminal), administrative proceedings, arbitral proceedings, mediation or other form of alternative dispute resolution (whether or not held in conjunction with any legal, administrative or arbitral proceedings); or
- (B) investigation or inquiry by any Regulatory Authority or External Administrator,

relating to, arising out of or in any way connected with any actual or alleged act or omission of the Director as an officer of a Relevant Company; or

(2) any written or oral threat, complaint or demand or other circumstance that might reasonably cause the Director to believe that any proceedings, investigation or inquiry referred to in paragraph (1) above will be initiated;

(b) 'External Administrator' means a liquidator, provisional liquidator, controller or an administrator;

(c) 'Regulatory Authority' means the Australian Securities & Investments Commission, the Australian Competition and Consumer Commission, a Royal Commission, a Tribunal, a department of any Australian government, a public authority, or an instrumentality or agency of the Crown in right of the Commonwealth, in right of a State or in right of a Territory or the equivalent of any of them in any other jurisdiction;

(d) 'Relevant Company' means:

- (1) Qantas;
- (2) a subsidiary of Qantas; or
- (3) any company or other entity of which the officer of Qantas is an officer at the request (whether formal or informal) of Qantas; and

(e) a reference to liability or legal costs incurred by, or an act or omission of, a person 'as an officer of a Relevant Company' is a reference to the person in the capacity of:

- (1) a trustee;
- (2) a director, an officer or an employee of the Relevant Company; or
- (3) a member of a committee,

where the person is or was requested, appointed or nominated by Qantas or any of its subsidiaries to act as such a trustee, director, officer, employee or committee member (as the case may be).

### 12.4 Extent of Indemnity

The indemnity given under clause 12.1:

(a) applies to any liability or legal costs incurred by a person as an officer of a Relevant Company, other than Qantas or a subsidiary of Qantas, only if and to the extent that the person is not indemnified in respect of that liability or those legal costs:

- (1) by the Relevant Company; or
- (2) under an insurance policy which covers the Relevant Company (other than a policy maintained by Qantas, or any of their respective subsidiaries or officers); and [Amended 2005 AGM]

(b) does not apply to any liability or legal costs incurred by a person in respect of an actual or alleged act or omission of the person as an officer of a Relevant Company that occurred at any time after the person had ceased to be an officer of Qantas, except where the person was or remained an officer of the Relevant Company at the time of that act or omission at the request (whether formal or informal) of Qantas.

## 12.5 Related Party Benefits

To the extent that the indemnity under clause 12.1 requires the approval of the members of Qantas in general meeting in accordance with the provisions of the Corporations Act dealing with related party transactions, the indemnity to, and only to, that extent has no force and effect, unless and until such approval is obtained. [Amended 2003 AGM]

## 12.6 GST

The amount of any indemnity payable under this clause 12 will include an additional amount ('GST Amount') equal to any GST payable by the officer being indemnified ('Indemnified Officer') in connection with the indemnity (less the amount of any input tax credit claimable by the Indemnified Officer in connection with the indemnity). Payment of any indemnity which includes a GST Amount is conditional upon the Indemnified Officer issuing Qantas a GST tax invoice for the GST Amount.

## PART 13 NOTICES

### 13.1 Notices by Qantas to Members

- (a) A notice must be given by Qantas to a member by serving it personally at, or by sending it by post in a prepaid envelope to, the member's address as shown in the register of members or such other address, or by facsimile transmission to such facsimile number, or by electronic message to such electronic address, as the member has supplied to Qantas for the giving of notices or by such other manner as is authorised by the Corporations Act. [Amended 2003 AGM]
- (b) A notice may be given by Qantas to the joint holders of a share by giving the notice in the manner authorised by clause 13.1(a) to the joint holder first named in the register of members in respect of the share.
- (c) A notice must be given by Qantas to a person referred to in clause 5.2(a)(2) by serving it or sending it in the manner authorised by clause 13.1(a) addressed to the name or title of the person, at or to such address (including electronic address) or facsimile number supplied to Qantas for the giving of notices to that person, or if no address (including electronic address) or facsimile number has been supplied, at or to the address (including electronic address) or facsimile number to which the notice might have been sent if the relevant Transmission Event had not occurred. [Amended 2003 AGM]
- (d) Except as provided in clause 13.1(a) the fact that a member or a person referred to in clause 5.2(a)(2) has supplied a facsimile number or electronic address for the giving of notices does not require Qantas to give any notice to that member or person by facsimile or electronic message. [Amended 2003 AGM]
- (e) A notice given to a member in accordance with clause 13.1(a) or (b) is, despite the occurrence of a Transmission Event and whether or not Qantas has notice of that occurrence:
  - (1) duly given in respect of any shares registered in that person's name, whether solely or jointly with another person; and
  - (2) sufficient service on any person entitled to the shares in consequence of the Transmission Event.
- (f) A notice given to a person who is entitled to be registered as the holder of, or to a transfer of, any shares is sufficient service on the member in whose name the shares are registered.
- (g) Any person who, because of a transfer of shares, becomes entitled to any shares registered in the name of a member is bound by every notice which, before that person's name and address is entered in the register of members in respect of those shares, is given to the member in accordance with this clause 13.1.

