

DATED

18th March

2002

MALCOLM HALSTEAD

("Founder")

and

SAMANTHAN CONLON

MILES GRANT

WARWICK GRAVES

BRIAN TELLAM

("Trustees")

**DEED CREATING THE
NORTHERN NURSERY SCHOOL
BUILDING FUND**

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"Board" means the Trustees for the time being of the settlement created by this Deed exercising the obligations, rights, powers and responsibilities conferred or imposed by this Deed, in accordance with the procedures set out in this Deed as a group;

"Corporation" shall mean any body corporate formed or incorporated in any country, state or territory;

"Distribution Date" means the first to occur of the day on which shall expire the period of eighty (80) years from the date of execution of this Deed or the day on which shall expire the period of twenty (20) years after the death of the last survivor of the descendants now living of His late Majesty King George VI or such earlier date as the Trustee shall in its absolute discretion appoint;

"Eligible Beneficiaries" means all persons who are Eligible Persons;

"Eligible Persons" means any persons to whom a donation, gift or contribution is tax deductible, pursuant to Item 2.1.10 of the table in section 30-25(1) of the 1997 Act, with preference to be given to any entity or organisation which has objects similar to the objects of the Beneficiary and rules prohibiting the distribution of its assets and income to its members;

"Settlement Sum" means the sum of \$10.00 settled on the Trustees by the Founder on the date of execution of this Deed;

"Share" includes ordinary, preferred, contributing and any other class of shares, stock, debentures, debenture stock, unsecured notes (whether registered or otherwise), options, rights, letters of allotment and variable interest stock, bonds or obligations and units in a unit trust;

"Trust Fund" means:

- (a) the Settlement Sum;
- (b) any sum or sums or other property which the Founder or any other person may at any time give transfer make over or cause to be vested in the Trustee to be held upon the trusts and with and subject to the powers conditions and provisions of this Deed;
- (c) any income derived by the Trustee in its capacity as Trustee of this settlement, whether from investment of the Trust Fund, trade and business activity or otherwise;
- (d) investments and property from time to time acquired and held by the Trustee in its capacity as Trustee of this settlement;

"Trustee" means, where there is more than one person holding the position of Trustee for the time being of the settlement created by this Deed, the Board, unless there is only one, in which case "Trustee" means the Trustee for the being of the settlement created by this Deed.

DEED made the

18 day of March

2002

BETWEEN:

Malcolm Halstead of

(the "Founder")

AND:

Those persons specified in Schedule 1 to this Deed
(the "Trustees")

WHEREAS:

- A. The Founder wishes to provide the settlement sum solely for the acquisition, construction and maintenance of buildings used, or to be used, by The Northern Nursery School Limited ACN 001 830 002 as a pre-school.
- B. The Trustee is to seek contributions and donations from members of the general public. Such contributions and donations are to form part of the Trust Fund, together with the Settlement Sum.
- C. The Trustee is to hold the Settlement Sum, together with contributions and donations from members of the general public, upon the trusts and subject to the provisions declared in this Deed.
- D. The trusts declared in this Deed are to be known as "The Northern Nursery School Building Fund".
- E. The Trustee is to ensure that, at all times, the trusts declared in this Deed comply with the requirements for endorsement as a Deductible Gift Recipient in accordance with Division 30 of the 1997 Act.

NOW THIS DEED WITNESSES:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Deed and all documents contemplated by this Deed unless the context otherwise requires:

"1936 Act" means the *Income Tax Assessment Act 1936* (as amended);

"1997 Act" means the *Income Tax Assessment Act 1997* (as amended);

"Acts" means both the 1936 Act and the 1997 Act;

"Beneficiary" means The Northern Nursery School Limited ACN 001 830 002;

- 1.2 The first annual accounting period for the purposes of this Deed shall be the period commencing on the date of the execution of this Deed and ending on the following 30th day of June (or such other annual terminating accounting date for the time being determined by the Trustee) and each succeeding annual accounting period shall be the period ending on the 30th day of June (or such other annual terminating accounting date for the time being determined by the Trustee) following that on which the immediately preceding annual accounting period terminated or the Distribution Date whichever shall first occur.
- 1.3 In this Deed, unless the context otherwise requires:
- (a) the singular includes the plural and vice versa;
 - (b) words importing the masculine gender, the feminine gender or the neuter gender shall include all genders;
 - (c) the word "person" means a natural person and any association, body or entity whether incorporated or not;
 - (d) the word "month" means calendar month and the word "year" means 12 calendar months;
 - (e) a reference to writing includes any communication sent by post or facsimile transmission;
 - (f) where any word or phrase is defined, any other part of speech or grammatical form of that word or phrase has a cognate meaning;
 - (g) a reference to any statute, proclamation, rule, code, regulation or ordinance includes:
 - (i) any amendment, consolidation, modification, re-enactment or reprint of it;
 - (ii) any statute, proclamation, rule, code, regulation or ordinance replacing it;
 - (iii) any ordinance, by-law, regulation or other statutory instrument issued under it; and
 - (iv) any determination, exemption or modification made pursuant to it; and
 - (h) all monetary amounts are in Australian currency.
- 1.4 The settlement the trusts hereby created shall be known by the name set out in recital D.

