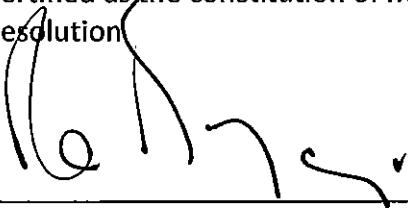

Motor Trade Finances Limited

Constitution

Certified as the constitution of Motor Trade Finances Limited adopted by a Special Resolution



Name: Roger Anthony Bonifant
Chairperson

Date: 24 February 2011

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PART A: INTRODUCTION

INTERPRETATION

1 Defined terms

In this constitution:

1.1 The following expressions have the following meanings:

the Act means the Companies Act 1993;

the Board means Directors who number not less than the required quorum acting together as the board of directors of the Company;

the Company means Motor Trade Finances Limited;

this constitution means this constitution as it may be altered from time to time in accordance with the Act;

Associated Person has the meaning given to that term in Listing Rule 1.3 of the Listing Rules of the NZSX and as set out in clause 3 of the Fifth Schedule;

Control Limit means the limit on the number of Shares which can be held by a Shareholder and Associated Persons as set out in clause 7 of the constitution and the Fifth Schedule;

Director means a person appointed as a director of the Company in accordance with this constitution;

Employee in relation to the Company includes an employee or officer of the Company or any of its subsidiaries, a labour only contractor, consultant, or consultant company who or which contracts with the Company or with any of its subsidiaries, any trustee or trustees on behalf of any of the above employees or officers, and any trustee or trustees of any pension, superannuation or like fund established for the benefit of any of the above employees or officers;

Executive Director means any Director who is an employee or labour only contractor of the Company or any of its related companies and includes any Managing Director appointed in accordance with this constitution;

Independent Director means a Director who is not an executive of the Company and who has no disqualifying relationship. For the purposes of this definition, a disqualifying relationship means any direct or indirect interest or relationship

that could reasonably influence, in a material way, the Director's decisions in relation to the Company or the holding of a shareholding in the Company that would qualify that person to be elected as a Director.

Minimum Holding means that number and class of Shares in the Company as determined from time to time by the Board;

NZX means NZX Limited;

Originator means a person firm or company that has entered into an Originator Agreement with the Company;

Originator Agreement means any agreement entered into with a person firm or company for the acquisition or placement of finance receivables with the Company where for the purposes of this Constitution the parties to that agreement are the Company and a Shareholder or a person who has applied to purchase or be issued Shares in the Company;

ordinary resolution means a resolution approved by a majority of more than 50% of the votes of the holders of the security entitled to vote and voting on the resolution;

perpetual preference shares means any perpetual preference shares issued by the Company which have a right to a fixed or adjustable dividend, which have no rights to vote except on a separate class meeting of holders of those shares, and which shares can only be redeemed at the option of the Company;

Person includes a company, limited partnership, individual or any other legal entity;

Quoted means any Shares that are quoted on a trading platform operated by the NZX or any other recognised exchange;

Rules means the Listing Rules of NZX Limited for the NZSX as altered from time to time;

Share means a share in the Company;

Shareholder Originator means a Shareholder who has, and continues to originate, finance receivables with the Company under an Originator Agreement;

Shareholder means a person holding Shares in the Company;

special resolution means a resolution approved by a majority of 75% of votes of the holders of the Shares entitled to vote and voting;

substantial security holder has the meaning given to that term in section 2 of the Securities Markets Act 1988;

written or in writing in relation to words, figures and symbols includes all modes of presenting or reproducing those words, figures and symbols in a tangible and visible form.

1.2 Subject to *clause 1.1*, expressions:

- (a) which are defined in the Rules (whether or not expressed with an initial capital letter) have the meanings given by those Rules.
- (b) which are defined in the Act (whether generally or for the purposes of one or more particular provisions) have the meanings given to them by the Act. Where an expression is defined in the Act more than once and in different contexts, its meaning will be governed by the context in which it appears in this constitution.

2 Construction

In this constitution:

- 2.1 Headings appear as a matter of convenience and do not affect the interpretation of this constitution;
- 2.2 The singular includes the plural and vice versa, and words importing one gender include the other genders;
- 2.3 A reference to an enactment or any regulations is a reference to that enactment or those regulations as amended, or to any enactment or regulations substituted for that enactment or those regulations;
- 2.4 A reference to *permitted by the Act* means not prohibited by the Act or not prohibited by the Rules;
- 2.5 The Schedules form part of this constitution.

RELATIONSHIP BETWEEN CONSTITUTION AND ACT

3 Effect of the Act on this constitution

The Company, the Board, each Director, and each Shareholder has the rights, powers, duties, and obligations set out in the Act except to the extent that they are negated or modified, in accordance with the Act, by this constitution.

4 Shareholders may alter or revoke this constitution

The Shareholders may alter or revoke this constitution by special resolution.

5 Share confers rights on Shareholder

5.1 Subject to the terms on which a Share is issued, or to any class rights attached to a class of Shares, a Share confers on the holder:

- (a) subject to the provisions of *clauses 6 and 7*, the right to one vote, on a poll at a meeting of Shareholders on any resolution, including any resolution to:
- appoint or remove a Director or an auditor in accordance with this constitution; or
 - adopt a constitution; or
 - alter this constitution; or
 - approve a major transaction; or
 - approve an amalgamation under the Act; or
 - put the Company into liquidation.
- (b) a right to be distributed rebates or other commissions, incentives and returns in proportion to the amount and profitability of finance receivables introduced by the Shareholder Originator to the Company;
- (c) subject to clause (b) above the right to an equal share in dividends authorised by the Board; and
- (d) subject to clause (b) the right to an equal share in the distribution of the Company's surplus assets.

5.2 Each Share having the right to vote which is not fully paid shall carry only a fraction of the vote which would be exercisable if the Share was fully paid. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited and amounts paid in advance of a call).

5.3 Shareholders of all classes shall be entitled to attend meetings of Shareholders and to receive copies of all notices, reports and financial statements issued generally to holders of Shares carrying votes.

5.4 All Shares issued by the Company which have voting rights are and shall be governed by the rights and limitations affecting control, voting and ownership set out in the Fifth Schedule.

