

---

# NOTICE OF ANNUAL GENERAL MEETING

28 APRIL 2014

---

BE HEARD.  
BE RECOGNISED.



**BY ORDER OF THE BOARD**  
**[21 FEBRUARY 2014]**

**ADAM AWTY CPA**  
**COMPANY SECRETARY**

**NOTICE** is hereby given that the Annual General Meeting of Members of CPA Australia Ltd (the Company) will be held at the offices of CPA Australia Ltd, Level 20, 28 Freshwater Place, Southbank, Victoria on Monday 28 April 2014 at 5.30 pm (Melbourne time).

#### **ORDINARY BUSINESS**

##### **Item 1: Receipt of Annual Financial Report**

To receive and consider the Company's Financial Report, the Directors' Report and the Auditor's Report for the year ended 31 December 2013.

#### **SPECIAL BUSINESS**

To consider and, if thought fit, pass the following resolution as a special resolution:

##### **SPECIAL RESOLUTION: Amendment of Constitution of the Company to amend Director Reappointment Terms**

**THAT** with immediate effect, the proposed amendments to Article 44 of the Constitution of the Company set out in Annexure A, be approved and adopted.

A detailed explanation of the background to and the reasons for the proposed special resolution is set out in the attached Explanatory Memorandum (which forms part of this notice).

\*Note: for a special resolution to be passed, at least 75% of the votes cast for that resolution must be in favour.

# ATTENDANCE AT THE ANNUAL GENERAL MEETING

---

## IN PERSON

You may attend the Annual General Meeting in person at the date, time and place specified in the Notice of Meeting. Prior registration is not required.

## ONLINE

You can appoint a proxy to vote on your behalf by completing the online form available at [cpaaustralia.com.au/agmproxy](http://cpaaustralia.com.au/agmproxy)

## BY PROXY

If you would like to appoint a proxy to attend the meeting on your behalf, this can be done by completing and signing the attached proxy form and sending it to the Company Secretary by:

## MAIL

Company Secretary  
CPA Australia Ltd  
Level 20, 28 Freshwater Place,  
Southbank, VIC 3006

Email: **AGM@cpaaustralia.com.au**  
Facsimile: +61 3 9682 0567

**IMPORTANT:** All proxy forms must be submitted and received by the Company Secretary by no later than 5.30pm (Melbourne time) on Saturday 26 April 2014.

## NOTES

- 1) A Member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.  
The foregoing note is a Corporations Act requirement, even though it does not apply to the Company, as a company limited by guarantee.
- 2) The proxy appointed by a Member need not themselves be a Member of the Company.

## QUESTIONS FROM MEMBERS

Members who are unable to attend the Annual General Meeting and would like to ask questions of the Board concerning matters to be considered at the Annual General Meeting, are invited to do so by completing the form on the reverse of the proxy form.

Your questions are important to us and although we will not be able to reply to each question individually, we will respond to as many of the frequently asked questions as possible at the Annual General Meeting and those answers will be posted on our website.

## ENQUIRIES

For further information relating to the 2014 Annual General Meeting, please refer to [cpaaustralia.com.au](http://cpaaustralia.com.au) or contact the Company Secretary of CPA Australia Ltd at its registered office at Level 20, 28 Freshwater Place, Southbank, Victoria, 3006 or call +61 3 9606 9606.

# ANNEXURE A: PROPOSED AMENDMENTS TO CONSTITUTION

---

## 44. APPOINTMENT OF DIRECTORS

- (a) The Board shall be appointed by the Representative Council and shall consist of a maximum of 12 Directors, such Directors being:
- (i) up to 10 persons who are Members; and
  - (ii) up to 2 persons who are neither a Member nor an employee of the Company.
- (b) Subject to Article 44(g), each Director appointed by the Representative Council must retire on 30 September of the third calendar year following the calendar year during which the Director is appointed.
- (c) Once appointed to the Board, a Director cannot be removed by the Representative Council.
- (d) On or before 30 September in the year in which a Director is to retire under this Article 44, the Representative Council shall meet and may appoint a replacement Director to the Board in accordance with this Article 44.
- (e) Subject to the requirements of the Corporations Act, on the retirement of a Director, the retiring Director shall be eligible for reappointment for two (2) subsequent reappointments but the Director shall, subject to Article 44(f), be ineligible for any subsequent re-appointment.
- (f) A Director appointed by the Representative Council under Article 44(g) to fill a casual vacancy in the Board, and who is reappointed, is eligible for one two subsequent re-appointments if he or she was not a Director filling a casual vacancy on the Board for more than 1 year before being reappointed. If he or she was a Director filling a casual vacancy in the Board for more than 1 year the Director who is reappointed is eligible for one subsequent re-appointment only.
- (g) Any casual vacancy occurring in the Board may be filled by the Representative Council appointing a new Director who shall retain office, and be subject to, and have the benefit of, all the rights, duties and privileges attaching to that office, for so long as the vacating Director would have retained the office if no vacancy had occurred. A Director appointed under this Article 44(g) must retire on the same date on which the vacating Director would have retired in accordance with Article 44(b) or Article 44(h), as applicable.
- (h) Notwithstanding any provisions of this Constitution, or any provisions contained in the constitution of the Company prior to the Amending Date, the following transitional provisions regarding the Directors and the composition of the Board shall apply:
- (i) those Directors appointed by the Representative Council for a term of 2 years commencing on 1 April 2009 and expiring on 31 March 2011 (or any person appointed by the Representative Council to fill a casual vacancy caused by any such Director vacating their office) shall continue in office until 30 September 2011, and on the expiry of that extended term shall retire and shall either be reappointed or replaced by new appointees, as determined by the Representative Council in accordance with Article 44(a), each such appointment to be:
    - A. in respect of 2 Directors, for a term of 3 years commencing on 1 October 2011 and expiring on 30 September 2014. On expiry of those terms, these Directors shall retire and may either be replaced by new appointees or, subject to this Article, be reappointed. ~~These Directors shall be eligible for reappointment on 1 October 2014, except that a Director is ineligible for a further consecutive reappointment on 1 October 2014 if that Director was reappointed on 1 April 2009 and has also been reappointed on 1 October 2011~~ A Director appointed on 1 October 2007 and reappointed on 1 October 2011 shall be eligible for a final consecutive reappointment on 1 October 2014; and
    - B. in respect of 4 Directors, for a term of 4 years commencing on 1 October 2011 and expiring on 30 September 2015. On expiry of those terms, these Directors shall retire and may either be replaced by new appointees or, subject to this Article, be reappointed.

