

SCHEDULE 2
A CLASS DIRECTORS' ELECTION RULES

1 WHO ARE THE A CLASS DIRECTORS?

- 1.1 Under **Article 20.1** of the Articles of Association of CoINVEST Limited ('CoINVEST'), four of the eleven directors will be persons nominated (as described in **rule 5**) and if necessary elected, by Workers and Working Sub-Contractors working in the Construction Industry.
- 1.2 Two of the A Class Directors will be appointed from persons nominated by Workers and Working Sub-Contractors performing Building Trades Work, one A Class Director will be a person nominated by Workers and Working Sub-Contractors performing Electrical Trades Work, and one A Class Director will be a person nominated by Workers and Working Sub-Contractors performing Metal Trades Work.

2 HOW FREQUENTLY ARE A CLASS DIRECTORS APPOINTED?

- 2.1 Each A Class Director will be appointed for a term of 4 years (with the exception of the initial A Class Directors). CoINVEST will call for nominations, and if necessary will hold elections, every 2 years for the appointment of two A Class Directors. This will enable the appointment (or re-appointment) of two A Class Directors every 2 years.
- 2.2 ²³The first round of nominations (and, if necessary, elections) in 1999 will be for the appointment (or re-appointment) of an A Class Director nominated in accordance with **rule 5** by a group or organisation representing Workers (and/or Working Sub-Contractors) performing Building Trades Work and one A Class Director nominated in accordance with **rule 5** by a group or organisation representing Workers (and/or Working Sub-Contractors) performing Electrical Trades Work.
- 2.3 ²⁴At the next round of nominations (and, if necessary, elections) in 2001 CoINVEST will call for nominations (in accordance with **rule 5**) of one person from groups or organisations representing Workers (and/or Working Sub-Contractors) performing Building Trades Work and one person nominated by groups or organisations representing Workers (and/or Working Sub-Contractors) performing Metal Trades Work.

3 HOW ARE CASUAL VACANCIES FILLED?

- 3.1 Where an A Class Director resigns or is removed before the end of that Director's 4 year term, CoINVEST will ask the Assessment Committee to nominate another person (who in the opinion of the Assessment Committee complies with the selection criteria) to fill that vacant position on the Board until the expiry of the original 4 year term, at which time CoINVEST will call for nominations (and, if

23 Amended by special resolution of members on 11 November 1997

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necessary, hold an election), and the person appointed as Director to fill the casual vacancy will be eligible for renomination and re-appointment.

- 3.2 Under **Article 22.2** an A Class Director may be removed before the end of that Director's 4 year term by the Assessment Committee if not less than 6 Directors (that is, not less than 2 A Class Directors, 2 B Class Directors and 2 C Class Directors) notify the Assessment Committee in writing that they have lost confidence in the ability of that A Class Director to properly carry out his duties.
- 3.3 An A Class Director is immediately removed under **Articles 27 or 28** of the Articles of Association in some circumstances.

4 WHAT QUALIFICATIONS MUST AN A CLASS DIRECTOR HOLD?

- 4.1 A candidate nominated for a position as an A Class Director must comply with the selection criteria published by CoINVEST from time to time. CoINVEST will make its selection criteria available on request to Workers, Working Sub-Contractors and organisations which are eligible to nominate persons as A Class Directors.
- 4.2 CoINVEST will review all nominations for candidates for A Class Directors to verify, from its records, that the Worker, Working Sub-Contractor or Worker organisation nominating the person is eligible to make that nomination under the criteria set down below. CoINVEST's Assessment Committee will then review the information supplied by the nominating Worker, Working Sub-Contractor or Worker organisation in respect of the candidate in light of CoINVEST's prevailing selection criteria. CoINVEST will then confirm in writing to the candidate and to the Worker, Working Sub-Contractor or Worker organisation which lodged the nomination:
- (a) whether or not the candidate complies with the selection criteria; and
 - (b) if not, the reasons why the nominee does not comply with the selection criteria.
- 4.3 Where CoINVEST (through its Assessment Committee) informs a candidate, and the Worker organisation or Working Sub-Contractor organisation which nominated that candidate, that the candidate does not comply with the selection criteria, the candidate, or the Worker organisation or Working Sub-Contractor organisation may request CoINVEST to review its decision in accordance with the review procedure established under **Rule 45 of Schedule 2** to the Trust Deed. If, following a review, CoINVEST affirms its decision the matter may be set down for arbitration under the procedure established under **Rule 46 of Schedule 2** to the Trust Deed.

5 ²⁵WHO MAY NOMINATE A CANDIDATE?