6 Holders of Perpetual Preference Shares

Notwithstanding clauses 5.1 and 5.2 no holder of any perpetual preference shares shall have any right to vote at a meeting of Shareholders of the Company and shall only have the rights attached to those said Shares on issue or as may be varied by special resolution.

7 Restriction on Shareholding

No Shareholder nor any Associated Person of that Shareholder may at any time hold in aggregate a relevant interest in excess of 10% of the Shares on issue in the Company entitled to vote at a meeting of Shareholders. Subject as aforesaid unless the Shareholders have approved by a special resolution a shareholder holding in excess of 10% of the voting Shares on issue (with the holder or intended holder of the Shares in excess of such 10% limit not voting on that special resolution) a Shareholder and any Associated Persons shall not hold a relevant interest in Shares in aggregate in excess of 10% of the total voting Shares on issue. If a Shareholder and Associated Persons of that Shareholder hold a relevant interest in more than 10% of the voting Shares the directors can declare any voting Shares held above such 10% limit by that Shareholder or Associated Person to be disqualified from voting provided that this clause does not prevent a person disqualified from voting under this clause, who has been appointed as a proxy or voting representative by another person who is not disqualified from voting under this clause, from voting in respect of the Shares held by that other person in accordance with the express instructions of that other person provided that person who has made the appointment is not an Associated Person. The provisions of the Fifth Schedule shall apply to this clause and if a conflict arises between this clause and the Fifth Schedule the provisions of the latter shall apply. For the purposes of this clause and the Fifth Schedule all references to Shares are to voting shares held by originators and excluded are all perpetual preference shares.

8 Board to ascertain disqualified holders

The Board must use reasonable endeavours to ascertain, no later than five business days before any meeting to consider a resolution on which the Constitution prohibits certain persons from voting, the identity of holders of Shares who are disqualified from voting on that resolution, and on request must supply a list of such holders to any holder of Shares of the Company entitled to vote on that resolution.

9 Deadline for challenge

A resolution of, or proceeding at, a meeting in breach of *clause 7* must not be treated as unenforceable on the basis of a breach of *clause 7*. This does not prejudice any remedy (other than those which take legal effect against the Company) which any holder of Shares may have against any disqualified person who casts a vote at a meeting in breach of *clauses 7 and 8*. Any objection by a holder of Shares to the accuracy or completeness of any list provided pursuant to *clause 8* must be disregarded by the Company and the chairperson of the relevant meeting if it is notified to the Company later than one full business day before the time fixed for commencement of the meeting.

10 Statement of rights to be given to holders of Shares

Where the Act requires, the Company must issue a statement of rights complying with the Act to any holder of Shares who asks for one.

11 Modification of rights of Shareholders

The Company must not take any action that affects the rights attached to Shares or to any class of Shares unless that action has been approved by a special resolution of each interest group. For the purposes of this clause:

11.1 *class* means a class of Shares having attached to those Shares identical rights, privileges, limitations and conditions;

11.2 *interest group*, in relation to any action or proposal affecting rights attached to Shares, means a group of holders of Shares:

- (a) whose affected rights are identical;
- (b) whose rights are affected by the action or proposal in the same way; and
- (c) subject to *clause 11.3*, who comprise the holders of one or more classes of Shares in the Company;

11.3 one or more interest groups may exist in relation to any action or proposal and if:

- (a) action is taken in relation to some holders of Shares in a class and not others; or
- (b) a proposal expressly distinguishes between some holders of Shares in a class and other holders of Shares of that class,

then holders of Shares in the same class may fall into two or more interest groups;

11.4 the rights attached to a Share include:

- (a) the rights, privileges, limitations and conditions attached to that Share by the Act, this constitution, or the document which governs the rights of that Share, including voting rights and rights to distributions;
- (b) the right to have the procedure set out in this clause observed by the Company;

- (c) the right that a procedure required by this constitution or the document which governs the rights of that Shares for the amendment or alteration of rights not be amended or altered.

12 Further issues of Shares do not affect rights of existing holders

Subject to this constitution, the Board may issue Shares that rank as to voting or distribution rights, or both, equally with or in priority to any existing Shares in the Company. Any such issue will not be treated as an action affecting the rights attached to those existing Shares unless the terms of issue of those Shares expressly provide otherwise.

13 Actions taken not invalid

The taking of an action by the Company affecting the rights attached to Shares is not invalid by reason only that the action was not approved in accordance with *clause 11*.

14 Cancellation of unpaid amounts subject to Shareholder approval

No obligation to pay any amount which is unpaid on any Shares shall be cancelled, reduced or deferred without the authority of an ordinary resolution of that class of Shares.

15 Consolidation and subdivision reclassification

The Board may:

- 15.1 consolidate and divide Shares or any class of Shares in proportion to those Shares or the Shares in that class; or
- 15.2 subdivide Shares or any class of Shares in proportion to those Shares or the Shares in that class;
- 15.3 reclassify Shares of a different class or distinguished by a denominator into Shares of the same class and having the same right;
- 15.4 create new classes of Shares.

ISSUE OF SHARES

16 Board to issue Shares

The Board may issue Shares in accordance with this constitution.

17 Board need not comply with statutory pre-emptive rights

If the Board issues Shares that rank as to voting or distribution rights, or both, equally with or in priority to the Shares already issued by the Company, the Board need not first offer those Shares to existing Shareholders for acquisition, unless any other provision of this constitution requires otherwise.

18 Issues of new Shares are restricted

The Board must not issue any Shares unless:

18.1 the precise terms and conditions of the specific proposal to issue those Shares have been approved (subject to *clause 20*) by separate resolutions (passed by a simple majority of votes) of holders of each class of Shares of the Company whose rights or entitlements could be affected by the issue, and the issue is completed in the case of an issue made solely to Employees, within twelve months, and in all other circumstances, within six months, after the passing of those resolutions; or

18.2 the issue is made in accordance with any of *clauses 19* to *25*.

19 Resolution not required if terms allow new issue

A resolution pursuant to *clause 18.1* of the holders of a class of Shares is not required if:

19.1 the terms of issue of those Shares expressly reserved the right to make the issue of new Shares in question, and specified at least the maximum number, and class, of new Shares which could be issued, and the time within which they could be issued; or

19.2 those Shares were issued on terms that the holders of those Shares would vote together with the holders of another class or classes of Shares on a resolution of the nature referred to in *clause 18.1* and the issue is approved by a resolution (passed by a simple majority of votes) of holders of all the relevant classes voting together.

