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1. NAME OF COMPANY

The name of the Company is “The Doctors’ Health Fund Limited”.

2. OBJECTS

2.1 General objects

The objects for which the Company is established are:

(a) as a registered restricted access insurer in respect of members of the Restricted Access Group, to carry on health insurance business in accordance with, and subject to, the Private Health Insurance Act;

(b) to invest any monies of the Company not immediately required for the purposes of the Company in such investments and in such manner as may from time to time be determined and to deal with such investments;

(c) to amalgamate with or enter into any arrangement with or to co-operate or participate in any way with or assist or subsidise any company or person carrying on or proposing to carry on any business or activity which conforms with the objects of the Company;

(d) to borrow and raise money for any of the purposes of the Company and secure any borrowing, debt or obligation of the Company in such manner as may be thought fit;

(e) to draw, accept, make, endorse, issue and negotiate cheques, bills of exchange, promissory notes and other negotiable instruments;

(f) to deal with or dispose of the undertaking property assets rights and effects of the Company;

(g) to establish or promote or concur or participate in establishing or promoting any company the establishment or promotion of which shall be considered desirable in the interests of the Company;

(h) to procure the registration or incorporation of the Company in or under the laws of any place outside the State of New South Wales;

(i) to subscribe or guarantee money for any national charitable, benevolent, public, general or useful object or for any exhibition or for any charitable purpose which might be considered directly or indirectly to further the objects of the Company or advance the interests of its members;

(j) to grant pensions or gratuities to any officers or employees or ex-officers or ex-employees of the Company or to relations, connections or dependants of any such person and to support any institutions, schemes, funds and trusts which may be calculated to benefit any such persons or otherwise advance the interests of the Company or its members;

(k) to do all or any of the things or matters aforesaid in any part of the world either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents, or otherwise and either alone or in conjunction with others;
(l) to do anything that the Board considers necessary or desirable for the above purposes;

(m) to do anything that the Board considers incidental to the above purposes; and

(n) solely for the above purposes, to do anything allowed by the operation of the Corporations Act (whether or not in respect of any power contained in this clause 2.1).

Each object is independent and does not affect the interpretation of any other object.

2.2 Structure of the Company

The Company consists of the following principal organs:

(a) the members; and

(b) the directors (who manage and control the Company and do everything not expressly required by this Constitution or by the Corporations Act to be exercised or done by a meeting of members).

3. LIMITED LIABILITY

3.1 Members’ liability

The liability of the members is limited.

3.2 Members’ contributions

Every member of the Company undertakes to contribute to the assets of the Company if it is wound up while he or she is a member, or within one year after he or she ceases to be a member, for:

(a) the payment of the debts and liabilities of the Company, contracted before it ceased to be a member;

(b) the expenses of winding up the Company; and

(c) the adjustment of the rights of the contributories among themselves.

3.3 Amount of members’ contributions

The amount of the contribution under clause 3.2 must not exceed 10 cents in any circumstances.

4. HEALTH BENEFITS FUND

4.1 Establishment of Health Benefits Funds

The Company must establish and/or maintain one or more Health Benefits Funds to provide Complying Health Insurance Products in accordance with this Constitution, the Private Health Insurance Act and the Rules.

4.2 Restriction on issuing Complying Health Insurance Products

The Company must not issue a Complying Health Insurance Product referable to a Health Benefits Fund to a person unless:

(a) that person belongs to the restricted access group; and
4.3 Membership of a Health Benefits Fund and Membership of the Company

A Contributing Member of a Health Benefits Fund is taken to have applied to be a member of the Company at the time they apply to be a Contributing Member. Subject to clause 7.2, upon becoming a Contributing Member, the person also becomes a member of the Company and is subject to this Constitution.

4.4 Ceasing to offer Complying Health Insurance Products

The Company must not cease to provide a person with insurance under a Complying Health Insurance Product by virtue of that person’s ceasing to belong to the restricted access group.

4.5 Segregation of assets

The Company must keep the assets of each Health Benefits Fund separate from the assets of any other Health Benefits Fund and separate from the assets of the Company. The assets of each Health Benefits Fund may only be applied in accordance with the Rules applicable to that Health Benefits Fund and the Private Health Insurance Act.

4.6 Operation of Health Benefits Fund

The Company must ensure that the application of amounts to and the payment of amounts from, and all other operations in respect of, Health Benefits Funds are done in accordance with the Private Health Insurance Act.

4.7 Rules of Health Benefits Funds

The Board may, by resolution from time to time, adopt, or amend or add to, the Rules for the administration of a Health Benefits Fund. Without limitation, the Rules of a Health Benefits Fund will prescribe the obligations, requirements and entitlements of persons insured under a Complying Health Insurance Product provided from that Health Benefits Fund and such other matters as the Board resolves.

4.8 Requirements of the Private Health Insurance Act

If anything required by the Private Health Insurance Act is not provided for in the Rules, or the Rules are inconsistent with the requirements of the Private Health Insurance Act, the directors and the Company must use their respective best endeavours to amend, or add to, the Rules as soon as reasonably practicable to meet the requirements of the Private Health Insurance Act.

4.9 Adoption and amendment of Rules

Rules, or an amendment to the Rules, cannot be adopted unless the Company has complied with the requirements of the Private Health Insurance Act in respect of Rule changes.

4.10 Rules not part of Constitution

For the avoidance of doubt, the Rules do not form part of the Constitution and, subject to the Private Health Insurance Act, their adoption or amendment does not require a special resolution to be passed.
4.11 Restructure, transfer, merger and acquisition of Health Benefits Fund

The Company may restructure, transfer, merge or acquire a Health Benefits Fund in accordance with the Private Health Insurance Act.

4.12 Termination of Health Benefits Fund

If, on the termination of a Health Benefits Fund which is completed in accordance with the Private Health Insurance Act, there are assets of that fund remaining (surplus) and the Company is registered under the Private Health Insurance Act as a not for profit, restricted access insurer, the Company must apply that surplus as required by the Private Health Insurance Act.

4.13 Compliance with solvency standard

The Company must comply with the solvency standard in respect of each Health Benefits Fund conducted by the Company.

4.14 Capital adequacy

The Company must comply with the capital adequacy standard in respect of each Health Benefits Fund conducted by the Company.

5. USE OF THE PROPERTY BY THE COMPANY

5.1 Application of Company property

All income and property of the Company must be applied for the objects of the Company as set out in clause 2. No portion of the income or property may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit or return of capital to members of the Company.

5.2 Payments of Company expenses

Nothing in clause 5.1 prevents the payment in good faith of reasonable and proper:

(a) remuneration to any of the officers or servants of the Company or to any member in return for any services actually rendered to the Company;

(b) interest on money borrowed from any member of the Company for any of the purposes of the Company (provided the interest rate does not exceed the rate charged by the Company’s bank on similar borrowings);

(c) payment for out-of-pocket expenses properly incurred by officers or employees of the Company in attending and proceeding to and from any business of the Company;

(d) rent for premises let by any member to the Company; nor

(e) payment for any goods supplied to the Company by any member.

5.3 Remuneration payments

No remuneration or other benefit (including, without limitation, salaries, wages, commissions, fees, rewards, allowances, bonuses, incentive schemes or profit sharing schemes) (remuneration) may be paid or given by the Company to any director except:

(a) as approved by a remuneration resolution under clause 5.4;
(b) for the reimbursement of out-of-pocket expenses incurred on reasonable commercial terms in carrying out the duties of a director;

(c) for any service rendered to the Company in a professional or technical capacity, where the terms of service are on reasonable commercial terms and have been previously approved by a resolution of the directors;

(d) as an employee of the Company, where the terms of employment are on reasonable commercial terms and have been previously approved by a resolution of the directors; or

(e) as approved by a meeting of members.

5.4 Remuneration resolution

The maximum fixed sum that may be paid to directors (in aggregate) in any financial year of the Company, and any increases in this amount, must be determined by the Company at a meeting of members. The notice convening the meeting must include the amount of the proposed fixed sum (in aggregate) or the increase in such amount, as the case may be. For the avoidance of doubt, the maximum fixed sum (in aggregate) last approved by members prior to the adoption of this Constitution, continues until it is varied in accordance with this clause 5.4.