### **13.2 Notices by Qantas to Directors**

Subject to this Constitution, a notice must be given by Qantas to any Director either by serving it personally at, or by sending it by post in a prepaid envelope to, the Director's usual residential or business address, or such other address, or by facsimile transmission to such facsimile number, or by electronic message to such electronic address, as the Director has supplied to Qantas for the giving of notices. [Amended 2003 AGM]

### **13.3 Notices by Members or Directors to Qantas**

Subject to this Constitution, a notice may be given by a member or Director to Qantas by serving it on Qantas addressed to the Chairperson, Managing Director or secretary at, or by sending it by post in a prepaid envelope to, the registered office of Qantas, or by facsimile transmission to the principal facsimile number at the registered office of Qantas or by electronic message to an electronic address notified by Qantas to members or Directors for this purpose. [Amended 2003 AGM]

### **13.4 Notices Posted to Addresses Outside the Commonwealth**

A notice sent by post to an address outside the Commonwealth must be sent by airmail.

### **13.5 Time of Service**

- (a) Where a notice is sent by post, service of the notice is taken to be effected if a prepaid envelope containing the notice is properly addressed and placed in the post and to have been effected:
  - (1) in the case of a notice of a general meeting, on the day after the date of its posting; or
  - (2) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (b) Where a notice is sent by facsimile transmission or electronic message, service of the notice is to be taken to be effected if the correct facsimile number appears on the facsimile transmission report generated by the sender's facsimile machine or if the electronic message is properly addressed, and to have been effected at the time the facsimile transmission or electronic message is sent. [Amended 2003 AGM]

### **13.6 Other Communications and Documents**

Clauses 13.1 to 13.5 (inclusive) apply, so far as they can and with such changes as are necessary, to the service of any communication or document.

### **13.7 Notices in Writing**

A reference in this Constitution to a notice in writing includes a notice given by facsimile transmission or electronic message or any other form of written communication. [Amended 2003 AGM]

## **PART 14 GENERAL**

### **14.1 Submission to Jurisdiction**

Each member submits to the non-exclusive jurisdiction of the Supreme Court of the State or Territory in which the registered office of Qantas is located, the Federal Court of Australia and the Courts which may hear appeals from those Courts.

### **14.2 Prohibition and Enforceability**

- (a) Any provision, or the application of any provision, of this Constitution which is prohibited in any place is, in that place, ineffective only to the extent of that prohibition.
- (b) Any provision, or the application of any provision, of this Constitution which is void, illegal or unenforceable in any place does not affect the validity, legality or enforceability of that provision in any other place or of the remaining provisions in that or any other place.
- (c) Any provision, or the application of any provision, of this Constitution which is inconsistent with section 7 of the Qantas Sale Act 1992 (Cth), as amended from time to time, is ineffective and

severable from the rest of the Constitution and does not affect the validity and enforceability of the rest of the Constitution.

- (d) If a provision of this Constitution is illegal, ineffective or unenforceable:
- (1) if the provision would not be illegal, ineffective or unenforceable if a word or words were omitted, that word or those words are severed; and
  - (2) in any other case, the whole provision is severed,
- and the remainder of this Constitution continues in force.

#### 14.3 Restricted Securities

Notwithstanding any other provisions of this Constitution:

- (a) Qantas shall refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of Restricted Securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by Qantas under the Listing Rules in relation to the Restricted Securities and must, in relation to Restricted Securities which are approved for the purposes of a Prescribed CS facility, take such steps as are open to it under the Operating Rules of that Prescribed CS facility to give effect to such an escrow agreement; [Amended 2003 AGM]
- (b) on a winding up of Qantas, the holders of shares which are Restricted Securities and which are subject to escrow restrictions at the commencement of the winding up shall rank on a return of capital behind all other shares in Qantas; and
- (c) in the event of a breach of any escrow agreement entered into by Qantas under the Listing Rules in relation to shares which are Restricted Securities, the member holding the shares in question shall cease to be entitled to any dividends and to any voting rights in respect of those shares for so long as the breach subsists.