20 Board may issue new Shares on pro rata basis

The Board may issue Shares if:

20.1 those Shares are offered to holders of existing Shares of the Company on a basis which, if the offer were accepted by all such holders, would maintain the existing proportionate rights of each existing holder (relative to other holders of Shares) to votes and to distribution rights, and that offer is renounceable; or

20.2 those Shares are issued to holders of existing Shares of the Company as fully paid Shares on a basis which maintains the existing proportionate rights of each existing holder (relative to other holders of Shares) to votes and to distribution rights.

Notwithstanding *clauses 20.1* and *20.2*, the Board is entitled:

20.3 to issue any Shares in respect of which an offer is not accepted, or which because of fractional entitlements are not otherwise offered, to such persons and in such manner as the Board considers equitable and in the interests of the

Company, provided that the price and terms and conditions of the issue of such Shares are not materially more favourable to the persons to whom they are issued than the terms of the original offer; and

- 20.4 to offer and issue Shares to the holders of existing Shares in accordance with specific rights attached to those existing Shares to participate in issues of Shares, notwithstanding that the effect may be that existing proportionate rights to votes and distribution rights are not maintained; or
- 20.5 to authorise a disproportionate offer to the extent necessary to round up holdings of Shares to a Minimum Holding, or to avoid the creation of holdings which are less than Minimum Holdings; or
- 20.6 to not offer or issue Shares to holders of existing Shares the terms of which expressly exclude the right to participate in the relevant offer or issue.

21 Board may issue new Shares within 20% limit

The Board may issue Shares if:

- 21.1 the issue is not made in whole or in part to any Director, Associated Person of a Director or Employee; and
- 21.2 the total number of Shares issued, and all other Shares of the same class issued pursuant to this clause will not exceed 20% of the total number of voting Shares on issue after including in that calculation the Shares to be issued.
- 21.3 Those Shares when issued may be subject to such condition or restrictions, or the holder of those Shares may be required to enter into such deeds and agreements, as determined by the Board to be appropriate.
- 21.4 The holder or holders of those Shares so issued under the terms of this clause shall be subject to a restriction that the total number of votes which such holders may cast on a poll shall not exceed 20% of the aggregate number of votes cast on that poll by all Shareholders who vote on the resolution. The Board may attach a classification to the Shares so issued to denote this voting restriction.
- 21.5 The Shareholders may by special resolution vary any of the provisions of this clause provided that the holder of the Shares issued under this clause shall not be entitled to vote on that resolution.

22 Board may issue new Shares to Employees

Notwithstanding clause 21 the Board may issue Shares if:

- 22.1 the issue is made to Employees and Directors; and

- 22.2 the issue is of a class of Shares already on issue; and
- 22.3 the total number of Shares issued, and all other Shares of the same class issued to Employees and Directors pursuant to this clause during the period of twelve months preceding the date of the issue, does not exceed 5% of the aggregate of:
- (a) the total number of Shares of that class on issue at the commencement of that period; and
 - (b) the total number of Shares of that class issued during that period pursuant to *clauses 18.1, 20, 21, 23 to 25 and 30*; and
- 22.4 the total number of Shares issued, and all other Shares of the same class issued to Employees and Directors pursuant to this clause during the period of five years preceding the date of the issue, does not exceed 10% of the total number of Shares of that class or all classes of voting Shares on issue immediately preceding the date of the issue.

For the purposes of this *clause 22*:

- 22.5 Shares which will, or may, convert to other Shares are deemed to be of the same class as, and to correspond in number to, the Shares into which they will, or may, convert provided that where the conversion ratio is fixed by reference to the market price of the underlying Shares, the market price, unless otherwise specified in the terms of their issue, shall be such market price; and
- 22.6 an issue to a Director, or an associated person of a Director, solely in that person's capacity as a trustee of a bona fide employee share scheme, superannuation scheme, or the like, in which that Director or associated person has no beneficial interest, is deemed not to be an issue to a Director or associated person of a Director, or an issue in which Directors or associated persons participate.

23 Board may issue new Shares in other cases

The Board may issue Shares if:

- 23.1 the issue is made as consideration in an offer made by the Company:
- (a) under any take-over code approved under the Takeovers Act 1993; or
 - (b) to acquire assets of the same or similar type of assets to those held by the Company; or
 - (c) under any take-over provisions within a jurisdiction other than New Zealand which provides for prior notice, publicity and disclosure which in

the opinion of the Board is at least as useful to the recipients of the offer as the requirements of one or more of the provisions referred to in (a) above;

- 23.2 the issue is made upon conversion of any Shares from time to time issued by the Company if the terms of issue of those Shares provided for conversion to Shares of the kind issued; or
- 23.3 the issue is made to an existing holder of Shares of the Company in order to bring that holder's holding up to a Minimum Holding; or
- 23.4 the issue is made pursuant to an arrangement, amalgamation or compromise effected pursuant to Part XIII or Part XV of the Act; or
- 23.5 the issue is made pursuant to a plan for the issue of Shares in lieu of dividends or other payments due to Shareholders.

24 Issue of Small Shareholdings

Notwithstanding the provisions in clauses 18 to 23 the Company is permitted to issue Shares in the following circumstances:

- 24.1 where the Shares are offered to all Shareholders of the same class and where the total amount payable by each Shareholder does not exceed \$5,000;
- 24.2 if that offer is to enable a Shareholder to increase a shareholding to a Minimum Holding.

25 Issues of Shares to Shareholder Originators

25.1 Notwithstanding the provisions of clauses 17 to 22 if there are not sufficient Shares available for sale by existing Shareholders to enable a new or existing Shareholder Originator to obtain a Minimum Holding the Company may issue:

- (a) such new Shares of such class as may be determined by the Board;
- (b) new Shares to increase the shareholding of an existing Shareholder Originator to the minimum number of Shares that the Board determines are required to be held by a Shareholder Originator based on the balance outstanding of finance receivables introduced by that Shareholder Originator into the Company;

25.2 The Board at its discretion may vary the number of Shares required to be held in the Company by Shareholder Originators and may also issue any Shares of a class to enable existing Shareholder Originators to increase their shareholding to the number and class as specified by the Board. The Board shall take into account in

issuing any new Shares any existing Shares that are not held by Shareholder Originators and which may be available for purchase by Shareholder Originators.

