

Resolution Institute (ACN 008 651 323)
(the Company)

NOTICE OF GENERAL MEETING

All Members of the Company are advised that a general meeting of Members will take place as follows:

Date of general meeting: 5th August 2020

Time of general meeting: 1.00pm AEST

Method of holding general meeting: Virtual meeting, to be held online via Zoom. Zoom link to be shared upon registration.

A quorum of 5 Members or their proxy is required for the meeting to proceed.

This notice contains important information about the meeting. It sets out the business of the meeting and the decisions that members will be asked to make at the meeting. Members should read all of this notice.

Please speak to the Membership Officer(s) below if you have any questions or email secretariat@resolution.institute :

Australia: Nick Gonella +61 2 9251 3366

New Zealand: Kim Ball +64 4 470 0110

Authorised by the Board of the Company.

AGENDA OF MEETING

1. Opening and welcome
2. Recording attendance and confirm quorum
3. Special resolution – Amendment of the Constitution
See Special Resolution 1
4. Close

Notes:

- Only the special resolution set out in this notice of general meeting can be considered at the general meeting. This is so that all Members have notice of resolutions and information that helps them to decide how to vote at the general meeting.
- The Constitution permits general meetings to be held in person or by telephone or electronically as determined by the Chair, and a member who takes part in a meeting by telephone or electronically is deemed to be present in person at the meeting.
- Each Honorary Member, and every fee-paying Member whose subscription is current or no more than one month in arrears, present at a general meeting in person or by proxy is entitled to one vote.
- A Member may appoint one proxy to represent the Member. A proxy must either be a Member, a director or a person approved by the Board prior to the relevant meeting.
- A Member is entitled to a separate vote for each Member for whom a proxy is held in addition to the vote the Member has in his or her own right.
- A *Proxy Form* is attached to this notice in the form specified by the Constitution. You should use this form if you wish to appoint a proxy.
- The signed proxy form must be received at the registered office of the Company at secretariat@resolution.institute or by mail at least 24 hours before the commencement of the meeting at which the proxy will exercise the Member's vote. In exceptional circumstances the appointment of a proxy may be accepted by the Chair up to two hours before the meeting.
- The proxy form must direct the proxy how to vote in respect of each matter to be voted on at the relevant meeting. If no direction is given, or if the matter is not included in the proxy form in the form that it is put to the meeting, the proxy is not entitled to vote in respect of that matter on behalf of the Member.

Special Resolution 1 - Amend the Constitution of the Company

To consider, and if thought fit, to pass the following resolution as a **special resolution** to amend clause 6.3 of the Constitution of the Company, by inserting those words that are underlined and deleting those words that are struck through as follows:

“6.3 Directors

- a) *The Board will consist of at least six (6) and not more than fifteen (15) Directors:*
- i. *At least four (4) and up to nine (9) of these will be Members of the company elected by the Members in accordance with clause 6.4 who will hold office until the close of the second Annual General Meeting following their date of appointment but, subject to clauses 6.3(b) and 6.7, shall be eligible for re-election.*
 - ii. *Up to six (6) of these may be appointed by the Board at any time, selected on the basis of the contribution that they are able to make to the achievement of the Objects of the company who will hold office until the close of the Annual General Meeting following their date of appointment at which the elected directors next cease to hold office, but, subject to clauses 6.3(b) and 6.7, shall be eligible for re-appointment.*
- b) *A director has a maximum tenure of six (6) years, unless otherwise determined by the Board. A director that has served their maximum tenure as determined by the Board, and will not be eligible for re-election or re-appointment as a director within three (3) years after the expiration of that director’s maximum tenure.*
- ~~c) Notwithstanding clause 6.3(a)(i):~~
- ~~i. *At the Annual General Meeting to be held in 2020, one half of the elected directors (rounded down) who have served the longest in office must retire.*~~
 - ~~ii. *If any two or more of the directors to retire under clause 6.3(c)(i) became directors on the same day so that the number of directors to retire is more than half, then if agreement cannot be reached as to which director or directors elected on the same day is or are to retire, the decision must be determined by any impartial person appointed by the Chair drawing out of a hat the name or names of the director or directors required to retire.*~~
 - ~~iii. *For the avoidance of doubt and subject to clauses 6.3(b) and 6.7, a director retiring under clause 6.3(c)(i) shall be eligible for re-election or appointment.*~~
- ~~c)d) The Board may appoint a Member to the Board to fill any casual vacancy that arises in an elected Director position and if the number of Directors falls below seven, the Board must, within a reasonable time, appoint such additional Director or Directors as may be necessary to bring the total number of Directors up to at least seven, provided that if the number of Directors has fallen below five, the remaining Director or Directors may take no action other than to appoint an additional Director or additional Directors to bring the number of Directors up to at least five.~~
- ~~d)e) In appointing a Director under Clauses ~~6.3(a)(ii) or 6.3(bc)~~, the Board must ensure that to the extent reasonably practicable in respect of ~~each of~~ five States or Territories of Australia there is a Director who has a principal place of business or residence in that State or Territory; and that in respect of New Zealand that there are two Directors who have a principal residence or place of business in New Zealand.~~