2. TRUSTS AS TO NET INCOME

2.1 The Trustee shall hold the Trust Fund upon the trusts declared in this Deed concerning the same.

2.2 Until the Distribution Date the Trustee shall on or before each 30th day of June (or such other annual terminating accounting date for the time being determined by the Trustee) as it in its discretion (exercised in accordance with sub-clauses 2.3 and 2.4) determines either:

(a) pay the whole or any part of the net income as defined in Section 95(1) of the 1936 Act arising from the Trust Fund in the said annual accounting period to the Beneficiary as the Trustee in its absolute discretion determines; or

(b) retain the whole or any part of such net income for the Trust Fund as the Trustee in its absolute discretion may determine;

PROVIDED HOWEVER that if the Trustee shall not have exercised such discretion in respect of the whole or any part of such net income in any such annual accounting period on or prior to the expiration of such period then the whole or part of such net income shall be retained for the Trust Fund.

2.3 In exercising the discretion conferred upon it by sub-clause 2.2, the Trustee shall have regard to, and exercise its discretion in such a way as to further the sole object of the Trust declared in this Deed, namely the acquisition, construction and maintenance of buildings used, or to be used, by the Northern Nursery School Limited ACN 001 830 002 as a pre-school.

2.4 Where it is not possible for the Trustee to exercise its discretion in such a way as to further the objects of the trusts declared in this Deed, as set out in sub-clause 2.3, either:

(a) because the Northern Nursery School Limited ACN 001 830 002 has ceased to exist; or

(b) because the Northern Nursery School Limited ACN 001 830 002 has ceased operating as a pre-school; or

(c) for any other reason,

and such impediment will not cease within a reasonable period (as the Trustee in its absolute discretion determines), until the Distribution Date the Trustee shall on or before each 30th day of June (or such other annual terminating accounting date for the time being determined by the Trustee) as it in its absolute discretion determines either:

(d) pay the whole or any part of the net income as defined in Section 95(1) of the 1936 Act arising from the Trust Fund in the said annual accounting period to such one or more of the Eligible Beneficiaries as the Trustee in its absolute discretion determines, and in the case of more than one, in such proportion or proportions as the Trustee in the exercise of such discretion may determine; or

- (e) retain the whole or any part of such net income for The Trust Fund as the Trustee in its absolute discretion may determine;

PROVIDED HOWEVER that if the Trustee shall not have exercised such discretion in respect of the whole or any part of such net income in any such annual accounting period on or prior to the expiration of such period then the whole or part of such net income shall be retained for the Trust Fund.

- 2.5 Any shares which may from time to time be issued to the Trustee in satisfaction of a dividend or any part or parts of such shares so issued to the Trustee shall be income of the Trust Fund notwithstanding that at law such shares may be capital of the Trust Fund unless the Trustee shall before the first day of July next after such issue is made declare in writing that the provisions of this sub-clause shall not operate in relation to those shares. In the event of any such declaration being made, then those shares shall be capital of the Trust Fund notwithstanding that under the Acts or any other fiscal legislation such shares may be or be deemed to be income of the Trust Fund.

3. DETERMINATION OF INCOME

- 3.1 For the purpose of determining the net income to be paid or applied under clause 2, all costs, charges and expenditure incurred in earning that income and such costs, charges and expenditure properly incurred in managing and administering the Trust Fund and any taxes for which the Trustee may be liable in its capacity of Trustee shall be charged or debited against the income derived or arising in each annual accounting period.
- 3.2 For the purpose of determining the income of the Trust Fund, the Trustee may, in its absolute discretion, determine:
- (a) whether any receipt, profit, gain, payment, loss, outgoing or investment in any annual accounting period is, or is not, to be treated as being on income or capital account; and
 - (b) whether the income of the Trust Fund is to be calculated as including any actual or deemed capital gain arising under the Acts:

provided that:

- (c) if the Trustee fails to make a determination; or
- (d) to the extent to which the Trustee fails to make a determination prior to the end of such annual accounting period pursuant to this sub-clause 3.2, then the income of the Trust Fund for such annual accounting period shall be calculated in the same manner as the net income of the trust estate constituted by the Trust is to be calculated under the provisions of the Acts.

- 3.3 If in any annual accounting period the income of the Trust Fund (determined pursuant to sub-clause 3.2) exceeds the net income of the trust estate as determined pursuant to

the Acts, the excess shall be deemed to form part of the net income of the trust estate and shall be distributed in accordance with clause 2.