5.5 Division of director remuneration

The fixed sum so determined by the Company in respect of a particular financial year may be divided among the directors in such proportions as they agree and, in default of agreement, equally among the directors, but directors will not be obliged to divide between them the whole amount determined by the Company in each financial year.

6. USE OF PROPERTY ON MERGER OR WINDING UP OF COMPANY

6.1 Surplus

If, on the merger, winding up or dissolution of the Company, after the satisfaction of all its debts and liabilities, any property of the Company remains (surplus), the surplus must not be paid or distributed among the members of the Company.

6.2 Transfer of surplus of Company

The surplus of the Company (not being the surplus of a Health Benefits Fund) must be given or transferred to:

(a) another institution or institutions:
   (i) that has objects similar to the objects of the Company;
   (ii) that complies with any applicable requirement for the continuation of the Company’s taxation status under any applicable law; and
   (iii) whose constituent document prohibits the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of clauses 4 and 6; or

(b) a Health Benefits Fund carried on by another institution or institutions.
6.3 Choice of transferee

The transferee entity under clause 6.2 is to be chosen:

(a) in the first instance, by the members (as the members were constituted at the commencement of the winding up);

(b) next, if the members do not choose an entity within a reasonable time of being requested to do so by the Company’s liquidator (or by the directors in the case of a merger), by the directors (as the directors were constituted at the commencement of the winding up); or

(c) if the directors do not choose an entity within a reasonable time of being requested to do so by the Company’s liquidator (or by the directors in the case of a merger), by the Company’s liquidator.

6.4 Surplus of Health Benefits Fund

Any surplus assets of a Health Benefits Fund are to be treated in accordance with clause 4.12.

7. MEMBERSHIP

7.1 Admitting members

A person who applies to become (or has become) a Contributing Member of a Health Benefits Fund is taken to have applied to be a member of the Company. Subject to clause 7.2, upon becoming a Contributing Member, a person will become a member of the Company.

7.2 Discretion to admit

The directors may refuse to admit any person as a member as they think fit. If the directors refuse to admit a person as a member, the directors are not obliged to give their reasons for so refusing.

7.3 Delegation

The directors may at any time delegate, on such terms as they think fit, to such people as they may determine, the power to:

(a) admit people as members;

(b) re-admit such people; and

(c) refuse applications for membership.

8. NO MEMBERSHIP CLASSES

8.1 No membership classes

The membership of the Company is not divided into classes.

9. MEMBERSHIP FEES

9.1 No entrance fees

An applicant to become a member of the Company is not obliged to pay any entrance fee.
9.2 No annual subscription

A member is not obliged to pay any annual subscription. For the avoidance of doubt, this clause 9.2 does not prevent a member being obliged to pay contributions to a Health Benefits Fund conducted by the Company under the Rules applicable to that Health Benefits Fund.

10. RIGHTS OF MEMBERS

10.1 Members

Members are entitled to all rights given to (and must comply with all obligations imposed on) members generally under this Constitution.

10.2 No joint members

Joint memberships of the Company are not permitted.

11. CESSATION OF MEMBERSHIP

11.1 Cessation

A person ceases to be a member of the Company:

(a) automatically, if the person:

(i) dies; or

(ii) validly resigns that membership; or

(b) on the date specified by the directors, if the person:

(i) has ceased to be a Contributing Member; or

(ii) is expelled from the Company; or

(iii) in the opinion of the directors, brings the Company into serious disrepute.

11.2 Membership not transferable

A right, privilege or obligation which a person has under this Constitution or by reason of being a member of the Company:

(a) is not capable of being transferred or transmitted to another person; and

(b) in the case of a right or privilege by reason of being a member of the Company, terminates upon cessation of the person's membership.

11.3 Resignation

(a) A member of the Company may not resign that membership except in accordance with this clause 11.3.

(b) A member who wishes to resign must cease to be a Contributing Member.

(c) A member of the Company who has paid all amounts payable by the member to the Company in respect of the member’s membership may resign that membership of the Company by first giving notice in writing to the secretary of the member’s intention to resign.
(d) Once a member has ceased to be a Contributing Member, the member ceases to be a member of the Company.

12. MEETINGS OF MEMBERS

12.1 Calling of meetings

At any time, any director may call a meeting of members.

12.2 Annual General Meeting

A general meeting of the Company to be called the Annual General Meeting must be held once in every calendar year at such reasonable time not later than 15 months after the holding of the last preceding Annual General Meeting (subject nevertheless to any extension permitted under the Corporations Act) and at such place as may be determined by the directors.

12.3 Other Meetings

All meetings of members, other than the Annual General Meeting, must be held at such reasonable time and place as may be determined by the directors. The directors must arrange a meeting of members as provided in the Rules and in accordance with the Corporations Act and this Constitution.

12.4 Insufficient directors to convene meeting

If at any time there are insufficient directors capable of acting to form a quorum, the director or directors who are capable of acting, or if there are no directors capable of acting, any 2 members, may convene a meeting of members.

12.5 Requisition of meetings by members

On the requisition of:

(a) members accounting for at least 5 percent of the members at the date of the deposit of the requisition; or

(b) not less that 100 members,

the directors must act within 21 days to convene a meeting of members and that meeting must be held within 2 months of the date of the requisition, for the purposes specified in the requisition and for any other purposes determined by the directors and specified in the notice of meeting.

12.6 Form of requisition

A requisition made under clause 12.5:

(a) must specify the objects of the meeting;

(b) must be signed by the members making it;

(c) must be deposited at the offices of the Company; and

(d) may consist of several documents in like form, each signed by one or more of the members making the requisition.

12.7 Other business at meeting

The directors may include any business they think fit for a meeting (including a meeting requisitioned by members).
12.8 Failure to call requisitioned meeting

If the directors do not proceed to convene a meeting within 21 days from the date of deposit of the requisition, the requisitionists or any of them representing more than one half of all of them, may convene the meeting but any meeting so convened must not be held after 3 months from the date of such deposit. A meeting convened by the requisitionists must be limited to the purposes specified in the requisition. Any such meeting must be convened as nearly as possible in the same manner as that in which meetings are to be convened by the directors. The requisitionists must be provided with an up to date register of members and are entitled to be reimbursed reasonable expenses in convening any such meeting.

12.9 Place of meeting

The Company may hold a meeting of members at 2 or more venues using any technology that gives the members as a whole a reasonable opportunity to participate.

12.10 Notice of meeting

Every notice of a meeting of members must:

(a) set out the place, day and time of meeting;

(b) in the case of special business, state the general nature of the business; and

(c) if a special resolution is to be proposed, set out an intention to propose the special resolution and state the resolution.

12.11 Content and timing of notice

Subject to the provisions of the Corporations Act relating to special resolutions and subject to clause 12.22, notice of any annual or general meeting must be given to members eligible to receive such notice, specifying:

(a) the place, date and hour of the meeting;

(b) the general nature of the business to be discussed;

(c) the special resolution, if any, proposed; and

(d) information about proxies.

Subject to clause 12.22, the notice must be given to members eligible to receive such notice at least 21 days prior to the meeting.

12.12 Members of unsound mind

Any member of unsound mind who is otherwise entitled to vote, may so vote by his or her committee or other legal curator; provided that such evidence as the directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.

12.13 Entitlement to notice

Notice of a meeting of members must be given to:

(a) each member, apart from any member who under this Constitution is not entitled to the notice;

(b) the auditor;
(c) the appointed actuary; and

(d) each director.

12.14 Proxy voting by members

A member may appoint a proxy to attend and vote at any meeting at which the member is entitled to attend and vote.

12.15 Proxy need not be a member

A member may appoint a proxy who need not be a member.

12.16 Proxy must be in writing

The instrument appointing a proxy must be in writing under the hand of the member or of his or her attorney duly authorised in writing.

