

October 2021

Constitution - Pest Free Token Limited

Company Number:8245597



FOR PUBLIC RELEASE

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Changes

Date	Change
7 October 2021	Adopted

1. Introduction

- 1.1 Pest Free Token Limited (PFT Ltd) is a limited liability company (the Company) established to provide funding for the eradication of introduced pests in New Zealand.
- 1.2 The Company is to be known as "Pest Free Token Limited" or by such other name as the Board may determine by resolution from time to time.
- 1.3 The Company gives effect to the Pest Free Token (PFT); a crypto token created by Patrick John Roland Abel, of Wellington New Zealand, Lawyer and Alexander Robert McGregor, of Wellington New Zealand, IT Professional in October 2021.
- 1.4 This document shall be the Company's constitution (the Constitution).
- 1.5 The Constitution:
 - a) comes into effect on the date of signing and continues indefinitely until amended, revoked, or wound up; and
 - b) shall be filed with the Registrar of the Companies Office and made publicly available.

2. Capacity and Effect

Rights, powers, and duties

- 2.1 Unless modified by this Constitution, the Company, the Board, each Director, and each Shareholder have the rights, powers, duties, and obligations of the Companies Act 1993 (the Act).
- 2.2 The Constitution has no effect to the extent that it contravenes, or is inconsistent with, the Act.

Full capacity

- 2.3 Subject to this Constitution, the Act, any other enactment and the general law, the Company has full capacity, rights, powers, and privileges to carry on or undertake any business or activity, do any act, or enter any transaction.

3. Purpose - Entrenched

- 3.1 The Company's purpose is:
- 3.2 To provide funding for the eradication of introduced pests in New Zealand.

4. Core values - Entrenched

- 4.1 The Company's core values are:
 - a) Transparency;
 - b) Community;

- c) Service; and
- d) Integrity.

5. Shares - Entrenched

Shares

5.1 At the time of adoption of this Constitution, there are 100 shares in the Company. No money is payable for calls or otherwise on those shares.

Shareholders

5.2 The Shareholders are joint Shareholders. Therefore:

- a) The Shares of one will pass to the other(s) in the event of death; and
- b) The Shares of the deceased will not form part of their estate; and
- c) Only the surviving shareholders will be recognised by the Company as having any title to or interest in the Shares of the deceased.

5.3 The Constitution will prevail in the instance of any conflict between this Constitution and any Shareholders' agreement between all of the Shareholders and the Company.

5.4 No dividend may be distributed to Shareholders.

No rights attaching to shares

5.5 The Shareholders are nothing more than custodians.

5.6 This means:

- a) the Shareholders have no rights attached to any Company asset/income/revenue/dividend/distribution, including the Initial Transfer Tokens.
- b) No Shares are redeemable or confer any rights, including preferential, distribution, pre-emptive, and voting rights.
- c) Shareholders cannot remove Directors.
- d) Shareholders cannot pass any resolutions.

Transfer or sale of shares

5.7 A Shareholder must not do anything that has the purpose or effect of undermining or circumventing the restriction on the transfer or sale of Shares set out in this Constitution.

5.8 A Shareholder cannot sell their Shares.

5.9 A Shareholder cannot transfer their Shares.

5.10 Notwithstanding clause 5.9, a Shareholder's Shares must be transferred if that Shareholder:

- a) dies;
- b) is declared bankrupt;
- c) becomes mentally incapacitated;
- d) has their property affairs managed under the Protection of Personal and Property Rights Act 1988 upon the grounds of lack of competency to manage those affairs;
- e) is a "patient" as defined in s 2 of the Mental Health (Compulsory Assessment and Treatment) Act 1992; or
- f) Ceases to be a Director.

5.11 A clause 5.10 transfer:

- a) Must be for the entire amount of Shares that Shareholder holds;
- b) Cannot compensate the transferring Shareholder;
- c) Must transfer those Shares to:
 - i. the other Shareholders
 - ii. another Director; or
 - iii. to a company or trust with a constitutionally similar purpose and share restrictions; and
- d) Must be passed by special resolution of the Board.