---

These Directors shall be eligible for reappointment on 1 October 2015 and a final consecutive reappointment on 1 October 2018, except that a Director is ineligible for a ~~further~~ final consecutive reappointment on 1 October 2015~~8~~ if that Director was first reappointed on 1 October 2011~~07~~.

Subject to Article 44(h)(iii), the Director appointments contemplated by this Article 44(h) (i) that may be made by the Representative Council ~~on~~ shall be made subject to and in accordance with Articles 44(a) to (d), (f) and (g).

~~C. 1 October 2014 shall be made subject to and in accordance with Articles 44(a) to (d), (f) and (g); and~~

~~D. 1 October 2015 shall be made subject to and in accordance with Articles 44(a) to (g).~~

The Board shall determine whether a Director is appointed on the basis of Article 44(h)(i)A or 44(h) (i)B.

- (ii) those Directors appointed by the Representative Council for a term of 30 months commencing on 1 October 2007 and expiring on 31 March 2010 (or any person appointed by the Representative Council to fill a casual vacancy caused by any such Director vacating their office) shall continue in office until 30 September 2010, and on expiry of that extended term shall retire and shall either be reappointed or replaced by new appointees, as determined by the Representative Council in accordance with Article 44(a), each such appointment to be:

A. in respect of 4 Directors for a term of 3 years commencing on 1 October 2010 and expiring on 30 September 2013. On expiry of those terms, these Directors shall retire and may either be replaced by new appointees or, subject to this Article, be reappointed. These Directors shall be eligible for reappointment on 1 October 2013, except that a Director is ineligible for a further consecutive reappointment on 1 October 2013 if the Director has been reappointed on 1 October 2010; and

B. in respect of 2 Directors, for a term of 4 years commencing on 1 October 2010 and expiring on 30 September 2014. On expiry of those terms, these Directors shall retire and may either be replaced by new appointees or, subject to this Article, be reappointed. These Directors shall be eligible for reappointment on 1 October 2014, but shall be except that a Director is ineligible for a further consecutive reappointment on 1 October 2014~~7~~ if the Director was appointed on 1 October 2010~~07~~.

Subject to Article 44(h)(iii), the Director appointments contemplated by this Article 44(h) (ii) that may be made by the Representative Council on 1 October 2013 or 1 October 2014 (as the case may be) shall be made subject to and in accordance with Articles 44(a) to (d), (f) and (g). The Board shall determine whether a Director is appointed on the basis of Article 44(h)(ii)A or 44(h)(ii)B.

- (iii) in any event, a Director shall not be eligible for reappointment under this Article 44(h) or otherwise if being reappointed would result in that person being a Director for more than ~~8.5~~ 11 consecutive years (for this purpose, excluding any time served by a Director prior to 1 October 2007).

# EXPLANATORY MEMORANDUM

---

The amendments proposed are to enable Directors to be able to serve for three (3) consecutive terms of appointment rather than the existing two (2). The Constitution currently provides that a director can be appointed for up to 2 consecutive terms of three years each.

With an additional term for Directors, the availability of a further appointment will benefit CPA Australia in that the skills matrix of the Board can more effectively continue through election periods where there may be a number of new director appointments.

Specifically, the provisions of a further term would allow CPA Australia to gain the benefit of experienced directors' knowledge of the business, particularly at a time when there may be a high director replacement due to the current limitation of directors only being eligible to be reappointed for one additional term. The additional reappointment term also ensures there is a reasonable time available for knowledge transfer and succession planning.

The further reappointment term may result in a small number of directors serving up to eleven years. This would be a one-off occurrence during the initial transition period.