12.17 Form of proxy

Every instrument of proxy whether for a specified meeting or otherwise must be substantially in the form set out in Schedule 2 or such other form as the directors may approve.

12.18 Service of Proxies

The instrument appointing the proxy and the power of attorney (if any) under which it is signed and such evidence of the validity and non-revocation of the latter as the directors may require must be deposited at the Registered Office, sent to the fax number or electronic address of the Registered Office or (at the option of the member) such other place, fax number or electronic address as is specified for the purpose in the notice convening the meeting and must be so lodged not less than 24 hours before the time appointed for holding the meeting or adjourned meeting as the case may be at which the person named in such instrument proposes to vote.

12.19 Attorneys

The attorney of any member holding a general power of attorney under seal to attend and vote at meetings of companies, or a special power to attend and vote at meetings of the Company, may attend and vote at meetings of the Company provided that the power of attorney and such evidence of the validity and non-revocation of same has been lodged at the Registered Office in any manner contemplated under clause 12.18.

12.20 Validity of votes

A vote given in accordance with the terms of any instrument appointing a proxy or power of attorney will be valid notwithstanding the previous death of the member, the mental incapacity of the member or revocation of such proxy or power of attorney in respect of which the vote is given unless an intimation in writing of the death or revocation has been received at the Registered Office at the start or resumption of the meeting.

12.21 Omission to give notice

The accidental omission to give notice of a meeting of members to, or the non-receipt of any such notice by, a person entitled to receive it, or the accidental omission to advertise (if necessary) such meeting, does not invalidate the proceedings at, or any resolution passed at, any such meeting.
12.22 Consent to short notice

With the consent in writing of all the members of the Company for the time being entitled to vote at a meeting of members, any meeting of members may be called on short notice and in any manner they think fit and all provisions of this Constitution are modified accordingly.

12.23 Cancellation or postponement of meeting

The directors may cancel or postpone the holding of any meeting of members. If the meeting was called by requisitioning members or in response to a requisition by members, the directors may not cancel or postpone the holding of it without the consent of a majority of the requisitioning members.

12.24 Notice of cancellation or postponement

The directors may notify the members of a cancellation or postponement of a meeting by such means as they see fit. If any meeting is postponed for 28 days or more, then no less than 5 days’ notice must be sent to the members of the postponed meeting. It is not necessary to specify in such notice the nature of the business to be transacted at the postponed meeting.

13. REPRESENTATION AT MEETINGS

13.1 Representation at meetings

The right to attend a meeting of members is as follows:

(a) each member may attend, apart from any member who under this Constitution or by the terms of issue of any membership is not entitled to attend;

(b) each director, secretary, auditor and appointed actuary may attend;

(c) each person, whether a member or not, who is a proxy, corporate representative or attorney of a member may attend; and

(d) other people may attend only with leave of the meeting or its chairperson and then only while the leave is current and in accordance with the terms of the leave.

The right of a person to attend is subject to the powers of the chairperson of the meeting, both at law and under this Constitution.

14. PROCEEDINGS AT MEETINGS OF MEMBERS

14.1 Quorum

No business may be transacted at any meeting of members unless a quorum of members is present at the time when the meeting proceeds to business. Except as provided in clause 14.2, 2 members present or represented by proxy or attorney are a quorum.

14.2 Failure of quorum

If a quorum is not present within 30 minutes from the time appointed for a meeting of members:

(a) where the meeting was called by, or in response to, the requisition of members made under the Corporations Act, the meeting is dissolved; or
(b) in any other case, the meeting stands adjourned to such day in the next week, and at such time and place, as the chairperson determines.

If the date and/or time and/or place of an adjourned meeting is not determined by the chairperson, the meeting stands adjourned to the same day in the second week following, at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the meeting is dissolved.

14.3 Business of annual general meeting

The business of an annual general meeting is:

(a) to receive the Company's financial statements, the directors' statement and report and the auditor's report on the financial statements; and

(b) to transact any other business which under this Constitution, the Corporations Act or the Private Health Insurance Act ought to be transacted at an annual general meeting.

All other business transacted at an annual general meeting, and all business transacted at other meetings of members, is deemed special.

14.4 Special business

No special business may be transacted at any meeting of members other than that stated in the notice calling the meeting unless it is a matter that is required by this Constitution or the Corporations Act to be transacted at such meeting.

14.5 Chairperson of meeting

The chairperson of the directors, or in that person's absence the deputy chairperson of the directors (if any), is entitled to take the chair at each meeting of members. If neither of those people are present at any meeting of members within 10 minutes after the time appointed for holding such meeting, or neither of them is willing to take the chair, the directors present may choose a director as a chairperson. If no director present is willing to take the chair, the directors may choose a person, whether a member or not, as chairperson of the meeting. If the directors fail to choose a person as a chairperson, the members present and entitled to vote must appoint a person, whether a member or not, out of their number to be chairperson of the meeting.

14.6 Passing the chair

If the chairperson of a meeting of members is unwilling or unable to be the chairperson for any part of the business of the meeting:

(a) that chairperson may withdraw as chairperson for that part of the business and may nominate a person, whether a director or member or not, to chair the meeting for that part of the business; and

(b) after that part of the business is completed, the person so nominated must cease to chair the meeting upon the request of the prior chairperson and the prior chairperson is then entitled to resume as the chairperson of the meeting.
14.7 Responsibilities of chairperson

The chairperson of a meeting of members is responsible for the general conduct of the meeting and to ascertain the sense of the meeting concerning any item of business which is properly before the meeting. For these purposes the chairperson of the meeting may, without limitation:

(a) delay the commencement of the meeting if that person determines it is desirable for the better conduct of the meeting;

(b) make, vary or rescind rulings;

(c) prescribe, vary or revoke procedures;

(d) in addition to other powers to adjourn the meeting, or any item of business of the meeting, without the consent of the meeting if that person determines it is desirable for the orderly conduct of the meeting or the conduct of a poll; and

(e) determine conclusively any dispute concerning the admission, validity or rejection of a vote.

14.8 Admission to meetings

The chairperson of a meeting of members 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 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 entitled under this Constitution or the Corporations Act to attend the meeting.

14.9 Adjournment of meeting

The chairperson of a meeting of members at which a quorum is present may, and must if so directed by the meeting, adjourn the meeting from time to time and from place to place as the chairperson determines.

14.10 Business at adjourned meeting

No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

14.11 Notice where extended adjournment

Whenever a meeting is adjourned for more than one month, at least 7 days’ notice of the adjourned meeting must be given, in the same manner as required for the original meeting. No notice of an adjourned meeting need be given in other circumstances.
14.12 Resolutions at adjourned meeting

A resolution passed at an adjourned meeting is passed on that day.

15. VOTING AT MEETINGS OF MEMBERS

15.1 Entitlement to vote

Subject to this Constitution and the terms of issue of any membership, each natural person who is present at a meeting of members may vote if he or she is a member or an attorney or corporate representative of a member.

15.2 Number of votes

On a show of hands (or on voices) or on a poll, a member of the Company (being a Contributing Member):

(a) who is, under clause 15.1, entitled to vote and who has single or single parent family membership of a Health Benefits Fund, as defined in the Rules, has only one vote; or

(b) who is, under clause 15.1, entitled to vote and who has couples or family membership of a Health Benefits Fund, as defined in the Rules, has 2 votes.

For the avoidance of doubt, a Contributing Member of more than one Health Benefits Fund conducted by the Company is entitled to only one vote as a member of the Company.

15.3 Voting restrictions

If permitted or contemplated by the Corporations Act or this Constitution, the directors may direct that particular people (whether specified by name or description) do not cast a vote on particular business of a meeting. In relation to that business, votes cast by the prohibited people are to be disregarded.

15.4 Method of voting

Every resolution put to a vote at a meeting of members must be determined by the voices or a show of hands (as determined by the chairperson of the meeting) unless a poll is properly demanded either before or on the declaration of the result of the voices or the show of hands.

15.5 Demand for poll

A demand for a poll under clause 15.4 may be made by:

(a) the chairperson of the meeting; or

(b) at least 5 members present having the right to vote at the meeting; or

(c) a member or members representing not less than 5 percent of all members entitled to vote at the meeting.