- e)f) *Any Director appointed by the Board to fill a casual vacancy under clause 6.3(c) will hold office ~~only until the close of the next Annual General Meeting for the remaining term of that retired Director~~, but shall be eligible for reappointment by the Board.*
- f)g) *If the position of Chief Executive Officer becomes vacant, or if the Chief Executive Officer is unavailable for an extended period of time, the Directors may appoint a Director as managing director of the company for a period, and on terms (including as to remuneration), as the Directors see fit.”*

Explanatory Statement: Reasons for the special resolution

Following amendments that were made to the Constitution at the Annual General Meeting in 2019, the Board has undertaken a review of its provisions in preparation for the Annual General Meeting to be held in November later this year. The Board, after taking legal advice, has determined that unfortunately the amendments that were made last year have given rise to some inconsistencies in the Constitution, particularly in relation to the election of directors. Clause 6.3(c), which was inserted last year to create a rotational retirement for directors, does not work alongside the requirement that when there is an election of directors under clause 6.4, the elected directors must be residents from at least 5 States and Territories in Australia and 2 from New Zealand, and then 2 others with the highest votes are also elected. Clause 6.4 means that every time that an election is held, 9 people must be declared elected (if there are that many nominees). Whereas, the retirement of directors by rotation under clause 6.3(c), requires one half of the directors (who were just elected last year) to retire at the AGM in 2020. If this was to occur, and the Company proceeded to carry out an election under clause 6.4, the requirements of clause 6.4 could not be complied with. If they were, the Company could potentially be in breach of both clauses 6.4 and 6.3(a)(i). Clause 6.4 requires 9 Members are elected if there are that many nominees and prescribes the composition of the Board by State and Country representation, and clause 6.3(a)(i) states there shall only be up to 9 elected directors. Whereas if clause 6.3(c) was to be followed, there would be 5 directors already remaining on the Board.

To rectify this inconsistency, and to ensure that the representational nature of the Board is preserved, the Board is recommending the changes set out in this Notice be approved by Members. An explanation for each of the changes is set out in more detail as follows.

Term of an Appointed Director (cl 6.3(a)(ii))

In order to align the term of an appointed director with an elected director, it is proposed that the appointment of an appointed director should expire at the same time as the elected directors are up for election. The proposed amendment will allow the board post-election to

determine what skills and experience might be missing from the composition of the board and make appointments of directors accordingly.

Maximum Tenure of Board Directors (cl 6.3(b))

The Constitution now imposes a maximum tenure for directors, which means that the current Chair of the Resolution Institute and the person who retains the corporate history, knowledge and background of the organisation, will be required to retire from office at this year's AGM. The Board is concerned that this will have a negative impact upon the Company, because it does not allow for Board continuity and it may impact upon delivering on the Resolution Institute's revised strategy. This is particularly so, because the Board is a largely comprised of people who were elected to the Board for the first time at the 2019 AGM, and the Company has a new CEO.

The proposed amendment allows the Board, at its discretion, to waive the maximum tenure requirement. In exercising its discretion to waive this requirement, the Board would need to have regard to the objects of the Company, its duty to act in the best interests of the Resolution Institute and be able to explain its decision to Members.

By making this amendment, it will allow the Board to ensure that the corporate history, knowledge and background of the Company is retained by the Board when required.

Rotational Board System (cl 6.3(c))

Given that the Resolution Institute wishes to retain the representation from at least five States and Territories of Australia and 2 representatives from New Zealand on the Board, the rotational board system does not work. For the reasons set out above, it is proposed that this clause be deleted in its entirety.

