

**AUSTRALIAN CORPORATE LAWYERS ASSOCIATION (ACLA) TRADING AS**

**ASSOCIATION OF CORPORATE COUNSEL (ACC) AUSTRALIA**

**ACN 003 186 767**

**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY MEMORANDUM**

(Annexure to Notice of Annual General Meeting dated 11 January 2022)

These explanatory notes have been prepared for the Members of ACC Australia to provide information about the items of business to be conducted at the Annual General Meeting of Members to be held on 16 February 2022.

**Resolution 1 – Waiver of Period for holding the Annual General meeting**

This resolution is being sought from members to reflect the requirement set out in clause 8 of the current Constitution that an AGM be held within each calendar year and within 15 months of the previous AGM.

As the last AGM was held on 20 November 2020, the requirements of clause 8 of the Constitution will not be met.

The AGM is being held on 16 February 2022 on the basis that the Association has extended its financial year this year to accord with the ACC Global Financial year which concludes on 30 September 2021. This meant that operationally it was difficult to properly finalise the Association's Financial Accounts and complete the required audit process and then hold an AGM within the 2021 calendar year.

The Directors unanimously recommend that this resolution be passed.

**Resolution 4 – Amendments to the Constitution**

A general review was undertaken by the Board of the Constitution to ensure that it reflects contemporary practice and the terms of the Alliance Agreement with ACC Global (*the Alliance Agreement*) including a recent amendment to the Agreement whereby ACC Australia consented to the expansion of the Board to include an additional Director nominated by ACC Global.

Material amendments proposed to the Constitution are as follows:

- Clause 1.2
  - Removal of the definition of Associate Member due to the removal of this category of membership under the Alliance Agreement.

- Clarification of the definition of Company Secretary to accommodate more than one Company Secretary acting in the role at any given time.
- The definition of Corporate Lawyer has been clarified to accommodate contract lawyers who may be employed on a part time basis by more than one but no more than two employers at a given time.
- Clause 4.2 – the provision of flexibility for the Board to create a class of membership from time to time.
- Clause 5.10 – the removal of a member’s right to have determined in a general Meeting, rather than by resolution of the Board, the censure, fine, suspension or expulsion of that Member who wilfully refuses or neglects to comply with the provisions of the Constitution or engages in any conduct which the Board in its absolute discretion decides is unbecoming of a Member or prejudicial to the interests of the Association.
- Clause 8 – the addition of the ability for members in general meeting, for the avoidance of doubt, to be able to waive the time for holding of an AGM.
- Clause 10.3 – the amendment to the failure to give notice of a general meeting provision such that the word “accidental” is removed on the basis that it adds ambiguity to the clear intent of the provision that the failure to give notice whether unintended, accidental or due to administrative error, does not invalidate the proceedings at the meeting.
- Clause 12.1 – amendment to increase appointed Directors from three to four and clarify that any Director appointed to the Board begins their term immediately on appointment and retires at the second general meeting following their appointment.
- Clause 12.5 – amendment to reflect the intent that the Company Secretary holds office for such term as determined by the Board.
- Clause 13.1 – provides for short notice of Board meetings where the Board waives the ordinary 48-hour notice period.

All proposed changes to the Constitution are shown in the attached mark-up document.

This proposal is in line with the Board’s focus on improving the efficiency and effectiveness of the Board and minimising the administrative costs of the Association.

The Directors unanimously recommend that this resolution be passed.

Resolution 4 is a special resolution. Article 27 of the Constitution states that amendments to the Constitution must be approved by a special majority being not less than seventy-five (75) percent of the Voting Members present in person or by proxy.