5.12 Any Shares subject to a clause 5.10 transfer will remain the property of the transferring Shareholder until the name of the transferee is entered in the share register of the Company.

5.13 The Board has the power to, and must, refuse or delay the registration of a transfer of any Share for any of the following reasons:

- a) The holder of the Share has failed to comply with the terms of this Constitution; or
- b) The Board considers that it would not be in the best interests of the Company to do so.

Board's Share rights

Issue of shares

5.14 The Board may not issue any additional Shares, rights or options to acquire Shares, of any class (including redeemable shares) thereof.

5.15 The Board may not, purchase, call-on, transfer, forfeit, mortgage, charge, provide security against, create any lien or encumbrance over any Share(s).

Board transfer

5.16 The Board has the power to effect the transfer of a Shareholder's Shares, including a clause 5.10 transfer.

- 5.17 The transfer of those Shares must be to other Shareholders, or to a company or trust with a constitutionally similar purpose and share restrictions as this Constitution.
- 5.18 The Board may and must enter the details of the Share transfer in the Company Share register.

6. Assets:

At formation

At the formation of PFT Ltd:

- 6.1 Upon formation, the Company shall create a crypto wallet.
- 6.2 Patrick Abel and Alex McGregor (the Transferees) will transfer 20% of the initial supply of PFT to the Company wallet (the Initial Transfer).
- 6.3 Those tokens shall be known as the Initial Transfer Tokens.
- 6.4 The Initial Transfer will create:
- a) community and market confidence that a significant portion of the token supply is not held by the developers personally; and
 - b) a potential future source of income for the Company.
- 6.5 The Initial Transfer does not create any:
- a) debt obligation on the Company to the Transferees; and
 - b) tax obligation on the Company.
- 6.6 Should clause 6.5(a) be held invalid by any court, the court should take into account:
- a) the value of the Initial Transfer Tokens on the date of the Initial Transfer was \$0.00 NZD (Zero)
 - b) the Initial Transfer was made by the Transferees out of:
 - iv. their love and affection for the Company's purpose; and
 - v. the knowledge that any debt to them would undermine the Company's purpose and community trust.

During the life of the Company

- 6.7 During the life of the Company, the assets of the Company can only be used for the furtherance of the Company's purpose.

7. Income - Entrenched

- 7.1 The Company is allowed to generate/earn/acquire income/revenue.
- 7.2 The Company can convert any income/revenue into NZD at any time.
- 7.3 The income of the Company shall be applied solely towards the promotion of the Company's purpose.

- 7.4 No Shareholder or Director, or anyone associated with such person, is allowed to take part in, or influence any decision made by the Company in respect of payments to, or on behalf of, that person or associated person of any income, benefit, or advantage.
- 7.5 Except as provided in this Constitution:
- a) No portion of the income shall be paid or transferred, directly or indirectly, by way of dividend, bonus, or otherwise to any Shareholder or Director; and
 - b) No remuneration or other benefit in money or money's worth shall be paid, or given, by the Company to any Shareholder or Director except under Section 8: Expenses, and Section 12: Board.
 - c) Any payments made to a Shareholder or Director, or person associated with that person, must be for goods or services that advance the purpose of the Company, and must be reasonable and relative to payments that would be made between unrelated parties.

8. Expenses

General

- 8.1 All expenses must be approved by the Board.
- 8.2 The Board must remain cognisant of the Company's purpose, core values, and size when approving expenses.