The deletion of this clause also means that director elections will not be required to be held each year, which decreases the cost for the Company, which is particularly important given current circumstances and the adverse impact of the COVID-19 pandemic.

Board Casual Vacancy (cl 6.3(d) – (g))

It is not clear under clause 6.3(d) whether the appointment of a Member to fill a casual vacancy applies to just an elected director position or also to an appointed director position. The proposed amendment clarifies that this relates to an elected director position only, given that under clause 6.3(a), only Members are eligible to be elected directors, but any person who supports the objects is entitled to be appointed as an appointed director.

Furthermore, given the Board is entitled to appoint a person to be an appointed director at any time, if a person ceases to be an appointed director, the Board can appoint a replacement under clause 6.3(a)(ii) and does not need a separate casual vacancy appointment provision.

Under clause 6.3(e), incorrect clause references have been rectified, and it has also been amended to clarify that this clause applies when appointing a Member to fill a casual vacancy in an elected director position (not an appointed director), so that the representational nature of the composition of the Board is preserved. However, some flexibility for the Board has been created by adding the words *“to the extent reasonably practicable”*.

Clause 6.3(f) states: *“A Director appointed by the Board will hold office only until the close of the next Annual General Meeting, but shall be eligible for reappointment by the Board.”*

To avoid the need for an annual election process, due to the time and costs that are involved, this has been amended so that a person appointed to fill a casual vacancy holds office for the remaining term of the retired Director.

Legal requirements

The resolution to approve the amendment to the Constitution is a special resolution. This means that the resolution must be passed by 75% or more of the members present (in person or by proxy) and entitled to vote.

After the resolution is passed at the meeting, a copy of the Constitution containing these amendments will be lodged with the Australian Charities and Not-for-profits Commission. The amendments take effect upon the special resolution being passed.

General Meeting: Proxy form Resolution Institute

ABN: 69 008 651 232
ACN: 008 651 323



Only complete this form if you want to appoint a PROXY to attend the General Meeting on your behalf.

To be valid, this proxy form must have been received by 1.00 pm (AEST) 4th August, delivered by email or by mail, as follows:

Delivery by email: secretariat@resolution.institute
Delivery by mail: Resolution Institute, Level 2, 13-15 Bridge Street, SYDNEY NSW 2000
OR
Resolution Institute, PO Box 10-991, WELLINGTON 6143

Member declaration and proxy

Declaration

As a member of Resolution Institute, I appoint the proxy, whose details have been provided below, to act for me in accordance with the authority detailed below at the General Meeting of Resolution Institute to be held on Wednesday 5 August and any day to which that meeting is postponed or adjourned.

Your name	<input type="text"/>
Your address	<input type="text"/>
Your signature	<input type="text"/>
Date	<input type="text"/>

Details of proxy

Please tick **ONLY ONE** of these boxes.

If you select both boxes, your proxy will be given to the Chair of the meeting.

If the second box is selected and no proxy is named, the proxy will be given to the Chair of the meeting.

<input type="checkbox"/>	I appoint the Chair of the meeting (the Vice Chair of Resolution Institute) as my proxy <i>If you choose this method, the Chair will cast your vote on each motion in the same way that s/he casts her/his own</i>
<input type="checkbox"/>	I appoint the following person as my proxy <i>If you choose this method, you can choose your proxy:</i> <ul style="list-style-type: none">• to cast your vote as the proxy sees fit OR• to cast your vote as you direct

Proxy name	<input type="text"/>
Proxy address	<input type="text"/>

Authority of proxy

Please tick **ONLY ONE** of these boxes.

If you fail to select one box or select both boxes, your proxy will be authorised to exercise all voting rights. If the second box is selected and you have not validly completed the voting form below, your proxy will be authorised to exercise all voting rights.

<input type="checkbox"/>	My proxy is authorised to exercise all my voting rights <i>This means your proxy will cast your vote as the proxy sees fit.</i>
<input type="checkbox"/>	My proxy is authorised to cast my vote in accordance with my opinion as indicated <i>If you choose this method, please indicate whether you are in favour or against the following motion. If not checked, the proxy will cast your vote as the proxy sees fit.</i>

In favour	Against	
<input type="checkbox"/>	<input type="checkbox"/>	Special Resolution 1 - Amend the Constitution of the Company