4. TRUSTS AS TO CORPUS

- 4.1 Subject to any following provisions of this Deed provided the Trustee shall hold all the income of the Trust Fund then unpaid or unapplied (if any) together with the then corpus of the Trust Fund upon trust for such of the Beneficiaries.
- 4.2 Until the Distribution Date the Trustee shall on or before each 30th day of June (or such other annual terminating accounting date for the time being determined by the Trustee) as it in its absolute discretion (exercised in accordance with sub-clauses 4.3 and 4.4) determines either:
- (a) pay the whole or any part of the corpus of the Trust Fund (including net income (as defined in Section 95(1) of the 1936 Act) from previous annual accounting periods not distributed in accordance with Clause 2) to the Beneficiary as the Trustee in its absolute discretion determines; or
 - (b) retain the whole or any part of such corpus for the Trust Fund as the Trustee, in its absolute discretion may determine;

PROVIDED HOWEVER that if the Trustee shall not have exercised such discretion in respect of the whole or any part of such corpus in any such accounting period on or prior to the expiration of such period then the whole or part of such corpus shall be retained for the Trust Fund.

- 4.3 In exercising the discretion conferred upon it by sub-clause 4.2, the Trustee shall have regard to, and exercise its discretion in such a way as to further the objects of the trusts declared in this Deed, as set out in sub-clause 2.3;
- 4.4 Where it is not possible for the Trustee to exercise its discretion in such a way as to further the objects of the trusts declared in this Deed, as set out in sub-clause 2.3, either:
- (a) because the Northern Nursery School Limited ACN 001 830 002 has ceased to exist;
 - (b) because the Northern Nursery School Limited ACN 001 830 002 has ceased operating as a pre-school; or
 - (c) for any other reason,

and such impediment will not cease within a reasonable period (as the Trustee in its absolute discretion determines), until the Distribution Date the Trustee shall on or before each 30th day of June (or such other annual terminating accounting date for the time being determined by the Trustee) as it in its absolute discretion determines either:

- (a) pay the whole or any part of the corpus of the Trust Fund (including net income (as defined in Section 95(1) of the 1936 Act) from previous annual accounting periods not distributed in accordance with Clause 2) to such one or more of the Eligible Beneficiaries as the Trustee in its absolute discretion determines, and in the case of more than one in such proportion or proportions as the Trustee in the exercise of such discretion may determine; or
- (b) retain the whole or any part of such corpus for the Trust Fund as the Trustee, in its absolute discretion may determine.

4.5 On the Distribution Date all net income (as defined in Section 95(1) of the 1936 Act) not distributed shall form part of the corpus of the Trust Fund to be distributed in accordance with sub-clause 4.6.

4.6 On the Distribution Date the Trustee shall pay the whole of the corpus of the Trust Fund to the Beneficiary, PROVIDED HOWEVER that if it is not possible for the Trustee to exercise its discretion in such a way as to further the objects of the trusts declared in this Deed, as set out in sub-clause 2.3, either:

- (a) because the Northern Nursery School Limited ACN 001 830 002 has ceased to exist;
- (b) because the Northern Nursery School Limited ACN 001 830 002 has ceased operating as a pre-school; or
- (c) for any other reason,

the Trustee shall pay the whole of the corpus of the Trust Fund to such one or more of the Eligible Beneficiaries as the Trustee in its absolute discretion determines, and in the case of more than one in such proportion or proportions as the Trustee in the exercise of such discretion may determine.

5. CATEGORIES OF INCOME AND CAPITAL

5.1 The Trustee may separately record the following categories of income or capital in the accounts of the Trust which under the Acts:

- (a) are dividends:
 - (i) which are fully franked;
 - (ii) which are unfranked;
 - (iii) to which a foreign tax credit attaches; or
 - (iv) to which another separately identifiable taxation consequence or benefit may attach;

(b) is income or capital:

- (i) which has an Australian source;
- (ii) which has an ex-Australian source;
- (iii) to which a foreign tax or other credit attaches;
- (iv) which is exempt from tax or subject to differing rates of tax or tax treatment; or
- (v) which has or gives rise to any other separately identifiable taxation consequence or benefit.

5.2 The Trustee may identify and separately record and maintain in the books of accounts of the Trust, income and capital having, or in respect of which there is attached, individual or unique characteristics other than as referred to in the preceding sub-clause 5.1.

5.3 A resolution or determination of the Trustee by which net income of an annual accounting period or capital is distributed may at the direction of the Trustee separately deal with all or part of the income or capital of a category, so that all or part of that income or capital may be specifically or separately allocated and identified in a distribution to a beneficiary.

5.4 Expenses and outgoings of the Trust may at the discretion of the Trustee be allocated against and deducted from income or capital of any one or more categories.

5.5 If the Trustee does not exercise its discretion as provided in the preceding sub-clause 5.4, outgoings and expenses of the Trust Fund for an annual accounting period must be allocated firstly against and deducted from income which is not income of a category. To the extent to which that income is insufficient to absorb all expenses and outgoings, then the part which is not so absorbed must be allocated against any income of a category to which a tax credit, rebate or exemption does not attach and thereafter against the remaining income.

5.6 Income or capital to which a beneficiary becomes entitled and which can be identified as being of a category, retains its separate identity on passing to or being received by the beneficiary or when the beneficiary otherwise becomes entitled to it.