- 5.1 Subject to **rule 5.2** and **rule 5.3**, a candidate for the position of an A Class Director may be nominated by any group or organisation that can substantiate that it represents directly more than:
- (a) 3000 Workers;
 - (b) 3000 Working Sub-Contractors; or
 - (c) 3000 Workers and Working Sub-Contractors,
- in the Construction Industry who are registered with CoINVEST as at 1 January of the year in which the nomination is made.
- 5.2 Subject to **rule 5.3**, any group or organisation which is otherwise eligible to nominate a candidate under **rule 5.1**:
- (a) may not nominate a person as an A Class Director if one of the continuing A Class Directors is a person who was nominated by that group or organisation;
 - (b) may, where under the Articles of Association the successful candidate is to be nominated by Workers or Working Sub-Contractors which are performing Building Trades Work, nominate a candidate for that position only if the majority of Construction Industry Workers or Working Sub-Contractors which it represents are performing Building Trades Work;
 - (c) may, where under the Articles of Association the successful candidate is to be nominated by Workers or Working Sub-Contractors which are performing Electrical Trades Work, nominate a candidate for that position only if the majority of Construction Industry Workers or Working Sub-Contractors which it represents are performing Electrical Trades Work; and
 - (d) may, where under the Articles of Association the successful candidate is to be nominated by Workers or Working Sub-Contractors which are performing Metal Trades Work, nominate a candidate for that position only if the majority of Construction Industry Workers or Working Sub-Contractors which it represents are performing Metal Trades Work.
- 5.3 For the purposes of **rule 5.1** and **rule 5.2** above, Workers and Working Sub-Contractors who at any time are Non-Voting Persons must not be counted at that time in determining the numbers of Workers or Working Sub-Contractors represented by a group or organisation.

25 Amended by special resolution of members on 11 November 1997

6 WHEN WILL ELECTIONS BE REQUIRED?

- 6.1 ²⁶If there is more than one candidate nominated for one position as an A Class Director, an election will be held before 31 May of that year and the successful candidate will be the person who receives the greatest number of votes for that position. The successful candidate will be appointed as an A Class Director as from 1 July immediately after the election.
- 6.2 If there is only one candidate nominated for one position as an A Class Director, that person will be appointed as an A Class Director as from 1 July immediately after the close of the nomination process.

7 ²⁷WHO MAY VOTE?

- 7.1 All Construction Industry Workers and Working Sub-Contractors registered with CoINVEST at 1 January of the year the nominations are made other than:
- (a) Workers and Working Sub-Contractors who, as at 1 January of the relevant year, held Non-Voting Person status; and
 - (b) Workers and Working Sub-Contractors who hold Non-Voting Person status on the date of the election,
- will be eligible to vote at an election of an A Class Director.
- 7.2 ²⁸Where an election is required, CoINVEST will issue to Workers and Working Sub-Contractors who are eligible to vote a Ballot Paper.
- 7.3 Each Ballot Paper will be accompanied by details of each candidate's current employment, Construction Industry affiliations and service with CoINVEST or its predecessor.
- 7.4 ²⁹If a Worker or Working Sub-Contractor who is eligible to vote wishes to vote, he or she must complete the Ballot Paper by marking for each elected position one (1) candidate as the preferred A Class Director.

8 ³⁰HOW MANY VOTES?

On each election each Worker and each Working Sub-Contractor who is eligible to vote will be entitled to one vote for, and to vote once in respect of, each A Class Director position which is up for election.

26 Amended by special resolution of members on 6 March 2007

27 Amended by special resolution of members on 11 November 1997

28 Amended by special resolution of members on 6 March 2007

29 Amended by special resolution of members on 1 February 2011

30 Amended by special resolution of members on 11 November 1997

9 ³¹WHAT IS THE PROCEDURE FOR ELECTIONS?

- 9.1 ³²All elections and election matters pursuant to these A Class Directors' Election Rules will be conducted by CoINVEST in conjunction with an independent individual or organisation experienced in the conduct of elections and approved by the Board.
- 9.2 ³³CoINVEST will rely on such statistical information which is held by the Company (including the Register of Employers, Register of Working Sub-Contractors, Register of Workers and the Register of Non-Voting Persons kept by CoINVEST) for the purposes of the Fund, as supplemented by such other information provided by candidates, Workers (and/or Working Sub-Contractors), Worker (and/or Working Sub-Contractors) groups, or Worker (and/or Working Sub-Contractors) associations, or such other sources, as CoINVEST considers reasonable and reliable for the purposes of these A Class Directors' Election Rules.
- 9.3 ³⁴CoINVEST may conduct elections and election matters using any technology that in the opinion of the Directors gives the eligible Workers and Sub-Contractors as a whole a reasonable opportunity to vote. This includes conducting elections via postal voting or any other means or, at a venue or venues.
- 9.4 ³⁵All elections and election matters pursuant to these A Class Directors' Election Rules will be conducted according to the Election Procedures approved by the Board.

31 Amended by special resolution of members on 1 February 2011

32 Amended by special resolution of members on 1 February 2005

33 Amended by special resolution of members on 11 November 1997

34 Amended by special resolution of members on 6 March 2007

35 Amended by special resolution of members on 1 February 2011