25.3 The Board may designate classifications to Shares so that:

- (a) Shares held by Shareholder Originators and which are equal to the Minimum Holding required to be held by that Shareholder Originator cannot be sold except if approved by the Board;
- (b) Shares held in excess of the Minimum Holding as in (a) above and Shares held by Shareholders who are not Shareholder Originators may be traded through a share trading system as determined by the Board.

25.4 Condition of Holding Shares

The Board may impose conditions on the holding of Shares, including and without limiting the same, that the relevant Shareholder:

- (a) has entered into an Originator Agreement with the Company and has complied with all the terms of that agreement; and/or
- (b) complies at all times with a code of conduct or other policies introduced by the Board to ensure continued compliance with statutory obligations and best practice in the market; and/or
- (c) may be required at the direction of the Board to sell Shares in the Company for a breach of the provision of this Constitution or the terms of any agreements entered into with the Company.

26 Issue to persons signing an Originator Agreement

26.1 Notwithstanding clauses 18 to 23 the Company may issue new Shares to any person who is signing an Originator Agreement with the Company;

26.2 The Directors may determine the minimum number of Shares that a person must hold when first becoming a Shareholder if Shares are offered to that person on the entering into of an Originator Agreement.

27 Sale of treasury stock treated as issue of Shares

For the purposes of *clause 19* and *clauses 20 to 24*, and subject to *clause 25* the transfer by the Company of treasury stock to a person is deemed to constitute the issue of Shares.

28 Entitlements to third party Shares treated as issue of Shares

Entitlements conferred by the holding of Shares of the Company, to shares of a third party (whether or not that third party is an issuer), must not be created or conferred

other than in compliance with *clauses 20 to 25*, as if such shares comprise an issue of Shares of the Company.

29 Ordinary resolution required for issue changing control

Notwithstanding the provisions of *clauses 20 to 25*, the Company must not issue Shares if:

- 29.1 there is a significant likelihood that the issue will result in any person or group of associated persons materially increasing their ability to exercise, or direct the exercise of (either then or at any future time) effective control of the Company; and
- 29.2 that person or group of associated persons is entitled before the issue to exercise or direct the exercise of, not less than 5% of the total votes attaching to Shares of the Company and after that issue is entitled to exercise or direct the exercise of more than 10% of the total votes attaching to the Shares of the Company,

unless the precise terms and conditions of the issue have been approved by an ordinary resolution.

30 Bonus Issue of Shares

The Board may authorise the issue of shares as fully paid up shares:

- 30.1 to all Shareholders of the same class in proportion to the number of Shares held; or
- 30.2 to any class of Shareholders from moneys payable to those Shareholders to enable those Shareholders to obtain a Minimum Holding.

SHARE REGISTER

31 Company to maintain registers of Shares

The Company must maintain a share register in the manner required by the Act and in accordance with any legislative requirement. The Company must maintain a register for any other Shares issued by the Company in the manner required by the Act.

32 Share register may be divided

The share register may be divided into two or more registers kept in different places.

33 Status of registered Shareholder

The Company may treat the registered Shareholder as the only person entitled to:

- 33.1 exercise any right to vote attaching to the Share; and

33.2 receive notices; and

33.3 receive any distribution in respect of the Share; and

33.4 exercise any other rights and powers attaching to the Share.

The board may determine in a notice of meeting for the purpose of voting at that meeting that those registered holders as at 5 p.m. on a day not more than 2 working days before the meeting shall be the only persons entitled to exercise the right to vote at that meeting. This clause does not limit the right of the registered Shareholder to appoint a proxy or corporate representative.

34 Registration of separate parcels

A holder of Shares of the Company or a transferee may request the Company to register the Shares held by that person in two or more separately identifiable parcels. Where the Company agrees to such a request, the Company may, so far as it considers convenient, communicate with the holder of the Shares, pay dividends and otherwise act in respect of such parcel, as if the separately identifiable parcels belonged to different persons.

35 Trusts not to be entered on registers

The Company must not enter any notice of a trust on the share register, or any other register of Shares, whether that trust is express, implied or constructive.

TRANSFER OF SHARES

36 Methods of transfer

Subject to any determination by the Board, Shares (and, subject to their terms of issue, any other Shares) may be transferred by the following methods:

36.1 by the delivery of any usual or common form of transfer signed by the present holder of the Shares or by that holder's attorney, personal representative, or by any other person who may lawfully sign on behalf of that holder, to the Company or to an agent of the Company who maintains the register for those Shares. The transferee must sign the transfer form if the registration as holder of those Shares imposes a liability to the Company on the transferee; or

36.2 in accordance with any system of transfer approved by legislation.

37 Trading Platform for Shares

The Board may implement a system and policies for the orderly trading of Shares in the Company and administer the trading of Shares for that purpose. The Board may give notice to all holders of Shares on the rules and policies for trading Shares and enforce those rules and policies. There shall be no responsibility for the Company or the Board

in failing to find sellers or buyers for any Shares in the Company available for sale or sought to be purchased.

38 Shares transferred by entry on register

Shares may be transferred by entry of the name of the transferee on the Company's share register.

39 Minimum Holdings

39.1 The Board may determine different requirements for the Minimum Holding of Shares that must be held by different Shareholder Originators and the period over which the Minimum Holding must be obtained. The Board may determine criteria to be applied to the obtaining of a Minimum Holding with that criteria to be consistently applied for all Shareholder Originators. The Board may determine and enforce policies to enable that Minimum Holding to be obtained.

39.2 If any Shareholder does not hold, or is not meeting that policy to attain a Minimum Holding, the Board can invoke and enforce the provisions set out in the First Schedule. The provisions of the First Schedule shall apply to the sale of Shares that is less than a Minimum Holding of a Shareholder.