9. Distribution of profits - Entrenched

- 9.1 Company profits can only be distributed to the Pest Free Token Trust, known as PFTT.
- 9.2 Distributions must be made in NZD.
- 9.3 All distributions must be approved by the Board.
- 9.4 The Company may not make a distribution to any other person or entity.
- 9.5 Any distribution unclaimed for one year after having been authorised may be used by the Directors for the benefit of the Company until claimed. Any monetary distribution unclaimed for five years after having been authorised may be forfeited by the Board for the benefit of the Company. The Board may, at any time after that forfeiture, annul the forfeiture and pay the relevant distribution.
- 9.6 The Company is not liable to pay any interest on distributions.

10. Wind-up - Entrenched

- 10.1 Upon any wind-up of the Company, the Company's assets shall be liquidated and transferred/distributed in full to the PFTT.

11. PFTT cease - Entrenched

11.1 Should the PFTT cease in its existence or ability to receive transfers/distributions, the Board may either decide to wind-up or appoint a new recipient.

11.2 Any new recipient must:

- a) have a similar purpose of the Company; and
- b) not conflict with any Director's personal interest.

12. Board

Proceedings of the Board

12.1 The Third Schedule to the Act relating to the proceedings of a Board does not apply to the Company. Schedule 1 of this Constitution, and the relevant provisions of any shareholders' agreement between all of the Shareholders and the Company, govern those proceedings.

Chairperson

12.2 The chairperson shall preside at all meetings of the Board at which she or he is present. In the absence of the chairperson from any meeting, the members present shall appoint one of their number to preside at that meeting.

12.3 The Board does not require a chairperson.

Quorum

12.4 At any meeting of the Board a majority of members shall form a quorum and no business shall be transacted unless a quorum is present.

12.5 If there are an even number of Trustees, quorum is half of the Trustees, except where there are only two (2) Trustees then quorum shall be two (2).

Voting

12.6 Unless otherwise provided in the Deed, all questions before the Board shall be decided by a majority of votes. Each Director shall have one (1) vote. If the voting is tied, the motion shall be lost.

Membership

12.7 The Board shall comprise of no less than two (2) and no more than five (5) Directors.

12.8 On the adoption of this Constitution, the Directors are those persons named as Directors on the Company's register of directors.

12.9 The Board will aim to have at least one (1) independent Director.

- a) For the purposes of this Constitution, independent means a Director that does not hold PFT personally.

- b) The failure to have an independent Director will not void the Constitution, but effort should be made to appoint one.

12.10 The Board may continue to act notwithstanding any vacancy, but if their number is reduced below minimum number of Directors as stated in this Constitution, the continuing Director/s may act for the purpose of increasing the number of Directors to that minimum but for no other purpose.

Appointment

12.11 The Board has the power to appoint a Director from time-to-time as needed. When doing so, the Board should have regard to the current expertise of the Board.

12.12 The Board cannot appoint a person disqualified under the Act.

12.13 The Shareholders cannot appoint a Director.

Resignation

12.14 A Director may resign with one (1) month's written notice.

12.15 The notice takes effect from the time it is served on the Company in accordance with the Act or from such later time as the notice states that it is to take effect.

Removal

12.16 The Board has the power to remove a Director by the passing of a special resolution.

12.17 The Board can remove a Director:

- a) With one (1) months' written notice for any reason
- b) Immediately for:
 - i. Bringing the Company into disrepute; and/or
 - ii. Acting against the interests of the Company into; and/or
 - iii. Not complying with any direction of the Company.

12.18 In considering the removal of a Director, the Board shall give that Director:

- a) A genuine opportunity to be heard; and
- b) An explanation as to why they are being removed.

12.19 The Shareholders cannot remove a Director.

Vacation of office:

12.20 A Director vacates office if any of the following occurs:

- a) The Director resigns by notice in writing to the Company;
- b) The Director is removed from office in accordance with this Constitution;
- c) The Director becomes disqualified from being a Director under section 151 of the Act;

- d) The Director becomes of unsound mind, or becomes subject to an order under the Protection of Personal and Property Rights Act 1988 or is a "patient" as defined in s 2 of the Mental Health (Compulsory Assessment and Treatment) Act 1992;
- e) The Director dies;
- f) The Director has for more than three months been absent without permission of the other Directors from meetings of the Directors held during that period and the other Directors resolve that their office be vacated by reason of that absence; or
- g) The term (if any) for which the Director is appointed expires and, before its expiry, the Director is not re-appointed in accordance with the Constitution.

