



# ANNUAL GENERAL MEETING

5.30pm, Wednesday, 25 May, 2016

## Explanatory Statement to Members

The Directors of The Commercial Law Association of Australia Limited ACN 001 290 115 (CLA) seek your approval to amend the constitution. This is item 3 on the notice of the Annual General Meeting sent to you.

This explanatory statement sets out briefly the reasons for the proposal and the suggested amendments.

### Reasons for the proposal

- Expansion of objects to include ability of the Company to participate in charitable purposes and assist in any manner or providing a donation.
- Provide membership for retired members.
- Simplification of membership rules regarding subscriptions.
- Amend rule for audit in line with practice for small to medium bodies.

### Amendments

Rule 3 Objects: add after (17), '(18) to assist the fund raising activities of bodies having charitable purposes.'

Categories of membership: delete from Rule 11.1 'and', delete 'honorary members.' and replace with 'honorary members; and' and add '(7) members who have advised the secretary that they are retired.'

Form of application: Rule 18.1 delete sub rules (1) and (2) and replace with '(1) in such written or electronic form approved by the directors; and'. Renumber sub rule (3) '(2)'.

Unpaid annual subscriptions: sub rule 28.1(1) replace '2 months' with '3 months'. Delete the text of sub rule 28.1(2) and replace with 'the member has been sent up to 3 reminder notices.' Delete from rule 28.2 the words 'then upon the resolution of the directors'.

Cessation of membership: delete the text of sub rule 29.1(2) and replace with 'the member does not pay his or her annual subscription after the last notice referred to in sub rule 28.1(2).'

Audit: delete the text of rule 119.1 and replace with 'An accountant must be appointed to audit the accounts of the Company. The accountant must be a current practising member of a recognised accounting body.'