Service on a board for more than nine years is now expressly listed in the proposed new ASX Corporate Governance Principles as an indicator that a director may not be independent. However, to attain eleven years' service on the Board, an existing director would need not only to nominate for reappointment, but also have to be elected for a further term. The further term brings the issues of independence versus experience into focus but does not mandate a negative independence conclusion simply because of the passing of time. The possible maximum term is considered an appropriate consequence during transition to enable a three by three term moving forward.

## MAIN DIFFERENCES WITH CURRENT CONSTITUTION

Currently the Constitution allows directors two (2) consecutive terms of appointment and the proposal is to increase this to three (3).

### Wording Changes

The changes amend the number of consecutive terms of reappointment from one to two to enable the three (3) consecutive appointments.

- **Paragraph 44(e)** – the reappointment terms are amended from the single term to two subsequent terms to enable 3 consecutive terms.
- **Paragraph 44(f)** – the additional 2 consecutive terms also apply for directors who were first appointed to fill a casual vacancy and then were reappointed for a term, provided that the casual vacancy was for no more than a year (otherwise the director is eligible for one only further reappointment term).
- **Paragraph 44(h)(i)(A)** – The wording in paragraph (h)(i)(A) has been deleted as it is already covered in paragraph (h)(i). The addition of the word “final” makes it clearer that the reappointment on 1 October 2014 is just that.
- **Paragraph 44(h)(i)(B)** – The further second reappointment term is added i.e. 1 October 2018. In two instances, the word “further” is changed to “final” as, once again, this is clearer.
- **Paragraph 44(h)(i)(C)and(D)** – (C)and(D) are both now deleted as they are redundant.
- **Paragraph 44(h)(ii)(B)** –The final paragraph of (h)(ii)(B) is now amended so that it now refers to Articles 44(a) to (d), (f) and (g) (consistent with 44(h)(i)(D)) as 44(e) is not relevant.
- **Paragraph 44(h)(iii)** – This clause should now refer to 11 years to reflect the possible further reappointment term.

# QUESTIONS FROM MEMBERS

---

Members who are unable to attend the Annual General Meeting, or who prefer to register questions beforehand concerning the matters to be considered at the Annual General Meeting are invited to do so. Your questions are important to us.

Please use this form to submit questions and return it to the Company Secretary, CPA Australia Ltd, Level 20, 28 Freshwater Place, Southbank, Victoria 3006, or fax to +61 (0)3 9682 0567 by **5.30pm (Melbourne time) on Saturday 26 April, 2014.**

Although we will not be able to reply to each question individually, we will respond to as many of the frequently asked questions as possible at the Annual General Meeting and those answers will be posted on our website.

## MEMBER DETAILS

Member's Name	<input type="text"/>
Division/Branch/Other*	<input type="text"/>
Membership Number	<input type="text"/>

## QUESTIONS

Question 1	<input type="text"/>
Question 2	<input type="text"/>
Question 3	<input type="text"/>
Question 4	<input type="text"/>

\*Delete whichever is inapplicable.

# PROXY FORM

## APPOINTING A PROXY

I,   
Full name of member

of   
Address

being a member attached to the   
Name of division/branch/other

Division/Branch/other\* of CPA Australia Ltd (**Company**), hereby appoint:  
  
Name of proxy

of   
Name of division/branch/other

or failing such appointment or the absence of that person, the Chairperson of the Meeting as my proxy to vote for me on my behalf as authorised by Article 28 of the Constitution, at the Annual General Meeting of the Company to be held on Monday 28 April 2014 at 5.30pm (Melbourne time) at the offices of CPA Australia, Level 20, 28 Freshwater Place, Southbank, Victoria and at any adjournment thereof.

**Please tick (✓) one box only for the following special resolution. Unless otherwise instructed below, the proxy may vote as he or she things fit, or abstain.**

## SPECIAL RESOLUTION

1. Adoption of amendments to Article 44 of the existing Constitution regarding Director reappointment terms.
- For  Against  Abstain

The deadline for lodging proxies is 5.30pm (Melbourne time) on Saturday 26 April 2014.

Dated:  /  / 2 0 1 4

Membership Number:

Membership Status:   
eg. ASA, CPA or FCPA

Signed:

## DIRECTIONS

- No member shall be entitled to vote either personally or by proxy if:
  - The member's subscription is overdue for three months or more;
  - The member is an honorary member; or
  - The member is an Associate (unless the member: (i) was an Associate at 30 June 1990; or (ii) successfully completed the Associate program examination by 31 December 1990 and has complied with the requirements for Advancement as an Associate in accordance with the By-Laws in force on 30 June 1990).
- The above instrument must be lodged at the registered office of the Company not less than 48 hours before the time of the holding of the meeting. The deadline for lodging proxies is 5.30pm (Melbourne time) on Saturday, 26 April 2014.
- The proxy appointed by a Member need not themselves be a Member of the Company

## CERTIFICATE OF COMPANY SECRETARY (FOR INTERNAL USE ONLY)

I hereby certify that the appointer named above is a member qualified to vote, in accordance with the Constitution, at the meeting to be held on the date mentioned herein.

Dated:  /  / 2 0 1 4

Signed:

Company Secretary

\*Delete whichever is inapplicable.