15.6 Prohibition on demand for poll

No poll may be demanded on:

(a) the appointment of the chairperson; nor

(b) any question of adjournment of a meeting; and

no notice need be given of any poll whether taken immediately or not.
15.7 Declaring result of vote on show of hands

In respect of any meeting of members (unless a poll is so demanded):

(a) a declaration by the chairperson of the meeting that a resolution has been carried, or carried by a particular majority, or lost, or has not been carried by a particular majority; and

(b) an entry made in the book containing the minutes of proceedings of the Company, is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

15.8 Conduct of poll

A demand for a poll may be withdrawn. If a poll is properly demanded (and the demand is not withdrawn) it must be taken in such manner and at such time (either at once or after an interval or adjournment or otherwise) as the chairperson of the meeting directs. The result of the poll is the resolution of the meeting at which the poll was demanded. A demand for a poll does not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded.

15.9 Casting vote of chairperson

If, on a show of hands or on a poll, the votes are equal the chairperson of the meeting does not have a casting vote in addition to the deliberative vote, if any, of the chairperson.

15.10 Objections

No objection may be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote is tendered. Every vote allowed at any such meeting or poll is treated as valid. In recording votes the latest copy of the register held in the Registered Office must be adopted and acted on as the voting roll.

15.11 Ruling on votes

The chairperson of the meeting is the sole judge of the validity of every vote tendered at the meeting and the determination of the chairperson is final and conclusive.

15.12 Electronic votes

Notwithstanding any other provisions contained within this Constitution, the directors may determine that any vote, poll or ballot of members be undertaken by such means as the directors determine from time to time (whether or not a means of voting on a matter is outlined in this Constitution), including, without limitation, a vote, poll or ballot by electronic means. Until further determination by the directors, the rules set out in Schedule 3 govern any vote, poll or ballot that the directors determine is to be conducted by electronic means.”

16. APPOINTMENT AND REMOVAL OF DIRECTORS

16.1 Number of directors

Until the Company, in accordance with clause 16.2, resolves otherwise, the Company must have at least 5 and not more than 7 directors who are elected by the members at the annual general meeting (or another meeting of members called for the purpose of appointing directors).
16.2 Change to number of directors

Subject to the Corporations Act, the Company may, by resolution passed at the annual general meeting (or other meeting of members called for the purpose of appointing directors), increase or decrease the minimum and maximum number of directors.

16.3 Term of office

Each director holds office until the director:

(a) is removed from office;

(b) in the reasonable opinion of all the other directors, the director is in breach of his or her obligations and that breach has been detrimental to the Company;

(c) retires in accordance with clause 16.12;

(d) becomes a disqualified person;

(e) becomes a bankrupt or makes any arrangement or composition with his or her creditors generally;

(f) by reason of his or her conviction for any offence, is under the Corporations Act, disqualified from being a director or prohibited from being concerned or taking part in the management of a company;

(g) ceases to be a member of the Company;

(h) has been appointed as a director at a meeting of members and no longer meets the qualification required by clause 16.4;

(i) holds any office of profit under the Company without approval by special resolution;

(j) resigns his or her office in accordance with clause 16.14;

(k) is taken to have vacated office under the Corporations Act or other provisions of this Constitution; or

(l) in relation to a director who is a Medically Qualified Director, that person ceases to be a Medically Qualified Director.

16.4 Director qualifications

A director must:

(a) be a member of the Company; and

(b) not be a disqualified person.

Directors must be appointed in accordance with clause 16.5. At any time no fewer than 2 directors must be Medically Qualified Directors.

16.5 Appointment of directors

The Company may, by ordinary resolution, at a meeting of members at which a director retires in accordance with clause 16.12, fill the vacated office by appointing a member to that office.

16.6 Recommendation by Committee

Subject to clauses 16.1, 16.2, 16.4, 16.5, 16.10 and 16.12, the directors may, on the recommendation of the Human Resource Remuneration and Nominations Committee of the Board, appoint a person who is eligible to be appointed as a director, as director to fill a casual vacancy or as an addition to the existing directors.
16.7 Notice of nomination for appointment

No member (not being a retiring director) may be eligible for appointment to the office of director at any meeting of members unless he or she, or some other member intending to propose him or her, has provided notice of the nomination by depositing the notice at the Registered Office, or by sending it to the fax number or electronic address of the Registered Office, at least 28 clear days before the meeting. The notice must be signed by the nominee giving his or her consent to the nomination and signifying his or her candidature, or the intention of such member to propose him or her. A retiring director wishing to stand for re-appointment must give 21 days’ notice of his or her intention to do so. Notice of every candidate for the position of director must be served on members at least 21 days before the meeting at which the appointment is to take place.

16.8 Submission of qualifications

A candidate for appointment as a director at a meeting of members, who is not a retiring director must, at least 35 days prior to that meeting of members, submit to the Human Resource Remuneration and Nominations Committee of the Board, details of their qualifications, skills and relevant experience for appointment as a director and make themselves available to meet the Board at least 28 days prior to the meeting of members.

16.9 Nomination by Board Committee

In order to ensure that the Board has available to it the breadth of skills, knowledge and experience in matters of business, management or other required disciplines, the Human Resources Remuneration and Nominations Committee of the Board may nominate a candidate to fill the position of director and, if appointed, then subject to the Private Health Insurance Act, that candidate will be deemed to be a qualified person from the date of such nomination.

16.10 Casual appointment

(a) The directors may at any time appoint a person eligible to be appointed as a director, as a director to fill a casual vacancy. Until a replacement for that casual vacancy is appointed, that director is a “casual appointee” and adopts the description set out in clause 16.1 of the director he or she replaced.

(b) If a causal vacancy occurs because a Medically Qualified Director ceases to be a director, the directors must appoint another Medically Qualified Doctor who is eligible to be appointed as a director, to fill that vacancy.

16.11 Retirement of casual appointee

A casual appointee, following his or her appointment by the directors, holds office only until the conclusion of the next annual general meeting, at which the casual appointee may be re-appointed, but he or she will not be counted for the purposes of determining the number of directors who must retire in accordance with clause 16.12.

16.12 Retirement by rotation

At the close of each annual general meeting, one third of the directors or, if their number is not a multiple of 3, then the number nearest to one third, but not more than one third of the directors, must retire from office.

The directors to retire by rotation at the annual general meeting are those directors who have been longest in office since their last appointment. Directors appointed on the same day may agree between themselves or determine by lot, which of them is to retire.
A director must retire from office at the conclusion of the third annual general meeting after the director was last appointed, even if his or her retirement results in more than one third of the directors retiring from office.

A retiring director remains in office until the end of the meeting and will be eligible for re-appointment at the meeting.

16.13 Taking office

A director takes office on the later of the appointment under clause 16.5 and the director signing a written consent to his or her appointment as a director. If the director fails to sign the written consent within 2 months of the director's appointment under clause 16.5, the other directors may declare that the director has resigned and appoint a casual appointee to replace him or her.

16.14 Resignation of director

Any director may retire from office by giving notice in writing to the Company of the director's intention to do so. Such resignation takes effect on the date indicated in the notice or on the earlier acceptance by the directors. However the resignation must take effect within 3 months from the date of the giving of the notice.

16.15 Vacation of office

In addition to the circumstances in which the office of director becomes vacant by virtue of the Corporations Act or the Private Health Insurance Act or other provisions of this Constitution, the office of director, is vacated automatically if the director:

(a) becomes mentally incapable or the director's estate is liable to be dealt with in any way under the law relating to mental health; or
(b) is absent from more than 3 consecutive meetings of directors without the prior leave of the directors.

16.16 Less than minimum number of directors

The continuing directors may act despite any vacancy in their body. If the number falls below the minimum number fixed in accordance with this Constitution, the directors may act only:

(a) to appoint directors up to that minimum number;
(b) to call a meeting of members; or
(c) in emergencies.

16.17 No power to appoint alternate director

No director has power to appoint an alternate director.