6. TRUSTEE'S DETERMINATIONS

6.1 Any determination by the Trustee under this Deed may, where there is only one person holding the position of Trustee for the time being of the settlement created by this Deed, be made orally or in writing, or, where there is more than one, by a resolution of the Board. A minute of the Trustee signed by the Trustee or (in the case of the Board) signed by the Chairman shall be conclusive evidence of such resolution and shall be kept with the records of the trust. Any such determination shall, unless inconsistent with the context thereof, be irrevocable.

7. POWERS OF TRUSTEE

7.1 The Trustee may invest the Trust Fund in any investment:

- (a) whether or not authorised by law for the investment of trust funds; and
- (b) whether or not specifically authorised by the Deed; and
- (c) whether or not of an income producing nature; and
- (d) whether or not of a wasting or speculative nature

which the Trustee in its absolute discretion considers suitable for the investment of the Trust Fund as if the Trustee were the absolute owner of the Trust Fund with full power to vary any such investment as the Trustee in its absolute discretion considers fit or the Trustee may retain the Trust Fund or any part thereof in the same state as the Trustee received the same.

7.2 Subject to previous provisions of this Deed the Trustee shall have power to so manage administer and deal with the Trust Fund as the Trustee in its absolute and uncontrolled discretion sees fit as if the Trustee were the absolute owner thereof

7.3 Without limiting or restricting in any way whatsoever the powers and discretions conferred upon the Trustee by provisions of this Deed whether in respect of the investment management or administration of the Trust Fund or in any other respect it is hereby declared and agreed that the Trustee shall have the following powers and discretions:

- (a) to purchase or otherwise acquire:
 - (i) shares of any nature, class or kind whatsoever in any joint stock or other corporation or banking corporation or in any corporation or other incorporated body or association (the liability of the members of which is limited) incorporated or carrying on business in Australia or elsewhere; and
 - (ii) any units in a unit trust;

and if the Trustee shall be the holder of any shares for the time being forming part of the Trust Fund and become entitled to take or subscribe for any new or other shares (whether in the same or any other corporation) or units in a unit trust then notwithstanding that the Trustee may not be otherwise than by this Deed authorised so to do or that the state of the Trust Fund may not enable the Trustee or that the Trustee may not consider it convenient or fit to take and hold such new or other shares as an investment for the purpose of this Trust, the Trustee shall have an absolute discretion either:

- (iii) to take or subscribe for all or any part of such shares; or

- (iv) to dispose of or transfer the same or the title thereto;

and the Trustee shall have an absolute discretion to dispose of by way of sale such rights to take or subscribe and in either such case shall hold the proceeds thereof for the purpose of this Trust and the Trustee may:

- (v) assent to and concur in any arrangement, sale, transfer or exchange of shares modifying any rights, privileges or interests in relation to the Trust Fund; and
- (vi) agree to and concur in any scheme or arrangement for the increase or reduction of the value or amount of the same or of the capital of any corporation in which such shares forming the whole or any part of the Trust Fund for the time being may be invested; or
- (vii) agree to and concur in any re-arrangement of its capital or its reconstruction or any arrangement made or proposed to be made by it for any purpose whatsoever with any other corporation or corporations, person or persons whereby such shares are substituted or given in exchange whether in or of the same corporation or otherwise; and
- (viii) for any such purpose deposit, surrender, apply for or exchange any scrip or documents of title relating thereto; and
- (ix) out of the income or capital of the Trust Fund pay any contribution or incur necessary expense in connection with any such scheme or arrangement;
- (b) to enter into partnership from time to time upon such terms and conditions as the Trustee shall think fit with such person or persons as the Trustee thinks fit and whether or not the Trustee is or becomes a member of any such partnership otherwise than in the capacity of Trustee under this Deed and with power to vary the terms of any such partnership;
- (c) to terminate upon such terms and conditions as the Trustee shall think fit any such partnership as aforesaid and to join in and be party to any partition of the assets thereof;
- (d) to cause to be incorporated or to join with any other person or persons in the incorporation of any corporation upon such terms and conditions as the Trustee shall think fit and the Trustee may:
- (i) sell, transfer or otherwise dispose of to any such corporation any assets forming part of the Trust Fund for cash, shares or other form of property and whether such shares are fully paid or not; and
- (ii) accept payment for any such assets so transferred to any such corporation not only by any of the methods of payment specified in this Paragraph, but also by a combination of some or all of the methods of payment specified in this Paragraph; and