40 Restriction on Transfers

40.1 Subject to the overriding discretion of the Board to decline any transfer of Shares as set out in Clause 41 and notwithstanding any provisions in this Constitution no transfer of Shares is permitted except as set out in this clause 40 pursuant to a trading system and in accordance with a policy determined by the Board and notified to all Shareholders (except perpetual preference Shareholders) under which the Company gives willing sellers and willing buyers an opportunity to sell and buy Shares;

40.2 Transfers of Shares may also be permitted:

- (a) by a Shareholder who is party to an Originator Agreement and who wishes to sell a business so that the Shareholder which provides finance receivables to the Company also sells with that business Shares held by that Shareholder and where the Shares are being transferred to the purchaser of that business; or
- (b) between Shareholders who agree to sell Shares between them; or
- (c) where the Shareholder has died or in the opinion of the Board has suffered such hardship that a share transfer should be permitted.

41 Board may refuse or delay transfer

The Board may in its absolute discretion refuse or delay the registration of any transfer of Shares (subject to their terms of issue) in any of the following circumstances:

- 41.1 the Company has a lien on those Shares; or
- 41.2 the transfer is not accompanied by documentation that establishes the entitlement to transfer; or
- 41.3 registration of the transfer, together with the registration of any further transfer or transfers then held by the Company and awaiting registration, would result in the proposed transferee holding Shares of less than the Minimum Holding or more than 10% of the voting Shares on issue; or
- 41.4 where the Company has contingent or actual rights against the proposed transferor under agreements or arrangements whereby that transferor has provided a guarantee or indemnity to the Company under recourse arrangements relating to finance receivables held by the Company or its assignee; or
- 41.5 such action is not permitted under any other provisions of this Constitution; or
- 41.6 where the transfer of those Shares would reduce the shareholding of a Shareholder Originator below the Minimum Holding of Shares to be held by that Shareholder Originator as determined by the Board; or
- 41.7 where a Shareholder Originator is in breach of any agreement entered into with the Company;
- 41.8 where the proposed transferee has not signed all documents required to qualify as an Originator and been approved by the Board to be an Originator under such rules and policies applied by the Board for approving Originators.

CALLS, FORFEITURE AND LIEN

42 Board may make calls on Shares

The Board may make calls on any Shareholder for any money that is unpaid on that Shareholder's Shares and not otherwise payable at a specified time or times under this constitution or the terms of issue of those Shares or any contract for the issue of those Shares. The Second Schedule governs calls on Shares.

43 Forfeiture of Shares where calls or other amounts unpaid

The Board may exercise the rights set out in the Second Schedule for forfeiture of any Shares if the holder of those Shares fails to pay:

- 43.1 a call, or an instalment of a call, on those Shares; or
- 43.2 any amount that is payable under this constitution or the terms of issue of those Shares or any contract for the issue of the Shares; or

43.3 any amount that is payable under an Originator Agreement.

44 Company's lien

The Company has a lien on Shares, dividends in respect of such Shares, and other payments due to the Shareholder as set out in clauses 52 to 54, on the terms set out in the Second Schedule.

ACQUISITION OF OWN SHARES, REDEMPTIONS AND FINANCIAL ASSISTANCE

45 Company may acquire and hold its own Shares

Subject to this constitution, the Company may purchase or otherwise acquire Shares issued by the Company and may hold Shares as treasury stock in accordance with the Act and this constitution.

46 Company may acquire Shares on a non-proportionate basis

Subject to this constitution, the Board may make an offer to one or more holders of Shares to acquire Shares issued by the Company in such number or proportions as it thinks fit, in accordance with the Act and this constitution.

47 Acquisitions of own Shares are restricted

Subject to *clause 50*, the Company must not acquire Shares of the Company unless the acquisition is:

47.1 effected in compliance with section 60(1)(a) (read together with section 60(2)) of the Act; or

47.2 effected in compliance with section 60(1)(b)(ii) (read together with section 61) of the Act; or

47.3 an acquisition of the nature referred to in section 61(7) of the Act; or

47.4 approved in accordance with *clause 47*; or

47.5 required by a Shareholder of the Company pursuant to sections 110 or 118 of the Act.

48 Company may issue and redeem Shares

Subject to compliance with applicable provisions of this constitution, the Company may:

48.1 issue redeemable Shares; and

48.2 redeem redeemable Shares in accordance with the Act and the terms of issue of the redeemable Shares; and

48.3 exercise an option to redeem redeemable Shares issued by the Company in relation to one or more holders of redeemable Shares, in accordance with the Act, the terms of issue of the redeemable Shares.

49 Financial assistance is restricted

The Company must not give financial assistance for the purpose of, or in connection with, the acquisition of Shares issued or to be issued by the Company unless the giving of that assistance:

49.1 complies with the Act; or

49.2 is approved in accordance with *clause 45*.

50 Approval of certain acquisitions, redemptions, or financial assistance

The Company may acquire Shares otherwise than pursuant to *clauses 45 to 47*, if the precise terms and conditions of the specific proposal (the *Proposal*) to acquire or redeem those Shares, or of the giving of that financial assistance, have been approved by separate resolutions (passed by a simple majority of votes) of members of each separate group of each class of voting Shares of the Company whose rights or entitlements are materially affected in a similar way by the Proposal. Any such acquisition must be completed within twelve months, and redemption or financial assistance completed or given within six months, after the passing of the relevant resolutions.

51 Ordinary resolutions required for changes of control

Notwithstanding the provisions of *clauses 45 to 47*, the Company must not, acquire or redeem Shares unless the precise terms and conditions of the acquisition or redemption have been approved by an ordinary resolutions or the acquisition of Shares is to repurchase the Shares held by a Shareholder who has ceased to be an Originator Shareholder and whose Shares cannot be sold over such period as the Board considers reasonable. No repurchase of Shares shall be effected where that repurchase would be in breach of *clause 29*.

DISTRIBUTIONS

52 Board may authorise distributions

The Board may authorise a distribution by the Company in accordance with the Act. Notwithstanding *clause 53* distributions may be made as a commission or rebate under an Originator Agreement other than pro rata to existing Shareholders.

53 Person to whom distribution payable

A distribution shall be payable to the person who is, on the record date, the registered holder of the Share in respect of which the distribution is made.