17. MANAGING DIRECTOR

17.1 Appointment of managing director

The directors may at any time:

(a) appoint one of their body to be managing director or to some other executive office of the Company;
(b) specify, limit and restrict that person's powers and duties;
(c) fix that person's remuneration by the Company;
(d) subject to the provisions of any contract between that person and the Company, vary
or add to any of the powers and duties conferred; and
(e) remove that person from that office and appoint another person in that person's
place (but without removing that person as a director).

17.2 Acting managing director

If a managing director becomes at any time in any way through sickness, accident, infirmity
or through extended leave incapable of acting as such, the directors may appoint any other
director to act temporarily as managing director.

18. PROCEEDINGS OF DIRECTORS

18.1 Mode of meeting

The directors may meet to discuss the business of the Company and, subject to this
Constitution, may adjourn and otherwise regulate their meetings as they think fit.

18.2 Quorum

A quorum for a meeting of directors is 3 directors.

18.3 Secretary calling a meeting

The secretary, upon the request of any director, must call a meeting of the directors to be
held at such time and place as is convenient to the directors.

18.4 Notice of meeting

Notice of each meeting of the directors:
(a) may be given by such means as is convenient, including by telephone or electronic
transmission; and
(b) must be given to all eligible directors.

18.5 Recipients of notice

For the purposes of clause 18.4:
(a) the "eligible directors" are all directors for the time being but excluding:
   (i) those given leave of absence; and
   (ii) those, who in the belief of the person calling the meeting, are absent from
        Australia; and
(b) the accidental omission to give notice of any meeting of the directors to, or the non-
receipt of any such notice by, a person entitled to receive that notice does not
invalidate the calling of the meeting or any resolution passed at any such meeting.

18.6 Appointment of chairperson

The directors may appoint a director to be chairperson of their meetings and may
determine the period for which that person is to hold that office. Such person is entitled to
use the title, "chair" or "chairperson". If:
(a) no chairperson is appointed; or
(b) at any meeting of the directors the chairperson is not present within 15 minutes of
the time appointed for holding the meeting,
subject to clause 18.7, the directors present must choose a director to be chairperson of such meeting.

18.7 Votes of directors

Questions arising at any meeting of the directors must be decided by a majority of votes cast. Each director has one vote. If the votes are equal the chairperson of the meeting has a casting vote in addition to the deliberative vote of the chairperson.

18.8 Forms of meeting

The directors may meet using any form of technology that allows all directors at the meeting to hear and be heard or to participate in discussion (including, without limitation, telephone, computer and telephone link and transcript communication).

18.9 Circular resolution of directors

If all eligible directors (and those directors would also form a quorum) have signed a document containing a statement that they are in favour of a resolution of the directors in terms set out in the document, a resolution in those terms is treated as having been passed at a meeting of the directors held on the day on which the document was signed. If the directors sign the documents on different days, a resolution is treated as having been passed on the day on which the document was signed by the last director necessary for such a resolution under this clause 18.9. A resolution is not treated as passed on that day if the document, by its terms, is said to take effect from another date.

18.10 Signing of circular resolution

For the purposes of clause 18.9:

(a) the "eligible directors" are all directors for the time being but excluding:
   (i) those who, at a meeting of directors, would not be entitled to vote on the resolution; and
   (ii) those then outside Australia;
(b) each director, other than a director not entitled to vote on the resolution, may sign the document;
(c) if a person who is not entitled to vote on the resolution signs the document, it does not invalidate the resolution if it is otherwise valid;
(d) an electronic transmission purporting to be signed by a director is treated as being in writing signed by such person; and
(e) separate documents containing statements in identical terms each of which is signed by one or more directors are together treated as constituting one document containing a statement in those terms signed by those directors on the respective days on which they signed the separate documents.

18.11 Deemed minute

The document or documents referred to in clauses 18.9 and 18.10 are treated as constituting a minute of that meeting and must be entered in books kept for that purpose.

18.12 Validity of acts of directors

All acts done in respect of any meeting of:

(a) the directors;
(b) a committee of directors;
(c) other people or by any person acting as a director; or
(d) any person purporting to act as an attorney under power of the Company,

are, despite the fact that later it is discovered that there was some defect in the
appointment or continuance in office of such director, person or attorney so acting or that
they or any of them were disqualified or were not entitled to vote, as valid as if every such
person had been duly appointed or had duly continued in office and was qualified to be a
director or attorney and was entitled to vote.

19. DIRECTOR’S CONTRACTS WITH COMPANY

19.1 Director’s contracts and conflicts of interest

In relation to a director’s contracts and conflicts of interest, but subject to this Constitution:

(a) despite any rule of law or equity to the contrary, no director is disqualified by that
   office from contracting with the Company;
(b) no director (other than the managing director) may be an employee of the Company;
(c) any contract between a director and the Company, or any contract entered into by or
    on behalf of the Company in which any director is in any way interested, is not for
    that reason avoided;
(d) any director so contracting or being so interested is not liable to account to the
    Company for any profit realised by any such contract by reason only of such director
    holding that office or of the fiduciary relationship thereby established;
(e) the nature of the director’s interests must be disclosed by that director at the meeting
    of the directors at which the contract is to be the subject of any determination, if that
    interest then exists and has not been disclosed and, in any other case, at the first
    meeting of the directors after the acquisition of those interests;
(f) a director may not vote in the capacity of a director in respect of any contract or
    arrangement in which the director is interested, however, such director:
   (i) may be counted, for the purpose of any resolution regarding it, in the quorum
       present at the meeting; and
   (ii) may, despite that interest, participate in the execution of any instrument by or
        on behalf of the Company, whether through signing or sealing it or otherwise.

19.2 Mandatory limits on powers

Despite anything in clause 19.1, a director’s entitlement to vote, or be present, at a
meeting of the directors is restricted in accordance with the Corporations Act (and every
other mandatory law) as it may apply from time to time to the Company.

19.3 Notice of interest

A general notice given to the directors by any director to the effect that he or she:

(a) is an officer or a member of, or interested in, any specified firm or body corporate;
    and
(b) is to be regarded as interested in all transactions with such firm or body,

is sufficient disclosure as required by the Corporations Act as regards such director and
those transactions. After such general notice it is not necessary for such director to give
any special notice relating to any transaction with such firm or body.
19.4 Office in another company

A director may be, or become, a director or other officer of, or otherwise interested in, any body corporate promoted by the Company or in which the Company may be interested, or which holds any membership in the Company. No such director is accountable to the Company for any remuneration or other benefits received by him or her as a director or officer of, or from his or her interest in, such body corporate. The directors may exercise the voting power conferred by the shares or owned by the Company, or exercisable by them as directors of such other body corporate in such manner in all respects as they think fit. This includes the exercise of that voting power in favour of any resolution appointing themselves, or any of them as directors or other officers of such body corporate. Any director may vote in favour of the exercise of such voting power in that manner despite the fact that he or she may be, or be about to be, appointed a director or other officer of such body corporate and as such is, or may become, interested in the exercise of such voting power in that manner.

20. POWERS AND DUTIES OF DIRECTORS

20.1 Powers generally

Subject to the Corporations Act and to any other provisions of this Constitution, the management and control of the Company and of the business and affairs of the Company is vested in the directors who may exercise all such powers of the Company and do all such acts or things not expressly required by this Constitution or by the Corporations Act to be exercised or done by a meeting of members. Nothing adopted nor any resolution passed by a meeting of members invalidates any prior act of the directors which would have been valid if that thing or resolution had not been adopted or passed.

20.2 Borrowing

The directors by unanimous resolution have the power to raise or borrow any sum or sums of money and to secure the payment or repayment of such moneys and any other obligation or liability of the Company in such manner and on such terms as they think fit. This includes:

(a) upon the security of any mortgage;

(b) by the issue of debentures or debenture stock of the Company charged upon all or any of the property of the Company (both present and future) including its goodwill and undertaking for the time being; or

(c) upon bills of exchange, promissory notes or other obligations or otherwise.