- (iii) become a shareholder in any such corporation otherwise than in the capacity of Trustee under this Deed;
- (e) to commence carry on or join in carrying on any business or transaction either alone or jointly (whether in partnership or otherwise) with another or others including the Trustee either on its own behalf or as a trustee for any other person during such periods and upon such terms and conditions as the Trustee in its absolute discretion shall think proper and to conduct such business or transaction and to delegate all or any of the powers vested in it in relation thereto to any person or persons whom it may think fit and the Trustee shall be free from all responsibility in respect of any loss arising in relation to the said business and to employ in such business or transaction the whole or any part of the Trust Fund and to enter into, renew and vary agreements and instruments in respect thereof and to employ or join in employing any person at such salary and upon such terms and conditions as it shall in its absolute discretion think fit and to establish a superannuation fund for such employees and their dependants and to make contributions to a superannuation fund established for employees and their dependants;
- (f) to borrow money for the purpose of making any investment authorised by this Deed or for the purpose of administration or management of the Trust Fund and to secure the same or the repayment or performance of any debt, liability, contract, guarantee or other engagement incurred or to be entered into by the Trustee in any way and without limiting the generality of the foregoing any such borrowing may be by way of unsecured loan or the Trustee may enter into, sign, seal, execute or deliver any mortgage, bill of sale, hire purchase agreement, bond, assignment, transfer, lien, letter of charge or other security whether principal or collateral which the Trustee may think fit and any such mortgage may be by way of overdraft, contribution or joint mortgage with other persons and the Trustee may borrow in any case authorised by this Paragraph whether or not the liability arising out of such borrowing is joint or several;
- (g) the Trustee shall be authorised to borrow from itself on such terms as to interest and repayment as it may in its absolute discretion determine;
- (h) to grant or join in granting leases or licences of all or any lands or hereditaments of any tenure forming part of the Trust Fund for such term at such rent or royalty and with such premium and upon such terms and conditions in all respects and with or without offers or options of renewal as the Trustee shall think fit or to enter into share farming agreements with respect to any such lands or to enter into share farming agreements with respect to any other lands whether or not the Trustee may hold otherwise than in the capacity of Trustee under this Deed a proprietary interest in such other lands;
- (i) to lease or let on hire for such periods and upon such terms and conditions as the Trustee shall think fit the whole or any part of the personal property comprised in the Trust Fund;

- (j) to sell and dispose of all or any part or parts of the property, real or personal, forming part of the Trust Fund either by public auction or private contract and either for cash or upon credit or by way of exchange and upon such terms and conditions in all respects as the Trustee shall think fit and to enter into all contracts and agreements relative thereto and to rescind or vary any such contracts and agreements when and as the Trustee shall think fit;
- (k) to guarantee or indemnify or to give guarantees or indemnities for the payment of money or for the performance of contracts or obligations by any person and otherwise to assist any person and to secure such guarantees or indemnities or the performance of same by charge or legal mortgage of any part or parts of the Trust Fund or otherwise;
- (l) to invest money on deposit with or without security with any individual partnership or limited liability company and whether or not the Trustee may be a partner of any such partnership or a member of any such limited liability company otherwise than in the capacity of Trustee under this Deed and to lend money with or without security to any person whether the loan be made for the individual benefit of the borrower or in his capacity of executor, administrator or trustee and any such deposit or loan may in the discretion of the Trustee be interest bearing or free of interest;
- (m) to expend money in keeping in force any policy of assurance on the life of any person which policy may be acquired by the Trustee in any manner whatsoever as an investment hereunder or to alienate, mortgage, charge, vary, surrender, assign or otherwise deal with any such policy or money assured thereby or payable thereunder or produced by such policy in such manner as the Trustee may think fit;
- (n) to purchase, lease, exchange, hire or otherwise acquire and hold any real or personal property and any rights or privileges and in particular but without limiting the generality of the foregoing any lands, buildings, machinery, plant, stock, livestock, debts and choses in action;
- (o) to set aside out of the Trust Fund from time to time such sum or sums of money as may in the Trustee's opinion be sufficient or necessary to meet any debt or obligation due or to accrue due including any rates or taxes;
- (p) to concur in or oppose any scheme or arrangement for any alteration in the constitution, reconstruction, management or shareholding of any corporation in which the Trustee shall from time to time or at any time hold shares or any scheme or arrangement relating to the creditors of any such corporation and for that purpose to vote for and concur in any special or other resolution submitted to any meeting of such corporation or of its creditors;
- (q) to surrender any shares in such corporation upon such terms and conditions as the Trustee shall think fit and to accept other shares in lieu thereof either in such corporation or in any other corporation formed to acquire or in fact acquiring the shares therein and any of such shares shall form part of the Trust

Fund and shall in all respects be subject to the same trusts as hereinbefore set out in respect thereto;

