

By-Law No. 1
By-Laws governing the Directors' Code of Conduct
(As made and approved by the Board on 5th July 2012)



Provisions

1 DEFINITIONS

Board means the Board of Directors of the Company.

Company means The Australian Investors Association Limited

Constitution means the Company's Constitution.

Director means a director of the Board.

Member means a member of the Company.

2 OBJECTS, PURPOSE AND POWERS

2.1 These By-Laws have been prepared pursuant to clause 66 of the Constitution, and are binding and enforceable on every Member under the Constitution.

All directors of the Australian Investors Association Ltd. must agree in writing to adhere to the Directors' Code of Conduct at all times while acting in his or her capacity as a director of the Company.

3 DIRECTORS' CODE OF CONDUCT

The Directors' Code of Conduct is as follows:

- 3.1 All directors must comply with the requirements of any law imposing any duties or obligations on them as directors of the company including all applicable laws.
- 3.2 All directors must act in a respectful and courteous manner when dealing with another director of the company, any employees of the company, any member of the company and any other person or other organisation with whom the director deals with in his or her capacity as director of the company.
- 3.3 All directors have a positive duty to act honestly, in good faith and in the best interests of the company as a whole and not in the best interests of a particular group or groups of members to the exclusion of others.
- 3.4 All directors must act in accordance with the highest standards of corporate governance in fulfilling their duties and responsibilities as directors of the company.
- 3.5 The directors must abide by the Company's policies and procedures, including the remittance of funds to the National Office and submission of the required reports as set out in the Company's policies and procedures.
- 3.6 A director must not make improper use of information acquired as a director.
- 3.7 A director has a duty to use due care and diligence in fulfilling the functions of office and exercising the power attached to that office.
- 3.8 A director must not take improper advantage of the position of director.
- 3.9 A director must properly manage any conflict of interests he/she may have with the interests of the company.
- 3.10 A director has an obligation to be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of directors.

By-Law No. 1

By-Laws governing the Directors' Code of Conduct

(As made and approved by the Board on 5th July 2012)



- 3.11 Confidential information received by a director in the course of the exercise of directorial duties remains the property of the company or the person from which or whom it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Board, or the person from whom the information was provided, or is required to be disclosed by law.
- 3.12 A director should not engage in conduct likely to bring discredit upon the company.
- 3.13 A director must comply with the company's code of conduct including those contained in the company's Policies and Procedures.