Alternate Directors

12.21 Any Director may, at any time by written notice to the Company, appoint any person who is not already a Director and who is approved by a majority of the Directors (such approval not to be unreasonably withheld) to act as an alternate for the Director, either for a specified period, or generally during the absence or inability to act from time to time of the Director. The following provisions will apply to an Alternate Director:

- a) The appointment may at any time be revoked by written notice of the Director in whose place the Alternate Director acts, and is automatically revoked when the Director in whose place the Alternate Director acts vacates office;
- b) Unless otherwise provided by the terms of the appointment, the Alternate Director:
 - i. Has the same rights, powers and privileges (including the power to sign resolutions of Directors, and the power to execute documents on behalf of the Company); and
 - ii. Must discharge all the duties and obligations, of the Director in whose place he or she acts.

12.22 Every person acting as an Alternate Director is alone responsible to the Company for the Alternate Director's own acts and defaults and the Alternate Director is not deemed to be the agent of the Director in whose place the Alternate Director acts.

Remuneration

Alternate Directors

12.23 Each Alternate Director:

- a) Will not, except by virtue of an agreement with the Director whom he or she represents, be entitled to receive any remuneration from the Company; and
- b) Will be entitled to have expenses incurred in attending meetings of the Directors and otherwise in relation to the discharge of duties reimbursed by the Company.

Remuneration for professional services:

12.24 A Director may act in a professional capacity for the Company. That Director is entitled to remuneration for professional services as if the Director were not a Director.

Remuneration for services should be reasonable and in line with fees and charges from other similar service providers available in the market.

12.25 A Director or firm of which that Director is a member may not act as an auditor of the Company.

Director remuneration and other benefits

12.26 The Board may exercise the power conferred by sections 161(1)(b) to (d) of the Act to authorise any payment or other benefit of the kind referred to in those sections without the approval of Shareholders.

12.27 Any remuneration must:

- a) Consider the size, purpose, and core values of the Company; and
- b) Reflect market remuneration, requiring two quotes from independent service providers ; and
- c) Be approved by the Board.

12.28 Each Director will be entitled to be paid for all reasonable travelling, accommodation and other expenses incurred by the Director in connection with the Director's attendance at meetings or otherwise in connection with the Company's business and the Board may authorise those payments without Shareholder approval.

Interested Directors

12.29 Any Director, except for the Independent Director, can buy/sell/hold PFT personally.

12.30 A Director must comply with the disclosure of interest requirements of section 140 of the Act but failure to comply with that section does not affect the validity of any contract or arrangement entered into by the Company.

12.31 A Director who is interested in a transaction entered into, or to be entered into, by the Company may do any of the following:

- a) Vote on any matter relating to the transaction;
- b) Attend a meeting of the Board at which any matter relating to the transaction arises and be included among the Directors present at the meeting for the purposes of a quorum;
- c) Sign a document relating to the transaction on behalf of the Company; or
- d) Do any other thing in his or her capacity as a Director in relation to the transaction.

Cross Directorships

12.32 Any Director may be or become a director or other officer, or otherwise interested in, any entity promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director will be accountable to the Company for any remuneration or other benefits received by them as a director or officer of, or from their interests in, any such other company unless the Company otherwise directs or the law requires.