- (r) to raise funds at any time in the absolute discretion of the Trustee by sale or mortgage of the whole or any part of the Trust Fund the whole or any part of the expectant share of the Beneficiary or the Eligible Beneficiary and to apply the same for the benefit or advancement of the Beneficiary respectively as the Trustee shall in its discretion determine and any such mortgage shall contain such powers and provisions and be upon such terms and conditions in all respects as the Trustee shall think proper or expedient;
- (s) to compromise, compound, abandon, submit to arbitration or otherwise settle any debt account claim or thing whatsoever relating to the Trust Fund or the trusts hereby created;
- (t) in any conditions or circumstances which the Trustee thinks expedient to appoint by deed or memorandum under hand in respect of any part of the Trust Fund a new trustee or trustees whether resident in Australia or elsewhere and to transfer, assign and set over investments and property representing such part thereof to any such new trustee or trustees upon similar trusts and subject to terms and conditions similar to those declared in these presents and either subject to the control of the Trustee of these presents or to the exclusion of such control;
- (u) to pay out of the Trust Fund any stamp duty, settlement duty, gift duty or any other impost of such nature payable in respect of these presents or the gift or settlement hereby effected or in respect of any additional moneys or investments paid to the Trustee upon the trusts hereof and whether under the laws of the Commonwealth of Australia or of any of the States or Territories thereof or of any other country;
- (v) to draw, make, accept, endorse, discount, execute and issue promissory notes bills of exchange bills of lading and other negotiable or transferable instruments;
- (w) in executing any trust or power of sale or leasing contained in this Deed, the Trustee may enter into any contract or grant any option to any person for the sale or leasing of any assets for the time being included in the Trust Fund or otherwise for the exercise by the Trustee of any other power herein contained relating to the said assets PROVIDED THAT such options as are herein referred to shall not be exercisable at any time after the Distribution Date as hereinbefore defined.

7.4 The Trustee may instead of acting personally employ and pay a solicitor, accountant, broker, agent, merchant or any other person whatever may be his avocation to transact any business or do any act required to be done in connection with the Trust Fund including the receipt and payment of money and shall be entitled to be allowed and be paid all charges and expenses so incurred and shall not be responsible for the default of any such solicitor, accountant, broker, agent, merchant or other person or for any loss occasioned by any such employment and the Trustee being a solicitor, accountant,

broker, agent, merchant or other person as aforesaid shall be entitled to charge and be paid all usual professional or other charges for any business or act done by him or his firm or his or their clerks or employees in connection with the Trust including any business or act which a trustee not being a solicitor, accountant, broker, agent, merchant or other person engaged as aforesaid could have done personally but which might reasonably be required to be done by a solicitor, accountant, broker, agent, merchant or other person as aforesaid and the Trustee shall be entitled to retain for the Trustee's absolute use and benefit any fees or other form of remuneration payable to the Trustee for acting as director, employee or agent of any corporation in which the Trustee has invested the Trust Fund or part thereof in acquiring shares in pursuance of the provisions of this Deed and the Trustee shall be entitled to retain for the Trustee's absolute use and benefit any salary, wages or other form of remuneration payable to the Trustee by a partnership of which the Trustee becomes a member in pursuance of the powers conferred on the Trustee by Paragraph 7.3(b) of sub-clause 7.3 hereof.

- 7.5 In addition to the powers of delegation conferred upon the Trustee by sub-clause 7.4 the Trustee shall have power from time to time to appoint one or more attorneys under a power or powers of attorney to act jointly or severally and with or without power for any such attorney to delegate in a specific transaction or class of transactions or generally and in a particular place or in any place in relation to executing any document or doing any act or receiving notices money or other property in connection with the Trust Fund or any asset of the Trust Fund or to be acquired by the Trustee or in respect of any business carried on or proposed to be carried on by the Trustee or in respect of the exercise of any power authority or discretion conferred on the Trustee by this Deed or by law whether or not the Trustee has disclosed to any such attorney or any person dealing with such attorney that in respect of the power to be so delegated the Trustee is acting as trustee. The Trustee shall be entitled to be allowed and be paid all charges and expenses incurred by reason of or in connection with the appointment of any such attorney and shall not be responsible for the default of any such attorney or for any loss occasioned by any such appointment.
- 7.6 A person may act as trustee of the Trust Fund notwithstanding that that person may be interested as a director or shareholder or partner in or may otherwise stand in a fiduciary relation to any corporation or partnership in which any part of the Trust Fund may be invested or with which such person may deal.
- 7.7 The Trustee may exercise or concur in exercising all powers and discretions conferred on the Trustee by this Deed or law whether the Trustee is for the time being the sole trustee (or if the Trustee is a company, any person who is a director or shareholder of the Trustee) has or may have a direct or personal interest in or shall or may benefit either directly or indirectly from:
- (a) any investment authorised by these presents;
 - (b) any contract, transaction or arrangement entered into by the Trustee in respect of the Trust Fund or in any part thereof;
 - (c) the mode or result of exercising such power or discretion;

- (d) any matter or thing connected with the administration of the Trust Fund; or
- (e) the exercise of any such power or discretion.

