



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that in accordance with Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the 97th Annual General Meeting of Members of The Royal Automobile Club of Tasmania Limited will be held virtually via ract.com.au/agm on 4 November 2020 commencing at 5.00 pm.

AGENDA

1. To confirm the Minutes of the 96th Annual General Meeting held on 13 November 2019.
2. To receive the Annual Report and Financial Statements for the 12 months ended 30 June 2020.
3. To elect 3 members to the Board in accordance with Clause 16 of the Constitution.

The following nominations have been received:

Sue Smith*
Ulverstone
(Company Director)

Lara de Vries
Blackmans Bay
(Disability Support Pension Recipient)

Pieter Kolkert*
Hobart
(CEO and Company Director)

Alison Flakemore*
Huonville
(Chartered Accountant and Company Director)

*Denotes Retiring Member who is eligible for re-election.

In accordance with the Club's Constitution, a Ballot for the election of three (3) members to the Board will be conducted between 1 October 2020 and 12 noon, 28 October 2020.

4. Special Resolution – Adoption of new Constitution

To consider, and if in favour, pass the following resolution as a special resolution:

'That, pursuant to section 136(2) of the Corporations Act 2001 (Cth) (Corporations Act), the existing constitution is repealed and the new constitution that has been made available to members via RACT's website at ract.com.au/agm (New Constitution) and in hard copy on request, is adopted as the constitution of the Company, with immediate effect.'

Explanation:

The existing constitution was adopted over 15 years ago and has been amended on seven occasions since that time, but in order to fully take advantage of changes to the Corporations Act since its adoption, maintain best practice governance processes, and allow the establishment of Membership within the Constitution without direct linkage to Roadside Assistance, the Board recommend the adoption of the New Constitution. Further details of the differences between the



existing constitution and the New Constitution can be found alongside a copy of the New Constitution at ract.com.au/agm and will be provided in hard copy to any member who requests a copy be sent to them.

5. Ordinary Resolutions: Board Limit and Directors Fees

To consider, and if in favour, pass the following resolution as ordinary resolutions:

Board Limit

“That without prejudice to its right to do so the Board not be required to appoint two Board Appointed Directors in respect to the period from the end of the 2020 Annual General Meeting up to the end of the 2021 Annual General Meeting.”

Explanation

Both the Club’s existing constitution and New Constitution provide that following the 2020 Annual General Meeting the Club Board may appoint up to two Board Appointed Directors in addition to 10 Member Elected Directors. Despite it forming part of the member-approved constitution, the maintenance of 10 Directors on the Board, being below the maximum of 12 Directors (being 10 Member Elected Directors and 2 Board Appointed Directors) could be considered to be a Board Limit under the Corporations Act and if so then approval at a general meeting of the Club would be required and it is therefore prudent for approval to be sought. The ability for the Board to appoint Board Appointed Directors is contained in the Club’s Constitution to ensure that the Club’s Board has within it what the Board believes are the appropriate skills and experience for the Club should the Member Elected Directors not provide a sufficiently wide skill base.

Director’s Fees

“That the annual directors fees remain at the aggregate amount as previously authorised by Members, but that in alignment with the proposed New Constitution, the Board shall not be required to allocate the total aggregate amount amongst the Member Elected Directors in any given year and that in future annual increases to the aggregate amount will reference the All Groups Consumer Price Index for Hobart rather than Average Weekly Ordinary Time Earnings.”

Explanation

Both the Club’s existing constitution and New Constitution provide that the Directors shall be paid remuneration out of the funds of the Club for their services as directors. Rather than a fixed total amount as under the Club’s existing constitution, the New Constitution makes it easier for the Board to reduce the amount of fees allocated in a given year. The Board has determined that they shall receive no increase in directors fees in November 2020 and as such a portion of the total aggregate fees will not be used.

6. General Business

7. Any Other Business that may be correctly brought before the meeting.