Powers and duties

- 12.33 A Director must always act in the best interests of the Company.
- 12.34 The business and affairs of the Company must be managed by, or under the direction or supervision of, the Board, and in accordance with the applicable provisions of this Constitution.
- 12.35 The Board may exercise all the powers of the Company that are not required, either by the Act or this constitution, to be exercised by the Shareholders or any other person.
- 12.36 The Board does not require the Shareholders' approval to exercise any power.
- 12.37 The Board may delegate to a committee of Directors, a Director, an employee of the Company, or to any other person, any one or more of its powers, other than a power set out in the Second Schedule to the Act.
- a) In exercising the Board's delegated powers, a delegate must comply with any requirement imposed on the delegate by the Board.
- 12.38 The Company may exercise the power conferred by section 181 of the Act to appoint a person as its attorney, either generally or in relation to a specified matter.
- a) A power of attorney may contain any provisions for the protection of persons dealing with the attorney as the Board thinks fit, and may also authorise an attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.
- 12.39 Subject to section 177 of the Act, the Shareholders, or any other person in whom a power is vested by this constitution or the Act, may ratify the purported exercise of that power by a Director or the Board in the same manner as the power may be exercised. The purported exercise of a power that is ratified under this clause is deemed to be, and always to have been, a proper and valid exercise of that power.

Constitutional changes

- 12.40 The Board may amend/create/revoke the Constitution at any time.
- 12.41 Where possible and in the interests of transparency, the Board should make their intention to vote on a constitution change publicly available prior to voting.
- 12.42 Except where expressly stated otherwise:
- a) Any amendment requires a majority vote.
 - b) Any revocation of the Constitution in full must result in:
 - i. The evoking of Section 11: Wind-up; or
 - ii. The creation of a new constitution.
 - c) Any creation of a new constitution must contain the entrenched clauses of this Constitution.
- 12.43 Within ten (10) working days of any amendment, revocation, or creation, the Board must
- a) Advise:

- i. The Companies Registrar; and
 - ii. The PFT community.
- b) Make available a copy the amended Constitution to:
- i. The Companies Registrar (upload to the Companies Register); and
 - ii. The PFT community, highlighting any changes made.

12.44 Nothing in this section prevents a court of law from altering the Constitution.

Other powers of the Board

12.45 The Board's powers include, but are not limited to, the power to:

- c) apply for, obtain, enter into and/or hold or give any agreements, licenses, easements, consents, covenants, or other interests in land or under contract or any other regulatory or statutory authorisation of any kind whatsoever necessary to give effect to the purposes of the Company;
- d) seek, accept, and receive subscriptions, donations, subsidies, grants, endowments, gifts, legacies, loans and bequests in money, in kind or otherwise;
- e) make, grant, or give donations, subsidies, grants or gifts in money, in kind or otherwise to any other person, organisation or group (whether incorporated or not) sharing similar purposes to the Company;
- f) establish, promote, and foster any other person, organisation, or group (whether incorporated or not) with similar purposes to the Company;
- g) establish, promote, and foster community programmes, workshops, public classes, and other activities;
- h) make known and advertise the Company and its purposes by such use of the media as the Board may decide;
- i) develop affiliations or achieve accreditation with any other person, organisation, or group (whether incorporated or not) sharing similar purposes to the Company;
- j) subsidise, encourage, and co-operate with any other person, organisation, or group (whether incorporated or not) sharing similar purposes to the Company;
- k) make any loan or provide any other financial accommodation (with or without security) for any of the purposes of the Company and on such terms and conditions as the Board think fit including, without limitation, the giving of a guarantee (and supporting security over any asset) in favour of the obligations of any person; and
- l) undertake such other activities and enterprises and do such acts, matters, and things to further the purpose of the Company.