20.3 Execution of negotiable instruments

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company may be signed, drawn, accepted, endorsed or otherwise executed as the case may be, in such manner as the directors, by resolution at any time, determine.

20.4 Official seal

The directors may exercise all the powers of the Company in relation to any official seal for use outside the State where its common seal is kept and in relation to branch registers.
20.5 Appointment of attorney

The directors may at any time, by power of attorney, appoint any person or people to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under this Constitution) and for such period and subject to such conditions as they may think fit. Any such powers of attorney may:

(a) contain such provisions for the protection and convenience of people dealing with any such attorney as the directors may think fit; and

(b) authorise any such attorney to delegate all or any of the powers authorities and discretions vested in the attorney.

20.6 Delegation

The directors may at any time confer upon any director, or such other person as they may select, such of the powers exercisable under this Constitution by the directors for such time as they may think fit and to be exercised for such objects and purposes and upon such terms and with such restrictions as they think expedient. They may confer such powers whether collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the directors in that respect. They may at any time revoke, withdraw, alter or vary all or any of such powers.

20.7 Validity of acts

Despite anything contained in this Constitution, if it is found that some formality required by this Constitution to be done has been inadvertently omitted or has not been carried out, such omission does not invalidate any resolution, act, matter or thing which but for such omission would have been valid.

21. COMMITTEES

21.1 Delegation to committee

The directors may:

(a) delegate any of their powers to committees consisting of such one or more people, whether directors or not, as they think fit; and

(b) establish advisory committees (or other committees not having delegated power of directors) consisting of such person or people as they think fit; and

(c) terminate a committee at any time as they think fit.

21.2 Committee powers

Any committee so formed or person or people so appointed must, in the exercise of the powers so delegated, or functions entrusted, conform to any regulations that may at any time be imposed by the directors.

21.3 Committee meetings

The meetings and proceedings of any committee consisting of 2 or more people are governed by the provisions in this Constitution for regulating the meetings and proceedings of the directors so far as those provisions are applicable and not affected by any resolution or regulation made by the directors under clause 21.2.
21.4 Committee members as officers

Each person appointed to a committee under clause 21.1(a), if not otherwise an officer of the Company, is, when exercising the powers so delegated or functions entrusted, an officer of the Company.

21.5 Local Management and Branch Registers

(a) The directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether in Australia or elsewhere, and in such manner as they think fit and, in particular, as set out in this clause 21.

(b) The directors may from time to time establish any local boards or agencies for managing any of the affairs of the Company in such specified locality and may appoint any persons to be members of any such local board or as managers or agents and may fix their remuneration. The directors may from time to time delegate to any local board or agency so established, or to any person so appointed as manager or agent, any of the powers authorities and discretions for the time being vested in the directors and may authorise the members for the time being of any such local board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies. Any such establishment, appointment, or delegation may be made on such terms and subject to such conditions as the directors may think fit and the directors may at any time terminate such establishment or remove any person so appointed and may annul or vary any such delegation.

(c) The directors may from time to time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under this Constitution) and for such period and subject to such conditions as they may think fit and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him or her.

22. CHIEF EXECUTIVE OFFICER

The directors by unanimous resolution may appoint any person as chief executive officer of the Company with all or any of the powers a managing director could exercise (whether or not a managing director has been appointed). The directors have all of the powers in respect of the chief executive officer as they have in respect of the managing director.

23. SECRETARY

23.1 Appointment of secretary

The secretary must be appointed by the directors and holds office until the secretary’s services are terminated by the directors.

23.2 Duties of secretary

The secretary must perform such duties as are required of that person by the Corporations Act and this Constitution. The secretary must also perform such duties and exercise such powers as may at any time be directed by the directors.

23.3 Assistant secretary

The directors may also appoint an assistant secretary or assistant secretaries and temporary substitutes for the secretary. Any such assistant secretary or temporary
substitute is, for the purposes of this Constitution, treated as and may fulfil the duty of the secretary subject to any limitation prescribed by the directors.

23.4 Delegates

The secretary may delegate any of his or her obligations as secretary to any person and on such terms as the directors approve.

24. FINANCIAL RECORDS

24.1 Preparation

The directors must cause to be kept such financial and other records as are required by the Corporations Act and the Private Health Insurance Act. Such records must be kept at the Registered Office or at such other place or places as the directors think fit.

24.2 Inspection of financial records

The directors must from time to time (subject to the provisions of the Corporations Act) determine whether and to what extent and at what times and places and under what conditions and regulations the financial and other records of the Company or any of them will be open to inspection of the members and no member (not being a director or auditor of the Company) or other person will have any right of inspecting any account or books or documents by the Company except as conferred by the Corporations Act or authorised by the directors or by a resolution of the Company at a meeting of members or except as provided in the Rules. No member not being a director will be entitled to require or receive any information concerning the operations or membership of the Company, except as provided in the Rules.

24.3 Disclosure financial records at annual general meeting

Subject to the provision of Part 2M.3 of the Corporations Act, the directors must at the annual general meeting in each year lay before the Company the financial statements made up for the period since the preceding accounts to a date not more than 4 months before the issue of such financial statements and such financial statements shall comply with the provisions of the said Part. The directors shall not be bound to disclose greater details of the result or extent of the operations and transactions of the Company than they deem expedient.

24.4 Report to members

A copy of every such financial statement, including every document required by the Corporations Act to be annexed or attached thereto, must not less than 21 days previous to the meeting or within 4 months of the end of the financial year be served on each of the members in the manner in which notices are directed to be served pursuant to this Constitution.

25. AUDIT

25.1 Accounts

At least once a year, the accounts of the Company must be examined and the correctness of the Statement of Financial Position, the Statement of Financial Performance and the Statement of Cash Flows must be ascertained by an auditor.
25.2 **Appointment of auditor**

The appointment, removal, remuneration, functions, rights, duties and liabilities of the auditor is regulated by and subject to the provisions of the Corporations Act.

26. **ACTUARY**

26.1 **Appointment**

The Company must appoint an actuary in accordance with the Private Health Insurance Act.

26.2 **Consent to Eligibility for Appointment**

The Board must not appoint a person as actuary of the Company, unless:

(a) the person has, before the appointment, consented by written notice given to the Company or to the Board to act as actuary and has not withdrawn consent by written notice given to the Company or the Board; and

(b) the person meets the eligibility requirements under the Private Health Insurance Act for appointment.

26.3 **Notification**

The Company must, in accordance with the Private Health Insurance Act, provide written notice to PHIAC of the appointment of the actuary and the cessation of that appointment.

26.4 **Cessation of Appointment**

A person ceases to hold an appointment as the actuary of the Company if:

(a) the Company ceases to exist;

(b) the person ceases to be eligible to hold the appointment;

(c) the person becomes ineligible to be appointed as, and continue to hold the position of, an actuary to the Company under the Private Health Insurance Act;

(d) the person gives the Company written notice of resignation of the appointment; or

(e) the Company gives the person written notice that the appointment is terminated.

Within 6 weeks after a person ceases to be the appointed actuary to the Company, the Company must appoint another person to be the appointed actuary.

26.5 **Duties in Relation to the Appointed Actuary**

(a) The Board must take reasonable steps to ensure that the appointed actuary prepares written financial reports of the Company as and when required by the Private Health Insurance Act and the Corporations Act.

(b) The Board must ensure that the appointed actuary has access to any information or document in the possession of, or under the control of the Company, where such information or document is reasonably necessary for the proper performance of the functions and duties of the appointed actuary.
26.6 Appointed Actuary’s Powers in Relation to Directors’ Meetings

The appointed actuary is entitled to attend a Board meeting and to speak on any matter being considered at the meeting-

(a) that relates to, or may affect:
   (i) the solvency of the Company or any of its Health Benefits Funds;
   (ii) the adequacy of the capital of the Company or any of its Health Benefits Funds;

(b) that relates to advice given by the appointed actuary to the directors; or

(c) that concerns a matter in relation to which the appointed actuary will be required to give advice.

