



**Australian
Institute of
Architects**

Notice of Annual General Meeting and explanatory notes

The Royal Australian Institute of Architects
Limited

ACN 000 023 012

Date: 15 May 2018

Time: 12.30pm

Place: Melbourne National Office
Level 2

41 Exhibition Street, Melbourne

Notice of annual general meeting

The 89th annual general meeting of Members of
The Royal Australian Institute of Architects Limited (ACN 000 023 012)
will be held at the Melbourne National Office, 41 Exhibition Street, Melbourne
at 12.30pm on 15 May 2018.

Business

1. Minutes

To receive the minutes of the 88th Annual General Meeting of the Institute held in Brisbane on 16 May 2017, as provided in the link and made available via the website and chapter offices.

2. Financial statements and CEO's report

To receive the Institute's financial statements and Chief Executive's report for the year ended 31 December 2017.

3. Auditor's Report

To receive the auditor's report on the Institute's financial statements for the year ended 31 December 2017.

4. Directors' Report

To receive the Directors' report for the year ended 31 December 2017.

5. Remuneration of Directors

To consider and vote, under provision 7.5.1 of the Constitution, on the amount in aggregate available for the remuneration of Independent Directors, as follows:

That, for the purposes of provision 7.5 of the Constitution and for the financial year to 31 December 2019, the Members approve the amount of \$80,000 inclusive of superannuation (if applicable) as the maximum total sum available to pay fees to Independent Directors in that capacity.

6. Special Resolution: Constitution

To consider and vote on a resolution under provision 11.8 of the Constitution to amend the Institute's current Constitution to give effect to the decisions of National Council and changes necessary for the proper and efficient administration of the Institute, as follows:

That, under section 136(2) of the Corporations Act 2001, the Constitution of the Institute is amended as set out in Attachment A.

7. Other business

To announce the appointment of the new officeholders of the Institute, elected by the Institute's National Council at its meeting on 23 March 2018.

By order of the Board

Date 16 April 2018

Signed



Name Matthew McDonald
Company Secretary

Voting and proxies

Ways to vote

Members will be able to cast their vote either:

- *In person* at the meeting; or
- Via an appointed *proxy*, by submitting a *proxy form*.

If you submit a proxy form, but then attend the meeting in person, you can only exercise one vote.

Voting by Proxy

A Member who is entitled to attend and vote (provision 3.3.3) at the meeting may appoint a proxy to attend and vote on their behalf (provision 4.12.6).

Members entitled to vote: **LFRAIA, FRAIA, Member Level 1 and Affiliate Level 1.**

Instructions How to Vote by Proxy

To vote by proxy, please complete and sign the attached proxy form and return it to the Institute as soon as possible.

For the appointment of your proxy to be effective:

- ✓ Your nominated proxy must be a current member of the Institute who is entitled to vote.
- ✓ Your nominated proxy must sign the form and
- ✓ You must send the signed proxy form to the Company Secretary of the Institute **by no later than 5pm (AEDT Melbourne time) on Friday 11 May 2018.**

You can send your proxy form to the Company Secretary by one the following methods:

By mail: The Company Secretary
The Royal Australian Institute of Architects Limited
Level 1, 41 Exhibition Street,
Melbourne Vic 3000

By fax: (03) 8620 3877. Attention to the Company Secretary.

By email: to the Company Secretary, at constitution@architecture.com.au

Directing your Proxy How to Vote

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or to abstain from voting. You can tell your proxy how to vote on an item of business via the proxy form. If you direct your proxy how to vote, the proxy must vote on that item only in accordance with your instruction. If you do not direct your proxy how to vote on an item of business, the proxy may vote as they think fit.

Proxies Held by Chairperson

If a Member appoints the chairperson of the meeting as their proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that Member, in favour of that item.

Further Information

For questions or further information, please contact us at constitution@architecture.com.au.

Explanatory notes

Note: These Explanatory Notes should be read together with the attached Notice of Meeting, proxy form and all attached or linked-to schedules.

1. Minutes

- 1.1 The Members receive and note the minutes of the 2017 AGM that have been provided via the link in the email that accompanies this Notice.