13. Entrenchments

13.1 The following clauses are entrenched

- a) 3.1, 3.2 (Purpose)

- b) 4.1 (Core values)
 - c) 5.1-5.18 (Shares)
 - d) 7.1-7.5 (Income)
 - e) 9.1-9.6 (Profits)
 - f) 10.1 (Wind-up)
 - g) 11.1-11.2 (PFTT cease)
- 13.2 The above list is exhaustive, regardless of whether a clause or section includes the word “entrenched”.
- 13.3 Entrenched clauses and their effect must not be removed from the Constitution and must be included in any alteration of, addition to, or revision of, the Constitution.
- 13.4 An entrenched clause can only be altered by either:
- a) Unanimous vote of all Board Members; or
 - b) Majority decision of all Board Members with the co-signature of the President of the New Zealand Law Society (the NZLS President) at the time of signing.
- 13.5 The NZLS President need not consider the intricacies of the decision and outcome, but that the decision was made as per the Constitution with specific consideration given to the Company’s purpose and core values. The NZLS President shall hold no liability for their co-signing.

14. Indemnity and insurance

- 14.1 A Director may be indemnified by the Company for any costs referred to in section 162(3) of the Act and any liability or costs referred to in section 162(4) of the Act.
- 14.2 In addition to the indemnities set out in clause 79, the Company may, with the prior approval of the Board, do any of the following:
- a) Indemnify an employee of the Company or a related company for any costs referred to in section 162(3) of the Act;
 - b) Indemnify an employee of the Company or a related company in respect of any liability or costs referred to in section 162(4) of the Act; or
 - c) Effect insurance for a Director or employee of the Company or a related company in respect of any liability or costs referred to in section 162(5) of the Act.
- 14.3 The Directors who vote in favour of authorising insurance under clause 14.2c must sign a certificate stating that, in their opinion, the cost of effecting the insurance is fair to the Company.
- 14.4 The Directors must ensure that particulars of any indemnity given to, or insurance effected for, any Director or employee of the Company or a related company, are promptly entered in the interests register.
- 14.5 Words given extended meanings by section 162(9) of the Act have those extended meanings in this section.

15. Method of contracting

- 15.1 A deed to be entered into by the Company may be signed on behalf of the Company by any of the following:
- a) two or more Directors of the Company;
 - b) a Director, or other person or persons authorised to do so by the Board, whose signature or signatures must be witnessed; or
 - c) one or more attorneys appointed by the Company in accordance with section 181 of the Act.

16. Conflicts

16.1 The Directors shall maintain a conflict of interests register.

17. Law and Validity

- 17.1 The Company and its Constitution shall be governed by and construed in accordance with the laws of New Zealand.
- 17.2 Any invalid clause within this Constitution does not invalidate this Constitution.

18. Partnerships with organisations

- 18.1 The Company will partner with organisations.
- 18.2 Partnered organisations may be eligible for distributions from the PFTT, at the sole discretion of the Trustees of that trust.
- a) The Board can make recommendations to the Trust.

Partnering

18.3 Partnering with an organisation does not create any legal or contractual obligation on either the Company or the PFTT.

Organisations

- 18.4 Organisations are persons or entities that have demonstrated they have the intention, means, and/or proven history of achieving the Company's purpose.
- 18.5 An organisation does not need to be a registered charity.

19. Interpretation

Definitions

19.1 In this Constitution, the following words have the following meanings

Definition	Meaning
Act	the Companies Act 1993
Alternative Director	a person appointed in accordance with this constitution to act in place of a Director
Board	the Directors who number not less than the required quorum, acting together as a board of Directors
Company	Pest Free Token Limited, also known as PFT Ltd
Director	a person appointed as a director of the Company
Income	Means income as defined under the Income Tax Act 2007 and can be substituted for and mean the same as revenue
Security	any Share and any security that may be converted into Shares or that gives the holder of the security the right to have Shares issued to it (including options and warrants)
Share	a share issued, or to be issued, by the Company
Shareholders	those persons whose names are entered in the share register of the Company as the holders of Shares, including any includes any liquidator, official assignee, or personal representative of any Shareholder
Token	Means Pest Free Token, also known as PFT
Trust	Means the Pest Free Token Trust, also known as PFTT
Publicly available	visible and accessible to the public. For example, listed on the Company website, if any

Terms defined in Act

19.2 Terms defined in the Act have the same meaning when used in this Constitution, provided that a reference to a company refers to any body corporate, regardless of its jurisdiction of incorporation.