26.7 Appointed Actuary’s Powers in Relation to meetings of members

The appointed actuary:

(a) shall have such powers, duties, rights, liabilities and obligations as regulated by the Private Health Insurance Act;

(b) is entitled to attend any meeting of members at which the annual accounts or financial statements are to be considered or at which any matter in connection with which the appointed actuary is or has been subject to a duty under the Private Health Insurance Act is to be considered;

(c) is entitled to receive all notices of, and other communications relating to, any meeting of members that a member is entitled to receive;

(d) is entitled to be heard at any meeting of members that he or she attends on any part of the business of the meeting that concerns the appointed actuary in that capacity; and

(e) is entitled so to be heard even though the appointed actuary retires at that meeting.

27. MINUTES

If any minutes of a meeting of members or of the directors are signed by any person purporting to be either the chairperson of such meeting, or the chairperson of the next succeeding meeting, those minutes must be received in evidence without any further proof that the matters and things recorded by or appearing in such minutes actually took place or happened at a meeting duly called and held.

The directors must, in accordance with the Corporations Act, cause minutes to be signed and to be entered in books kept for that purpose.

Such minutes must be recorded within one month and will include:

(a) the names of the directors present at each meeting of the directors and of any committee of directors;

(b) all declarations made or notices given by any director (either generally or specially) of his or her interest in any contract or proposed contract or of his or her holding of any office or property whereby any conflict of duty or interest may arise;

(c) all orders made by the directors and committees of directors;
(d) all resolutions passed by the directors;
and, if signed by the chairperson of the meeting to which they relate, or by the chairperson of the next succeeding meeting, will be prima facie evidence of the matters stated therein.

28. SEAL AND EXECUTION OF DOCUMENTS

28.1 Common seal not necessary
The directors may dispense with the need for the Company to have a common seal.

28.2 Use of common seal
The seal must not be affixed to any document unless it is done by the authority of directors or of a committee of them.

28.3 Mode of execution by common seal
Every document to which the seal is affixed must be signed, to attest the affixing of the seal, by 2 people. At least one person must be a director. The other must be the secretary, another director, or such other person as the directors may appoint for that purpose. No person may sign in more than one capacity.

28.4 Delegation of authority to use common seal
The directors may delegate to the secretary, the managing director or any other director the power and authority to affix the seal to such documents as the directors may at any time by resolution determine. When affixed and signed by the managing director or such other director, it is binding on the Company in all respects as if it were duly signed by 2 directors.

28.5 Other execution of documents
Without limiting any other provision of this Constitution, the Company may execute any document in any manner authorised by the Corporations Act or by the directors.

29. NOTICES

29.1 Service of notices
Where this Constitution, the Corporations Act or other legislation require or permit a document to be provided to, served on, given, sent or dispatched to, any person, whether any such expression, or any similar expression is used (provided or sent), the document may be provided or sent to the person:

(a) by delivering it to the person personally;
(b) by dispatching it, whether by post, contractor, agent, electronic means or otherwise, to:
   (i) the address of the place of residence;
   (ii) business of the person last known to the person serving the document; or
   (iii) in the case of a member, to the address (including email address) of the member entered in the register,

and the document, by such dispatch, is regarded as left at that address; or

(c) subject to all the requirements of the Corporations Act being met, by publication:
   (i) on the Company’s web site; or
(ii) in a newspaper circulating generally in the State in which the Registered Office is located.

29.2 Notification of Australian address

Any member residing out of the Commonwealth of Australia must from time to time notify the Secretary in writing of an address within the Commonwealth of Australia or within any other country in which a local board or agency is established which address will be deemed to be his or her registered address. Any such member who does not so provide the Company with an address will not be entitled to any notices.

29.3 Entitlement to Notice

Except as otherwise provided in this Constitution, the following people will be entitled to receive notices of meetings of members:

(a) every member or director;
(b) the auditor or auditors for the time being of the Company;
(c) the appointed actuary;
(d) any other person entitled under the Private Health Insurance Act to receive such notice.

29.4 Date of deemed service

A document served under clause 29.1 is treated as having been duly served, regardless of whether it is actually received:

(a) where clause 29.1(b) applies - on the day following the day when dispatch occurred; and
(b) where clause 29.1(c) applies - on the day the newspaper is first published.

29.5 Counting of days

Subject to the Corporations Act, where a specified number of days' notice or notice extending over any period is required to be given, both the day of service and the day upon which such notice will expire are included in such number of days or other period.

29.6 Service on Company or its officers

Every document required to be served upon the Company or upon any officer of the Company may be served by leaving it at the Registered Office.

29.7 Signature

The signature to any document to be given by the Company may be written, printed or stamped.

30. INDEMNITY

30.1 Indemnity for officers

To the extent that the Corporations Act allows it, each officer of the Company must be indemnified by the Company against any liability incurred by that person in that capacity, including defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour or in which he or she is acquitted.
30.2 Insurance premiums

The Company may at any time pay premiums in respect of a contract insuring a person (whether with others or not) who is an officer of the Company against a liability incurred by the person as such an officer. The liability insured against may not include that which the Corporations Act prohibits. Any such premium in relation to a director is in addition to, and not regarded as part of, the remuneration approved by members under this Constitution.

31. COMPLIANCE WITH PRIVATE HEALTH INSURANCE ACT

Notwithstanding anything in this Constitution, the Company must:

(a) take any action it considers is necessary in order to ensure that the Company complies with the Private Health Insurance Act; and
(b) take, or refrain from taking, any action it considers appropriate to ensure that it does not breach the Private Health Insurance Act.

If anything required by the Private Health Insurance Act is not provided for in this Constitution, or the Constitution is inconsistent with the requirements of the Private Health Insurance Act, the directors and the Company must use their respective best endeavours to amend the Constitution as soon as reasonably practicable to meet the requirements of the Private Health Insurance Act.
SCHEDULE 1

1. DEFINITIONS

In the construction of this Constitution, unless the contrary intention appears:

appointed actuary has the same meaning as is given to that expression in the Private Health Insurance Act.

at any time means at any time or times and from time to time.

Board means the board of directors of the Company.

capital adequacy standard has the same meaning as is given to that expression in the Private Health Insurance Act.

Company means The Doctors’ Health Fund Limited.

Complying Health Insurance Products has the same meaning as is given to the expression in the Private Health Insurance Act.

Contributing Member means a qualified person who has been issued a Complying Health Insurance Product provided from a Health Benefits Fund conducted by the Company and is:

(a) responsible for the payment of contributions referable to the provision of benefits for persons insured under that Complying Health Insurance Product; and
(b) recorded as a Contributing Member in the records of the Company referable to that Health Benefits Fund.

Corporations Act means the Corporations Act 2001 (Cth).

corporate representative means a natural person appointed by a member which is a body corporate to be that body’s representative at specified meetings of members of the Company.

directors means the directors of the Company in office for the time being, or a quorum of the directors present at a Board meeting as the context requires.

disqualified person has the same meaning as is given to that expression in the Private Health Insurance Act.


Health Benefits Fund means a fund that satisfies the definition of that expression as given in the Private Health Insurance Act.

Medically Qualified Director means a director who is a medical practitioner:

(a) registered to practise as a medical practitioner in one or more States or Territories of Australia; or
(b) who would not be denied admission to practise as a medical practitioner in any State or Territory of Australia if he or she applied for admission and paid any relevant fee.

meeting of members means a meeting of members duly called and constituted in accordance with this Constitution and any adjourned holding of it.
**member**, except where the context indicates otherwise, means any person entered in the register as a member for the time being of the Company.

**member present** means a member present at any meeting of members, in person or in the case of a body corporate, by its corporate representative.

**month** means a calendar month.

**ordinary resolution** means a resolution of a meeting of members where more than half of the total votes cast on the resolution are in favour of the resolution.

**partner** means, for the purposes of ascertaining if a person is a qualified person,:--

(a) a spouse; or

(b) one of two persons who are living together as a couple on a genuine domestic basis and have been doing so for at least 2 years.

For the purposes of ascertaining whether a person is a partner of another person, the Company may rely upon a statutory declaration from the person that the requirements of the definition of "partner" are satisfied.