54 Board's power to authorise dividend is restricted

The Board must not authorise a dividend:

54.1 in respect of some but not all the Shares in a class; or

54.2 that is of a greater value per Share in respect of some Shares of a class than it is in respect of other Shares of that class,

unless the amount of the dividend in respect of a Share of that class is in proportion to the amount paid to the Company in satisfaction of the liability of the Shareholder under this constitution or under the terms of issue of the Share or under a contract for the issue of the Share. Any Share that is partly paid on the date for payment of a dividend shall be paid a proportionate part of that dividend in proportion to the amount paid as a proportion of the total amount if those Shares were fully paid up. Nothing in this clause prevents the Board issuing Shares wholly or partly in lieu of dividend in accordance with the Act.

55 Shareholder may waive dividend

Notwithstanding *clause 53*, a Shareholder may waive his, her or its entitlement to receive a dividend by giving a written notice to the Company signed by or on behalf of the Shareholder.

56 Board deductions from distribution

The Board may, at its discretion, deduct from any dividend, commission or other distribution payable to a Shareholder any amount owed by the Shareholder to the Company in respect of which the Company has a lien over the specific Shares on which the dividend, commission or other distribution is payable and may deduct any moneys due and payable under an Originator Agreement executed by a Shareholder. The Board must deduct from any dividend, commission or other distribution payable to any Shareholder any amount it is required by law to deduct, including withholding and other taxes.

57 Distributions do not bear interest

No dividend or other distribution shall bear interest against the Company unless the applicable terms of issue of Shares expressly provide otherwise.

58 Unclaimed distributions

All dividends and other distributions unclaimed for one year after the due date for payment may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. The Company shall be entitled to mingle the distribution with other money of the Company and shall not be required to hold it or to regard it as being impressed with any trust but, subject to compliance with the solvency test, shall pay the distribution to the person producing evidence of entitlement.

MEETINGS OF SHAREHOLDERS**59 Company must hold annual meeting of Shareholders**

59.1 The Board must call an annual meeting of Shareholders to be held not later than fifteen months after the date of the previous annual meeting of Shareholders; and

59.2 The Company must hold the meeting on the date on which it is called by the Board to be held.

60 Company may hold special meetings of Shareholders

A special meeting of Shareholders entitled to vote on an issue:

60.1 may be called at any time by the Board; and

60.2 must be called by the Board on the written request of Shareholders holding Shares carrying together not less than 5 percent of the voting rights entitled to be exercised on any of the questions to be considered at the meeting.

61 Proceedings at meetings of Shareholders and interest groups

The Third Schedule governs the proceedings at meetings of Shareholders. The Third Schedule also governs the proceedings of meetings of any interest group required to be held by the Act, the Rules, or this constitution, with all necessary consequential modifications, except that the quorum shall be the members of the interest group holding 5% or more of the total number of Shares held by all members of that group having the right to vote at the meeting.

62 Voting rights

Generally:

(a) In the case of a meeting of Shareholders held under clause 60.1, unless a poll is demanded, voting at the meeting shall be by whichever of the following methods is determined by the chairperson of the meeting:

(i) voting by voice, or

(ii) voting by show of hands.

(b) In the case of a meeting of Shareholders held under clause 60.2, unless a poll is demanded, voting at the meeting shall be by the Shareholders signifying individually their assent or dissent by voice.

(c) A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority is conclusive evidence of that fact unless a poll is demanded in accordance with clause 62(d).

- (d) At a meeting of Shareholders a poll may be demanded by:
- (i) Not less than five Shareholders having the right to vote at the meeting; or
 - (ii) A Shareholder or Shareholders representing not less than 10 percent of the total voting rights of all Shareholders having the right to vote at the meeting; or
 - (iii) A Shareholder or Shareholders holding Shares that confer a right to vote at the meeting and on which the aggregate amount paid up is not less than 10 percent of the total amount paid up on all Shares that confer that right; or
 - (iv) The chairperson.
- (e) A poll may be demanded either before or after the vote is taken on a resolution. The demand for a poll may be withdrawn.
- (f) If a poll is taken, votes must be counted according to the votes attached to the Shares of each Shareholder present in person or by proxy and voting.
- (g) Except as provided in clause 62(h), if a poll is demanded it shall be taken in such manner as the chairperson directs and the results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (h) A poll demanded on the election of a chairperson or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such times as the chairperson directs and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of a poll.
- (i) The chairperson of a Shareholders' meeting is entitled to a casting vote.
- (j) For the purposes of this clause the instrument appointing a proxy to vote at a meeting of the Company confers authority to demand or join in demanding a poll and a demand by a Person as proxy for a Shareholder has the same effect as a demand by the Shareholder.

63 Corporations may act by representatives

A body corporate which is a Shareholder may appoint a representative to attend a meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy.

64 Votes of joint holders

Where two or more persons are registered as the holder of a Share, the vote of the Person named first in the share register and voting on a matter shall be counted to the exclusion of any other votes on those Shares.

65 Loss of voting rights

65.1 If a sum due to the Company in respect of any Shares has not been paid on the due date, that Share may not be voted at a Shareholders meeting other than a meeting of an Interest Group.

65.2 The Board may determine pursuant to clauses 8 and 9 of the Fifth Schedule that certain specified Shares do not have a right to vote at a meeting of Shareholders.

DIRECTORS**66 Appointment and removal****66.1 Number of Directors:**

- (a) The minimum number of Directors shall be five and the maximum number of Directors shall be six.
- (b) The Managing Director (if appointed) shall be in addition to the maximum number.
- (c) The Shareholders may change the minimum and/or the maximum number of Directors by Ordinary Resolution.

66.2 Appointment of Directors

- (a) The Directors shall be appointed as follows:
 - (i) The Board shall appoint two persons as Independent Directors. Such appointments made by the Board shall ensure there is an ongoing balance in the composition of the Board between knowledge of the finance industry, business and community involvement, banking and finance and such other special skills as may be required for the ongoing business of the Company.
 - (ii) The Board may appoint one Person as Managing Director to hold office in accordance with clauses 92 to 94.
 - (iii) The remaining Directors shall be appointed by Ordinary Resolution passed by those Shareholders entitled to vote;

(iv) The Board may appoint a person to fill a casual vacancy under clause 66.6 subject to the provisions of clause 68.2.

(b) The existing Directors of the Company shall continue in office and shall be subject to the provisions as to retirement and re-election contained in clauses 66.3 to 66.6.