2. Financial statements

- 2.1 The *Corporations Act 2001* requires Institute directors to put before the Members at the AGM the financial statements and the directors' and auditor's reports for the last financial year.
- 2.2 There is no requirement for Members to formally approve these reports.
- 2.3 At the AGM, Members will be given a reasonable opportunity to ask questions and make comments on the financial statements and the reports.

3. Auditor's report

- 3.1 The Institute's appointed, external auditors, RSM Australia Partners, have prepared the auditor's report for the year to 31 December 2017.
- 3.2 The Members receive and note the Auditor's report and there is no requirement for Members to formally approve these reports.

4. Directors' report

- 4.1 The Members receive and note the Directors' report on the financial statements and related matters and there is no requirement for Members to formally approve these reports.

5. Remuneration of Directors

- 5.1 Under the Constitution, National Council has the authority to decide whether the directors of the Institute will be remunerated and, if so, which of the directors will be paid fees.
- 5.2 National Council has previously resolved that only the Independent (non-executive) Directors will be paid fees as directors.
- 5.3 The total amount of fees paid to directors must not be more than the amount previously approved. Under the Constitution, the Members have the authority to approve the maximum amount available for directors' fees.

What effect does this resolution have?

- 5.4 This resolution specifies that maximum aggregate amount (inclusive of superannuation, if applicable) for the calendar financial year 2019.
- 5.5 The Members are asked to approve the maximum amount that the Institute will set aside for paying fees to the Independent Directors for the year to 31 December 2019.

What amount should be approved?

- 5.6 At the 2017 AGM, the Members approved a maximum amount of \$50,000 (inclusive) for the remuneration of the Independent Directors.

- 5.7 At its meeting in March 2018, National Council recommended that the previous maximum amount available be increased to a level of remuneration in line with contemporary practice and that better recognises the value of the extraordinary time, assistance and expertise that the Independent Directors have contributed to the Institute.
- 5.8 National Council recommended a pool of \$80,000 (inclusive of superannuation) be made available, to be allocated by National Council between the Independent Directors.
- 5.9 This proposed increase in the fees can be provided for within the 2019 budget. Importantly, it better positions the Institute to retain and attract Independent Directors with the skills and experience needed for the Institute's Board and to support the Institute's financial, strategic and operational aims.

6. Special Resolution: Constitution amendments

- 6.1 The Members are asked to consider and vote on a special resolution to amend the Institute's current Constitution under provision 11.8.
- 6.2 Members will be given a reasonable opportunity to ask questions and make comments on this special resolution.
- 6.3 The proposal has the unqualified support of the National President, the Board and National Council who commend the proposal to Members.

What are the proposed changes?

- 6.4 The changes relate to the following:
 - A. Full recognition of the International Chapter.
 - B. Clarifying the annual membership fee period.
 - C. Former "Article 88" hardship provision.
 - D. Time limits for Circulating Resolutions.

A. Governance changes to recognise the International Chapter:

- 6.5 In response to a petition under the Constitution by members in the 'International Area', National Council issued a poll of International Area members. The result of the poll was returned overwhelmingly in favour of recognising the Area as a formal Chapter of the Institute.
- 6.6 National Council then issued a formal declaration under provision 10.12.5 that recognises the International Chapter as a formal Chapter of the Institute. The former 'International Area Committee' members become the first Council of the International Chapter and the current Chair continues in that office as Chair of the International Chapter.
- 6.7 In the former *Memorandum and Articles of Association*, a number of provisions had been inserted over the years that made exceptions for the International Area Committee—that was made a Chapter in name only. These provisions were carried over to the 2017 Constitution document, but are inconsistent with recognising the International Chapter as a formal Chapter and now need to be modified or removed.

B. Clarifying the annual membership fee period and due dates:

- 6.8 This is a practical change. It is necessary to clarify the dates by which Members pay their annual or quarterly fees.
- 6.9 This change is intended to avoid the scenario where a non-financial member can still vote and be elected to office. Only Members who have paid all membership fees are eligible to take and remain in office.
- 6.10 Under the current subscription year January to December, a member who has not paid their subscription fees would have their membership ceased from 1 April of that year. This meant that

a member, non-financial as at 1 January, could still vote in the Annual General Election round (November to February), be elected and then take office at the first round of Council meetings (March), all without having paid their quarterly or annual subscription fee.