Interpretation

19.3 In this Constitution, unless the context otherwise requires:

- a) an expression referring to writing includes e-mail communications;
- b) a reference to a person includes any company, trust, partnership, joint venture, association, body corporate or public authority;
- c) a reference to any legislation includes:
 - i. that legislation as from time to time amended, re-enacted or substituted; and
 - ii. any statutory instruments, regulations, rules and orders issued under that legislation or provision from time to time;
- d) a reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this constitution;

- e) a reference to a paragraph is a reference to a paragraph of a schedule to this constitution;
 - f) “including” and similar words do not imply any limitation;
 - g) the singular includes the plural and vice versa;
 - h) words importing gender import all genders; and
 - i) the expression “with the approval” means by ordinary resolution.
- 19.4 If there is any conflict between a provision in this Constitution and a mandatory provision in the Act, the provision in the Act prevails.

SCHEDULE 1 - Proceedings of Board meetings

1. Meetings

- 1.2 The Board shall meet at such times and places as it determines desirable for the efficient and proper conduct of the affairs of the Company, and shall be regulated in accordance with the provisions contained in this Schedule. The Board shall elect a chairperson from amongst its members at its first meeting and at every subsequent annual general meeting.
- 1.3 Meetings need not be 'in person'.

Minutes

- 2.1 The Board must ensure that minutes are kept of all proceedings at meetings of the Board.
- 2.2 Minutes which have been signed correct by the chairperson of the meeting are evidence of the proceedings at the meeting unless they are shown to be inaccurate.

Voting

- 2.3 Every Director has one (1) vote.
- 2.4 An Alternate Director may only vote at a meeting if the person for whom he or she is an Alternate Director does not attend.
- 2.5 The chairperson does not have a casting vote.
- 2.6 A Director present at a meeting of the Board will be presumed to have voted in favour of what they are being asked to vote on, unless they:
 - a) expressly abstain from voting; or
 - b) dissent from or vote against what they are being asked to vote on.

Decisions of the Board

- 2.7 All decisions of the Board are to be recorded in the Company Decisions Register.
- 2.8 All questions before the Board can be decided by consensus unless:
 - a) explicitly required by this Constitution; or
 - b) a consensus decision cannot be reached.
- 2.9 Important decisions of the Board should be passed using a resolution.
- 2.10 Nothing precludes a decision which can be made by consensus from being made by a resolution.
- 2.11 There are three (3) types of resolutions, each requiring a different number of votes to pass. Should the vote count not be met then the required amount, the resolution shall be lost.
 - a) Ordinary resolution -
 - i. These resolutions require the approval of a simple majority of Directors.

- ii. These resolutions are the default, unless expressly stated otherwise.
 - b) Special resolution -
 - i. These resolutions require the approval of the total number of Directors minus one (1), except where there are only two (2) Directors at which the resolution will require the approval of both Directors.
 - c) Unanimous resolution -
 - i. These resolutions require the approval of 100% of Directors.
- 2.12 A resolution in writing, signed, or assented to in written form by all the Directors required to vote on the resolution (including Alternate Directors when the Director for whom they are appointed for is unable to act), is as valid as if it had been passed at a meeting of the Board duly convened and held.
- 2.13 A resolution may consist of several documents (including a copy sent by email) in like form each signed or assented to by one or more Directors.

2. Committees

- 3.1 A committee of Directors must, in the exercise of the powers delegated to it, comply with any procedural or other requirements imposed on it by the Board. Subject to any such requirements, the provisions of this Constitution relating to proceedings of Directors apply to meetings of a committee of Directors.

3. Validity of actions

- 4.1 The acts of a person as a Director are valid even though the person's appointment was defective or the person is not qualified for appointment.

4. Other Proceedings

- 5.1 Except as provided in this Constitution, the Board may regulate its own procedure.