66.3 Removal of Directors:

Directors may be removed from office as follows:

- (a) Any Director or Managing Director appointed in accordance with clause 66.2(a)(ii) may be removed from office by a resolution of the Board provided that the Director or Managing Director on whose removal as a Director the Board is voting, as the case may be, may not vote on such resolution.
- (b) Any Directors appointed pursuant to clause 66.2(a)(iii) may be removed from office by an Ordinary Resolution passed by the holders of the voting Shares and voting as a Class at a meeting called for the purpose of, or for purposes that include, removal of the Director.
- (c) Any Independent Director appointed under clause 66.2(a)(i) may also be removed by Ordinary Resolution of Shareholders as set out in clause 66.3(b).

66.4 Rotation of Directors

- (a) At the annual meeting in every year at least one third (to the nearest whole number) of Directors (excluding any Managing Director appointed in accordance with clause 66.2(a)(ii) or an Independent Director appointed in accordance with clause 66.2(a)(i)) must retire from office. For the avoidance of doubt if four directors are appointed under clause 66.2(a)(iii) then at least one director shall retire by rotation in each year, in addition to any director appointed to fill a casual vacancy and who is subject to re-election, and the directors shall determine the year in which two directors retire by rotation.
- (b) The Directors to retire at an annual meeting will be:
 - (i) first, any Directors who wish to retire and do not offer themselves for re-election; and
 - (ii) secondly, if those retiring pursuant to clause 66.4(b)(i) do not constitute the number of Directors required to retire from office

under clause 66.4(a), those of the other Directors who have been longest in office since their last election must then retire. Persons who became Directors on the same day must retire in the same order as they were elected by the Shareholders, unless the Board resolves otherwise.

- (c) A retiring Director continues to hold office until:
 - (i) he or she is re-elected; or
 - (ii) if he or she is not re-elected, until the Shareholders at any meeting at which he or she retires (or any adjournment of that meeting) elect someone in his or her place; or
 - (iii) if the meeting does not elect someone in his or her place, until the end of the meeting or any adjournment of the meeting.
- (d) A retiring Director who is not disqualified under the Act is eligible for re-election.
- (e) The holders of voting Shares may by Ordinary Resolution fill the office vacated by a Director who is retiring in accordance with this clause 66.4 by electing a Person who is not disqualified under the Act to that office at the annual meeting at which the outgoing Director retires. If no new Director is elected and if the retiring Director (not being disqualified under the Act) is offering himself or herself for re-election, the retiring Director shall be regarded as having been re-elected unless it is expressly resolved by Ordinary Resolution not to fill the vacated office or a resolution for the re-election of that Director is lost.
- (f) The provisions of clauses 66.4(a) to 66.4(d) shall only apply to a Director appointed by the holders of the voting Shares in accordance with clause 66.2(a)(iii). Any Director appointed under clause 66.2(a)(i) or 66.2(a)(ii) shall not be required to retire from office by rotation and shall not be counted in the number of Directors for that purpose.
- (g) No person, other than a Director retiring pursuant to clauses 66.4(a) to clause 66.2(f) will be eligible for election to the office of director at any annual meeting unless:
 - (i) he or she has been recommended by the Board for election; or
 - (ii) there has, at least twenty Working Days before the meeting, been served on the Company a notice in writing, signed by a Shareholder qualified to attend and vote at the meeting for which the notice is

given, of his or her intention to propose that Person for election and a notice in writing signed by the Person of his or her willingness to be elected.

- (h) Notice of each and every eligible candidate for the office of Director must either be included in the notice of the meeting at which the election is to take place or be sent by the Company to all persons entitled to receive notice of the meeting at least five Working Days prior to the meeting. Failure to send such notice to any such Person will not invalidate the nomination but the meeting, as far as the election of Directors is concerned, must be adjourned until such notices have been sent. The accidental omission to give such notice to, or the non-receipt of notice of a meeting by, any person does not invalidate the election of a Director at that meeting.

66.5 The Independent Directors appointed under clause 66.2(a)(i) shall retire from office after the annual meeting occurring three years after the date of appointment of each such Director or at such earlier date as may be fixed by the Board at the time of appointment of a Director. A Director so appointed may be reappointed by the Board for periods not exceeding three years or such shorter periods as the Board determines.

66.6 Board may fill casual vacancy

The Board may appoint a Person to be a Director to fill a casual vacancy in respect of the directors appointed under clause 66.2(a)(iii) provided that Person qualifies under clause 68.2. The Person so appointed shall retire at the next annual meeting of the Company but shall be eligible for reappointment. That Person shall not be counted or included in the number of Directors to be re-elected at that meeting.

CHAIRPERSON

67 Directors to elect chairperson of the Board

67.1 The Directors must elect one of their number as chairperson of the Board. While there are Independent Directors one of their number shall be appointed as Chairman. The Chairperson shall be subject to reappointment at the first Directors meeting following the annual meeting of Shareholders held in each year. At the meeting the Chairperson shall resign but may be reappointed for a further term.

67.2 Chairperson to hold office on certain terms

The chairperson of the Board holds that office until he or she vacates office or the Directors elect a chairperson in his or her place.

VACATION OF OFFICE**68 Office of Director vacated in certain cases**

68.1 The office of Director is vacated if the Person holding that office:

- (a) dies; or
- (b) has attained the age of seventy years provided that provision shall apply from the annual meeting following that age being attained; or
- (c) is absent from three consecutive meetings of the Board without leave being granted by a resolution of the Board and the Board resolves that the Director has vacated office; or
- (d) becomes disqualified from being a director pursuant to the Act; or
- (e) retires from office and is not re-elected; or
- (f) resigns that office in accordance with this constitution; or
- (g) is removed from office in accordance with this constitution; or
- (h) if appointed by Shareholders, ceases to meet the requirements of clause 68.2.

68.2 Qualification as a Director

A person appointed as a Director under clause 66.2(a)(iii) must be:

- (a) a Director of a Shareholder Originator; or
- (b) a holder of the majority of the voting Shares in a Shareholder Originator; or
- (c) a trustee of a Trust that owns or holds the majority of the voting Shares in a Shareholder Originator; or
- (d) a senior executive of a Shareholder Originator.

APPOINTMENT AND REMOVAL OF DIRECTORS**69 Director resignation**

A Director may resign office:

69.1 by signing a written notice of resignation and delivering it to the address for service of the Company, the notice being effective when it is received at that address or at any later time specified in the notice; or

69.2 in any other manner permitted by the Act.