- 6.11 To solve this problem, it is strongly recommended that Members be given a grace period to 15 February to prevent such an outcome for the Institute, but still allow those Members who don't pay by direct debit time to make payment at the January membership renewal.

C. Where did the old Article 88 go?

- 6.12 It is necessary to reinstate one part of the former "Article 88 Membership Subscriptions" provision that had not made its way into the 2017 Constitution document, in particular, what was formerly the 'hardship application' provision.
- 6.13 Members can be assured that applications for waiving membership fees on grounds of hardship are being honoured. We do receive these applications from time to time and the Membership team does continue to process them within the spirit and intent of the former Article 88. We should once again entrench this important provision in the Constitution and is now included as a new provision 3.9.4.

Why change the timing for resolutions passed outside of meetings?

- 6.14 The current Constitution contains a provision that all circulating resolutions automatically fail if they are not passed unanimously within 48 hours. This applies to Member, National Council and Board resolutions. In practice, this has caused difficulties on numerous occasions where officeholders are overseas, unavailable or otherwise cannot respond within time and have failed. The current provision does not allow enough time for all officers to respond and is inefficient because the proposer must then re-send the same proposed resolution, once again requiring each and every officeholder to indicate their vote in writing.
- 6.15 Although this kind of time limit is not uncommon to trigger a clear outcome for circulating resolutions, if they do not achieve a unanimous vote, the time frame has proven impractical.
- 6.16 For practical reasons and to allow for absences of and other demands on officeholders, we proposed that the time limit is retained, but the time frame be changed to 10 business days.
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Appointment of Proxy form for annual general meeting

SECTION A

I _____ (full name)

of _____ (business address)

am a financial Voting Member of **The Royal Australian Institute of Architects Limited (ACN 000 023 012)**, with the Institute membership number _____ and appoint:

_____ (full name of proxy)

of _____ (address)

and their Institute membership number: _____

or, if that person cannot or does not attend or vote, then the chairperson of the Meeting to act as my proxy at the Annual General Meeting of the Institute to be held at 12.30pm on 16 May 2018 and at any adjournment of that meeting.

[Note: this proxy must be received by the Institute no later than 24 hours prior to the AGM time.]

Signature of Member _____

Date: _____ 2018

SECTION B

I direct my proxy to vote as follows (**if applicable*):

Resolution No.	Particulars	For	Against	Abstain
1.	To adopt the minutes of the 88 th Annual General Meeting of the Institute held in Brisbane on 16 May 2018.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	That, for the purposes of provision 7.5 and for the financial year to 31 December 2019, the Members approve the amount of \$80,000 inclusive of superannuation (if applicable) as the maximum total sum available to pay fees to Independent Directors in that capacity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	That, under section 136(2) of the Corporations Act 2001, the Constitution of the Institute is amended as set out in Attachment A.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*You may direct your proxy on how to vote by putting an "X" in the appropriate box.

Notes to proxy form

1. Members entitled to vote: **LFRAIA, FRAIA, Member Level 1** and **Affiliate Level 1**.
2. An appointed proxy must be a member of the Institute who is entitled to vote.
3. To vote by proxy, please complete and sign the attached proxy form and return it to the Institute as soon as possible.

For the appointment of your proxy to be effective:

- ✓ Your nominated proxy must be a current member of the Institute who is entitled to vote.
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- ✓ You must send the signed proxy form to the Company Secretary of the Institute **by no later than 5pm (AEDT Melbourne time) on 11 May 2018**.

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4. A proxy may decide whether to vote on any motion, unless the law or the Constitution require the proxy to vote, or to abstain from voting.
 5. You can direct your proxy how to vote on an item of business. If you direct your proxy how to vote, the proxy must vote on that item only in accordance with your direction. If you do not direct your proxy how to vote on an item of business, the proxy may vote as they think fit.
 6. If a Member appoints the chairperson of the meeting as their proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that Member, in favour of that item.
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Attachment A. draft Constitution changes

For Members receiving this Notice in hardcopy:

The Institute is sharing these attachments with Members via our website: www.architecture.com.au

Hardcopies of the full document and all attachments will also be available to Members from your local Chapter Offices on request.