



Thursday, 28 April 16

### **Proposed Intent of Constitutional Amendment**

It is following consideration and analysis by the Board of Directors of Responsible Forest Management Australia Limited (FSC Australia) that the following Constitutional Amendment be put to the membership for its consideration and vote at the forthcoming AGM to be held on Thursday 26 May 2016.

### **Background and Explanation of Issues:**

1. Special Resolution #1 proposes that the table headed 'Election of Directors' contained in Section 11 of the Constitution ('Director Term Table').
2. The Director Term Table includes an overview of each Director seat by Chamber and sets out the term of expiration for each held seat.
3. It makes reference specifically to the 2012, 2013 and 2014 AGMs, and that seats held by these Directors are to expire on '*the* 3<sup>rd</sup> anniversary thereafter' (after appointment to that seat).
4. The word '*the*' in this context serves as a word of limitation, such that beyond the prescribed period the table becomes redundant without further and periodic updating when required at further AGMs.
5. Pursuant to a meeting of the Directors on 26 February 2016, it was resolved that a Special Resolution be put to the membership at the 2016 AGM to substitute each reference to '*the*' in the Director Term Table to '*every*'.
6. It was resolved by the Board that this change would remedy the temporal limitation and circumvent the need for periodic updates of the Constitution with respect to said table.
7. It is the view of the Board and Company Secretary that this proposed Special Resolution is of a technical nature, and does not serve to alter or change the substantive effect of the table nor of Section 11 generally.
8. It is with these disclosures that the Board proposes this Special Resolution.

Kind Regards,

Daniel Goldsworthy

Company Secretary

A handwritten signature in black ink, appearing to read 'D Goldsworthy', with a large, sweeping flourish underneath.

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