MANAGEMENT OF THE COMPANY**70 Board to manage Company**

The Company's business and affairs must be managed by, or under the direction or supervision of, the Board, except to the extent that the Act or this constitution provides otherwise.

71 Board has powers necessary to manage Company

The Board has all the powers necessary for managing, and for directing and supervising the management of, the Company's business and affairs, except to the extent that the Act or this constitution provides otherwise.

72 Special resolutions required for major transactions

The Company must not enter into a major transaction (as defined in Section 129 of the Act) unless the transaction is:

72.1 approved by a special resolution of Shareholders; or

72.2 contingent on approval by a special resolution of Shareholders.

73 Ordinary resolutions required for certain asset acquisitions or dispositions

73.1 Subject to the exceptions set out in this clause and the provisions of clauses 72 and 74 the Company must not enter into any transaction or series of linked or related transactions to acquire, sell, lease, exchange, or otherwise dispose of assets held, or to be held, by the Company which assets (other than by way of assignments for finance receivables, or other dispositions of finance receivables, or creating security interests over finance receivables including in each case the assets secured under those finance receivables) would change the essential nature of the business of the Company except with the prior approval of an ordinary resolution or a special resolution if section 129 of the Act applies.

73.2 The notice of meeting containing the resolution to approve any such intended transaction must contain or be accompanied by such information, reports,

valuations, and other material as are necessary to enable the holders of Shares to appraise the implications of the transactions.

74 Exceptions for certain acquisitions and dispositions

Clause 73 does not apply to any transaction entered into by the Company with a bank, on arms length terms and in the ordinary course of banking business, or with any other financial entity or institution that acquires or provides financing over finance receivables, that are normally assigned, securitised or otherwise dealt with in the ordinary course of business of the Company to fund the operations of the Company.

PROCEEDINGS OF THE BOARD

75 Meetings of the Board

The Fourth Schedule governs the proceedings at meetings of the Board, except where otherwise agreed by all Directors in relation to a particular meeting or meetings. The Third Schedule to the Act does not apply to proceedings of the Board.

76 Written resolutions of Board permitted

A written resolution signed or assented to by all of the Directors then entitled to receive notice of a meeting of the Board is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.

77 Written resolutions may be in counterparts

Any written resolution may consist of several copies of the resolution, each signed or assented to by one or more of the Directors. A copy of a written resolution, which has been signed and is sent by facsimile or any similar means of communication, will satisfy the requirements of this clause.

DELEGATION OF POWERS

78 Restriction on Board's right to delegate its powers

Subject to the restrictions on delegation in the Act, the Board may delegate any one or more of its powers to a committee of Directors, a Director, an employee of the Company or any other person.

79 Board delegates to comply with regulations

In exercising the Board's delegated powers, any committee of Directors, Director, Employee, or any other person must comply with any regulations that the Board may impose.

80 Committee proceedings

The provisions of this constitution relating to meetings and proceedings of the Board also apply to meetings and proceedings of any committee of Directors, except to the extent the Board determines otherwise.

INTERESTED DIRECTORS**81 Directors must disclose their interests**

As soon as a Director becomes aware of the fact that he or she is interested in a transaction or proposed transaction with the Company, then unless the Act provides otherwise, that Director must disclose that interest in accordance with the Act. A Director may provide to the Company a general disclosure of interest that covers all transactions of a particular type or category entered into with the Company.

82 Failure to disclose does not affect validity of transaction

Any failure by a Director to comply with *clause 81* does not affect the validity of a transaction entered into by the Company or the Director. The transaction may be avoided under *clause 83*.

83 Company may avoid transaction if Director interested

Where the Company enters into a transaction in which a Director is interested, the Company may avoid that transaction in accordance with the Act.

84 Interested Director must not vote

A Director of the Company who is interested in a transaction entered into, or to be entered into, by the Company must not:

84.1 vote on a matter relating to that transaction; or

84.2 be included among the Directors present at a meeting of Directors, at which a matter relating to that transaction arises, for the purpose of a quorum,

except that a Director may vote in respect of and be counted in the quorum for the purposes of a matter relating to that transaction in which that Director is interested if the matter is one in respect of which, the interest of the director is the same interest that all Originators have in the transaction, or pursuant to an express provision of the Act, Directors are required to sign a certificate or one which relates to the grant of an indemnity under section 162 of the Act.

A Director who is interested in a transaction may:

84.3 attend a meeting of Directors at which a matter relating to the transaction arises; or

84.4 sign a document relating to the transaction on behalf of the Company; or

84.5 do anything else as a Director in relation to the transaction as if he or she were not interested in the transaction.

REMUNERATION

85 Board's power to authorise remuneration is limited

The power of the Board to authorise the payment of remuneration by the Company to a Director in his or her capacity as a Director is subject to prior approval by ordinary resolution in accordance with *clause 86.1*. This clause does not apply to the payment of remuneration to a Director for work done not in the capacity as a Director of the Company.

86 Fixing Director remuneration

86.1 Each ordinary resolution approving Director remuneration must express the remuneration as either:

- (a) a monetary sum per annum payable to all Directors taken together; or
- (b) a monetary sum per annum payable to any person who from time to time holds office as a Director.

86.2 If remuneration is expressed in accordance with *clause 86.1*, then in the event of an increase in the total number of Directors holding office, the Board may, without the authorisation of an ordinary resolution, increase the total remuneration by such amount as is necessary to enable the Company to pay to the additional Director or Directors remuneration not exceeding the average amount then being paid to each of the other non-executive Directors (other than the chairperson).

86.3 An ordinary resolution which increases the amount of remuneration fixed pursuant to a previous resolution must not be passed at a meeting of Shareholders unless notice of the amount of increase has been given in the notice of meeting.

87 Reimbursement of expenses

A Director may be reimbursed for reasonable travelling, accommodation and other expenses incurred in the course of performing duties or exercising powers as a Director without requiring the prior approval of Shareholders.

ALTERNATE DIRECTORS

88 Directors may appoint and remove alternate Directors

Every Director may:

88.1 appoint any person who is not a Director and is not disqualified by the Act or this constitution from being a Director, and whose appointment has been approved in writing by a majority of the other Directors, to act as an alternate Director in