- 7.8 In addition to the express powers conferred on the Trustee under this Deed, the Trustee shall be entitled to exercise in respect of the Trust Fund wherever situated all the powers authorities and discretions conferred on trustees by the law of New South Wales as if the same were expressly included in these presents and subject to this Deed the rights and liabilities of the Trustee and of the Beneficiary and Eligible Beneficiaries and any other person or corporation entitled to any benefit under this Deed as between themselves and the administration of the trusts of this Deed shall be determined and regulated in accordance with the law of New South Wales or the law of such other place where the Trustee for the time being resides.
- 7.9 In the execution of the trusts powers and discretions hereof the Trustee (other than a trustee charging remuneration for so acting) shall not be liable for any loss to the Trust Fund arising by reason of any investment made in good faith or the negligence or fraud of any person or agent employed by the Trustee or by any other trustee hereof although the employment of such person or agent was not strictly necessary or expedient or by reason of any mistake or omission made in good faith by any Trustee hereof or by reason of any other matter or thing except wilful and intentional default or wrong doing on the part of the Trustee who is sought to be made liable.
- 7.10 The Trustee may take and act upon the opinion of Counsel or a Solicitor of five years' standing practising in any country where the Trust Fund or any part thereof may for the time being be invested in relation to the interpretation of these presents or any other document or statute or as to the administration of the trusts hereof without being liable to any of the persons beneficially interested in respect of any act done by the Trustee in accordance with such opinion BUT nothing in this Clause shall prohibit or impede the Trustee from applying to any Court if the Trustee shall think fit or prohibit or impede the Beneficiary or Eligible Beneficiaries or any other person or corporation entitled to any benefit under this Deed from so doing.
- 7.11 In the exercise of any power or duty conferred or imposed upon it by this Deed to pay or apply moneys to or for the benefit of any person the Trustee may if such person be an infant pay such moneys to the parent or guardian of such infant or other person with whom such infant is residing and the receipt of the person to whom the moneys are paid shall be an absolute discharge to the Trustee who shall not be bound to see to the application thereof.
- 7.12 Notwithstanding any provision of this Deed, whether express or implied, to the contrary no discretion or power by this settlement conferred on any person or on the Trustee shall be exercised and no provisions of this settlement shall operate so as to confer or be capable of conferring any share or benefit from or interest in or under the Trust Fund at any time on the Trustee or any person who has been a trustee under this Deed.

7.13 The Trustee is to maintain a fund for the object of the trust declared in this Deed, as set out in sub-clause 2.3, to which gifts of money property for that object are to be made and to which any money received by the Trustee in its capacity as Trustee because of such gifts is to be credited.

7.14 The fund established under subclause 7.13 shall not receive any money or property other than that specified in subclause 7.13.

8. EXERCISE OF TRUSTEE'S DISCRETION

8.1 Any discretions conferred on the Trustee by this Deed are to be exercised in accordance with this clause 8.

8.2 The discretions conferred in the Trustee by this Deed are to be exercised in such a way that the Trustee is proceeding with all reasonable speed to achieve the objects of the trusts declared in this Deed, as set out in sub-clause 2.3.

9. VARIATION OF TRUSTS

9.1 At any time prior to the Distribution Date the Trustee may from time to time in its absolute unfettered discretion notwithstanding any provision of this Deed to the contrary by Resolution of the Board or, in the event of the Trustee being a single person, by instrument in writing vary the trusts or any provisions of this Deed in any manner whatsoever provided that any variation of the objects shall be in favour of the Beneficiary or the Eligible Beneficiaries SUBJECT ALWAYS to no share or benefit from or interest in or under the Trust Fund at any time being in any way acquired by or passing to the Trustee, its successors in office or a person who has been a trustee under this Deed PROVIDED THAT no variation shall be made by the Trustee pursuant to this Clause whereby any person may be capable of obtaining a vested interest in the Trust Fund after the Distribution Date and PROVIDED THAT such variation is consistent with contributions to the fund retaining their tax deductible status pursuant to Division 30 of the 1997 Act and consistent with achievement of the object of the trust declared in this Deed, as set out in sub-clause 2.3.

10. THE BOARD OF DIRECTORS

10.1 Where there is more than one Trustee, the Trustees acting as a group shall form a Board.

10.2 The Board shall have the following powers and functions subject to this Deed:

- (a) to control and manage the Trust Fund in accordance with trusts declared under this Deed;
- (b) to exercise all such functions as may be exercised by the Trustee (where there is only one); and

- (c) to perform all such acts and do all such things as appear to the Board to be necessary or desirable for the proper management of the affairs of the trusts declared under this Deed and the furtherance of the objects of those trusts, as set out in sub-clause 2.3.

10.3 The Board shall appoint a Trustee to act as Chairman for a 12 month period PROVIDED HOWEVER that the Trustee so appointed is one of the following:

- (a) a school principal (including but not limited to the principal of the Northern Nursery School ACN 001 830 002);
- (b) a member of the judiciary of a State or Territory of the Commonwealth of Australia or of the Commonwealth;
- (c) a member of the clergy;
- (d) a legal practitioner admitted, or eligible to be admitted, as a solicitor or barrister of the Supreme Court of New South Wales;
- (e) a medical practitioner;
- (f) a councillor of a City Council in New South Wales;
- (g) a mayor of a City Council in New South Wales;
- (h) a town clerk of a City Council in New South Wales;
- (i) a member of parliament; or
- (j) any other person who is a member of a professional body (eg. a member of the Institute of Chartered Accountants etc).

