

## Item 5 - Changes to the constitution

The following changes to the Constitution are proposed:

### **Change 1**

This amendment is to correct the numbering and formatting of clauses 3.2 and 3.11. The revised numbering of the clauses will be:

#### **3.2 Eligibility of Directors**

- (a) To be eligible for election to the office of Director of the Company, a person must have been an Ordinary Member of the Company for at least one year prior to nomination. To remain eligible as an elected director of the Company, a director must remain a member of the Company at all material times during his or her elected term.
- (b) To be eligible for election or co-option to the office of Director of the Company, a person cannot be a full-time or part-time employee of the Company
- (c) To be eligible for co-option to the office of Director of the Company pursuant to clause 3.4, a person must be, or must become, a member of the Company. To remain eligible as a co-opted director of the Company, a director must remain a member of the Company at all material times during his or her co-opted term
- (d) A Director who has served for a term of eight (8) consecutive years will be eligible for election or co-option to the Board if at least two (2) years have passed since the end of that eight (8) year consecutive term.

#### **3.11 Board Member's other interests**

- (a) A Board member who is employed by the Company or who has a contractual or other relationship with the Company for profit may still be a Board Member.
- (b) As per 3.2 (b) a Board Member cannot be an employee of the Company.
- (c) A Board Member may be a shareholder in, or director of, or hold any other office or place of profit with any other company or business or organisation that has a position of profit with the Company and still be a Board Member.
- (d) A Board Member who has a relationship contemplated by 3.11 (a) or (b) is not accountable to the Company for any benefit or profit received as the beneficiary of that relationship but must for the avoidance of doubt declare the existence of the relationship.
- (e) A Board Member shall be deemed not to be interested or to have been at any time

interested in any contract or arrangement by reason only that it is made with, for the benefit of, or on behalf of a related company, that he is a shareholder in that related company.

(f) Every Board Member shall observe the provisions of section 191 of the Corporations Act in relation to declaration of interests.

(g) A Board Member may not vote as a Board Member and in all respects may not act as a Board Member in relation to any contract or arrangement in which he is interested, including, without limiting the generality of the foregoing, in relation to the use of the Company's common seal.

## **Change 2**

The second proposed amendment are to clauses 3.4 and 3.5d which taken together allow for a co-opted director appointed under clause 3.4 (b) to replace an elected director. The proposed amendment to clause 3.4 clarifies the intended meaning that, in these circumstances, the number of co-opted directors may exceed the four(4) co-opted directors allowed in clause 3.1 (b) for a limited period until the next AGM.

It is proposed that Clause 3.4 will include clause 3.4 (c) to read:

3.4 (c) to replace the absence of elected director(s) even where co-option of a director may result in an increase in number of co-opted directors at 3.1(b), for a limited time frame as specified in 3.5 (d)

## **Change 3**

This amendment is to correct a mistake in Clause 8 Company Secretary which refers to ' a director pursuant to clause 3.6 of this Constitution' however it is clause 3.5 that deals with election of a Director.