**PHIAC** means the Private Health Insurance Administration Council continued in existence under the Private Health Insurance Act.

**Private Health Insurance Act** means the Private Health Insurance Act 2007 (Cth).

**qualified person** means:

(a) a person who is part of the restricted access group for Doctors Health Fund Limited as described in Rule 6 of the Private Health Insurance (Registration) Rules 2007 (No 2) (as those rules may be amended or replaced from time to time), including (without limitation):

(ii) a medical practitioner;

(iii) an employee of a medical practitioner or an officer or employee of an incorporated medical practice;

(iv) a medical student at an Australian university medical school;

(v) an overseas trained doctor enrolled, through the Australian Medical Council (the AMC) to sit for the examinations of that Council or of one of the Specialist Colleges affiliated with the AMC;

(vi) an officer or employee of the federal, or a state, Australian Medical Association;

(vii) an officer or employee of an associated or subsidiary organisation of the federal, or a state, Australian Medical Association;

(viii) an officer or employee of any federal or state association of registered medical practitioners; and

(b) any other person on whom the Rules or the Private Health Insurance Act may confer eligibility to be a member.

For the purposes of this definition, ‘medical practitioner’ means a person defined as such in subsection 3(1) of the Health Insurance Act 1973.

**register** means the register of members kept under the Corporations Act and includes any branch register.

**registered office** means the Registered Office for the time being of the Company.
restricted access group is constituted by qualified persons.

Rules means the Rules governing the operation and membership of a Health Benefits Fund, adopted by a resolution of the Board as a Rule in accordance with this Constitution.

seal means the common seal of the Company and includes any official seal or the duplicate common seal of the Company.

secretary means any person appointed to perform the duties of secretary of the Company and includes an assistant secretary or any person appointed by the directors to act as such temporarily.

solvency standard has the same meaning as is given to that expression in the Private Health Insurance Act.

special resolution means a resolution of a meeting of members passed as a special resolution in accordance with the Corporations Act.

2. INTERPRETATION

In the construction of this Constitution, unless the contrary intention appears:

(a) headings are disregarded;

(b) words importing people include partnerships, associations, corporations, companies unincorporated and incorporated whether by Act of Parliament or otherwise, as well as individuals;

(c) singular includes plural and vice versa and words importing any gender include all other genders;

(d) except for the definitions in paragraph 1 of this Schedule 1 and subject to paragraph (h), an expression has, in a provision of this Constitution that deals with a matter dealt with by a particular provision of the Corporations Act, the same meaning as in that provision of the Corporations Act;

(e) all references to statutory provisions are construed as references to any statutory modification or re-enactment for the time being in force;

(f) where a word or phrase is given a particular meaning, other forms of speech or grammar have the corresponding meaning;

(g) a reference to any statute, regulation, proclamation, ordinance, rule or by-law includes all statutes, regulations, proclamations, ordinances, rules or by-laws varying, consolidating or replacing them and a reference to a statute includes all regulations, proclamations, ordinances, rules and by-laws issued under that Statute;

(h) a reference to a document includes any mode of representing and reproducing words, figures, drawings or symbols in a visible form; and

(i) to the extent of any inconsistency between this Constitution and the Private Health Insurance Act, the provisions of the Private Health Insurance Act shall take precedence.

3. MODIFICATION AND DISPLACEMENT OF REPLACEABLE RULES

The operation of each provision of the Corporations Act which is defined as a replaceable rule is displaced by this Constitution and does not apply to the Company.
SCHEDULE 2

PROXY FORM

The Doctors' Health Fund Limited
ABN 68 001 417 527

I, .............................................................. of .........................................................,
being a member of the Company THE DOCTORS' HEALTH FUND LIMITED
(ABN 68 001 417 527) HEREBY APPOINT

........................................................................................................
of..............................................................................................
*(or failing him or her, the Chairman of the Meeting) as my proxy to vote for me and on
my behalf at the General Meeting of the Company to be held on the day
of ........................................ and at any adjournment thereof.

AS WITNESS my hand this day of

Signature: ............................................

*Delete if desired.

(a) A member entitled to attend and vote is entitled to appoint a proxy. Such proxy
need not be a member of the Company.

(b) The instrument appointing a proxy shall be in writing under the hand of the
member or of his or her attorney.

(c) Proxies must be lodged not less than 24 hours before the time of the meeting:

- at the Company's registered office;
- by facsimile to the Company's facsimile [insert facsimile number notified by
  the Company at the time of sending the Notice of Meeting]; or
- by pdf attachment to [insert email address as notified by the Company at
  the time of sending the Notice of Meeting].

The proxy is to vote for or against the following resolutions as indicated:

1. [insert]. **FOR/AGAINST/ABSTAIN

2. [insert]. **FOR/AGAINST/ABSTAIN

**Strike out whichever is not desired. (Unless otherwise instructed, the proxy may vote as he or she
thinks fit.)
SCHEDULE 3
RULES FOR ELECTRONIC VOTING

1 Conduct of vote

1.1 The directors shall determine, whether any vote, poll or ballot (in these Rules a poll) will be offered to the members by post, internet or other electronic methods not outlined in the Constitution.

1.2 The directors may appoint either an employee or external polling agent as the returning officer (Returning Officer) to conduct the poll and determine any further rules under which the poll is to be conducted.

2 Roll of voters

2.1 The directors shall supply the Returning Officer with the Roll of Voters and the Roll Close Time.

2.2 The Roll of Voters shall consist of each financial member recorded on the Company’s register of members as at the Roll Close Time and the number of votes attributed to each member.

2.3 The Roll Close Time shall be the last time at which a member may cast a vote by electronic means. For the avoidance of doubt, if the Roll Close Time is before a meeting of members, nothing in these Rules prevents a member from attending the meeting and casting a vote at the meeting.

2.4 The directors shall provide the Roll of Voters to the Returning Officer and the Roll Close Time for the purpose of conducting the poll.

3 Responsibilities of Returning Office

3.1 The Returning Officer shall prepare draft rules outlining the procedures and processes for the poll for consideration by the directors.

3.2 On approval by the directors, the Returning Officer shall conduct the poll in accordance with the approved rules.

3.3 The draft rules shall include details relating to:

(a) Receipt of the Roll of Voters;

(b) Voting procedures and processes;

(c) Validation of votes received;

(d) Counting of votes; and

(e) Declaration of result.

4 Electronic voting process

4.1 Voting procedures for an electronic ballot will involve members using their Doctors’ Health Fund membership number and their date of birth and/or a
personal access code (PIN) issued by the Returning Officer to validate their entitlement to vote.

4.2 Once validated, the member will have access to the voting paper on which the member can record their vote.

4.3 After recording their vote, the member will be given the option to either change or submit their vote.

5 Counting of Votes

5.1 A member who has a single membership or single parent family membership of a Health Benefits Fund of the Company is entitled to 1 vote.

5.2 A member who has a family membership (other than a single parent family membership) of a Health Benefits Fund of the Company is entitled to 2 votes.

5.3 A member who has a membership of more than 1 Health Benefits Fund is entitled to vote in respect of only one of those memberships.

5.4 The processing of returned voting papers may occur progressively.

5.5 The counting of votes may occur progressively but shall be finalised as soon as practicable after the close of the poll.

5.6 The Returning Officer shall notify the chairperson of directors of the progressive count of votes and proxies that direct the chairperson to vote in a particular way before the start of any relevant meeting. The chairperson may announce such count of votes and proxies to the meeting at any time during the meeting or may choose not to announce such count of votes and proxies if the chairperson considers that such announcement would unfairly influence the outcome of any poll to be conducted.

5.7 Electronic votes and paper votes (if any) shall be merged after the close of the poll.

5.8 The decision of the Returning Officer as to the admission of a voting paper as formal or the rejection of a voting paper as informal shall be final.

5.9 If 2 or more candidates for an elected position have the same number of votes; the successful candidate will be determined by the directors.

6 Amendment of Rule

6.1 At any time and from time to time, the directors may amend these Rules.