10.4 The Board shall meet at least four times in each period of twelve (12) months at such place and time as the Board may determine.

10.5 Additional meeting of the Board may be convened by the Chairman or by any member of the Board;

10.6 Oral or written notice of a meeting of the Board shall be given by the Chairman to each member of the Board at least fourteen (14) days (or such other period as may be unanimously agreed upon by the members of the Board) before the time appointed for the holding of the meeting.

10.7 Notice of a meeting given under sub-clause 10.6 above shall specify the general nature of the business to be transacted at the meeting, except business which the Board members present at the meeting unanimously agree to treat as urgent business.

10.8 Any 2 members of the Board constitute a quorum for the transaction of the business of a meeting of the Board PROVIDED HOWEVER that a majority of the members present are one of the following:

- (a) a school principal (including but not limited to the principal of the Northern Nursery School ACN 001 830 002);
- (b) a member of the judiciary of a State or Territory of the Commonwealth of Australia or of the Commonwealth;
- (c) a member of the clergy;
- (d) a legal practitioner admitted, or eligible to be admitted, as a solicitor or barrister of the Supreme Court of New South Wales;
- (e) a medical practitioner;
- (f) a councillor of a City Council in New South Wales;
- (g) a mayor of a City Council in New South Wales;
- (h) a town clerk of a City Council in New South Wales;
- (i) a member of parliament; or
- (j) any other person who is a member of a professional body (eg. a member of the Institute of Chartered Accountants etc).

OR where numbers are equal, it is agreed that a member of the class set out above shall have the casting vote.

10.9 No business shall be transacted by the Board unless a quorum is present and if, within half an hour of the time appointed for the meeting, a quorum is not present, the meeting shall be dissolved.

10.10 At a meeting of the Board the Chairman shall preside and have the casting vote. In the Chairman's absence the Board shall elect another member to act as Chairman and that member shall preside for that meeting alone.

10.11 Each Board member shall have the power from time to time to nominate in writing any other Board member to act in his or her place at a meeting of the Board.

11. APPOINTMENT OF TRUSTEES

11.1 The Trustee may appoint any person subject to the provision of this clause 11 as a Trustee PROVIDED THAT at a given time a majority of the Trustees are one of the following:

- (a) a school principal (including but not limited to the principal of the Northern Nursery School ACN 001 830 002);
- (b) a member of the judiciary of a State or Territory of the Commonwealth of Australia or of the Commonwealth;
- (c) a member of the clergy;
- (d) a legal practitioner admitted, or eligible to be admitted, as a solicitor or barrister of the Supreme Court of New South Wales;
- (e) a medical practitioner;
- (f) a councillor of a City Council in New South Wales;
- (g) a mayor of a City Council in New South Wales;
- (h) a town clerk of a City Council in New South Wales;
- (i) a member of parliament; or
- (j) any other person who is a member of a professional body (eg. a member of the Institute of Chartered Accountants etc).

11.2 The following classes of persons are not eligible to be appointed as Trustees:

- (a) persons who have been declared bankrupt or are otherwise taken to be insolvent;
- (b) persons who have been convicted of an offence where the maximum penalty for the offence exceeds 4 years imprisonment; or
- (c) persons who are unsound of mind.

11.3 Where a Trustee dies in office or becomes ineligible (within the meaning of sub-clause 11.4), the remaining Trustees (if any) or, if there are not Trustees, the Principal of the Northern Nursery School Limited ACN 001 830 002 shall as soon as practicable appoint a replacement.

11.4 A Trustee is to be taken as having become ineligible if he or she:

- (a) has been declared bankrupt or is otherwise taken to be insolvent;
- (b) has been convicted of an offence where the maximum penalty for the offence exceeds 4 years imprisonment;
- (c) is unsound of mind; or
- (d) revokes his or her position by instrument in writing.

- 11.5 A Trustee may be removed by a unanimous resolution of the Board (excluding the Trustee who it is proposed be removed).

12. DISSOLUTION

- 12.1 In the event that the trust is wound up or has its endorsement as a deductible gift recipient, within the meaning of Division 30 of the 1997 Act, revoked, any surplus assets of the trust must be distributed to one or more Eligible Beneficiaries.

SCHEDULE 1

The Trustees of the trusts declared in this Deed are:

- Samantha Conlon of
Northern Nursery School Principal;
- Miles Grant of
Solicitor;
- Warwick Grave of
Dentist; and

Banker.

EXECUTED AS A DEED

SIGNED SEALED AND
DELIVERED by
MALCOLM HALSTEAD
in the presence of:

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SIGNED SEALED AND
DELIVERED by
SAMANTHA CONLON
in the presence of:

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SIGNED SEALED AND
DELIVERED by
MILES GRANT
in the presence of:

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SIGNED SEALED AND
DELIVERED by
WARWICK GRAVE
in the presence of:

SIGNED SEALED AND
DELIVERED by
BRIAN TELLAM
in the presence of:

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