

Taxpayers Australia Ltd
ABN 96 075 950 284
t/a Tax & Super Australia
(the 'Company')

By-law 5 – Election of Directors

In this By-law the interpretation provisions of the Company's Constitution apply unless the context otherwise requires.

1. GENERAL

a. Directors

The Board shall be comprised of up to five directors elected in accordance with Article 33(a) of the Constitution.

(Note: The Board shall also be comprised of up to two directors appointed as External Directors by the Board itself.)

b. Elected Directors

- i. Subject to Article 33(c) of the Constitution, each Elected Director shall serve a term of four years.
- ii. Each Elected Director must retire at the end of his or her current term.
- iii. No director is permitted to serve more than two consecutive terms in the Officer positions contained in Article 56 of the constitution.

c. Appointments and responsibilities

- i. The Board is responsible for appointing the Selection Committee according to clause 50 of the constitution;
- ii. The Company Secretary must in accordance with Article 54(c) of the Constitution give notice to each Member of the intention to hold an election for Member Directors.
- iii. The Board is responsible for appointing the returning officer. The Company Secretary shall be the returning officer unless the Board otherwise determines.
- iv. The returning officer is responsible for conducting the elections and announcing results at the AGM.

2. NOTICE OF ELECTION & CALL FOR NOMINATIONS

a. Notice of Election

- i. The Company Secretary must give notice to each Member of the intention to hold an election for Member Directors.
- ii. The notice of elections, nomination form and other associated documents may be distributed by post or electronically and applicants may be requested to complete an on-line form.

b. Call for nominations

- i. The Company Secretary must give notice to each Member of the intention to hold an election for Member Directors.
- ii. The notice of elections, nomination form and other associated documents may be distributed by post or electronically and applicants may be requested to complete an on-line form.

- iii. The notice of elections and call for nominations must contain:
 - The last day for the receipt of nominations
 - The address where the Secretary or nominated officer will be during office hours on the last day for the receipt of nominations.
 - The nomination form
 - The notice may be either in paper form, electronic form or uploaded onto the website (with Members being advised by an email directing them to the website).

c. Nomination

- i. To be eligible as a Candidate for election as a Member Director, an individual must be a Member of a class in accordance with Article 7 of the Constitution.
- ii. A Nomination paper signed by the Nominee must be received by the Company Secretary within the time and at the address shown in the Election Notice.
- iii. The Nomination paper must be accompanied by a typed 'Background Information Statement' and a comprehensive CV detailing qualifications and experience relevant to the role of Member Director.
- iv. A Candidate's promotional material for election to the Board must:
 - be limited to self-promotion only;
 - not contain any negative or derogatory statements about other candidates or past Directors of Taxpayers Australia;
 - not contain statements which may be considered to be defamatory;
 - not be of a character that will bring or, may potentially bring, the reputation of the Company into disrepute; and
 - not align with other Candidates seeking election to the Board in producing how to vote material.

3. SELECTION COMMITTEE

a. Selection Committee powers:

- a. The Selection Committee powers are set out in Articles 50 of the Constitution.
- b. The Selection Committee will have no powers other than those conferred by Article 50(b).
- c. The Selection Committee will have no power or authority to:
 - i. bind, instruct or direct the Board on any matter;
 - ii. appoint External Directors or remove directors of the Company.'

b. Criteria for selection as a candidate

Expertise in at least the majority of the following areas will be a distinct advantage:

- a. Knowledge of and experience in the management of a member-based associations;
- b. An understanding of industry organisational arrangements and networks;
- c. Knowledge of and experience in Government policy and its development;
- d. Technical qualifications and experience in the delivery of taxation and superannuation services;
- e. Expertise in quality management approaches to services organisations;
- f. Strategic planning expertise;
- g. Background in economics;
- h. Financial and investment management expertise; and
- i. Board experience including a sound understanding of corporate governance.

The Selection Committee may also consider, if appropriate:

- 1. Geographical location of the candidate

c. Selection of candidates

The Selection Committee shall select the number of candidates equal to the number of vacancies.

The selected candidates' names shall then be put to the Members for confirmation of appointment.

4. ELECTIONS AND THE RETURNING OFFICER

a. Returning Officer

The Company Secretary shall be the Returning Officer in accordance with Article 54(a) of the Constitution unless otherwise agreed by the Board. The Returning Officer may appoint an Electoral Officer to assist with the election process.

The Returning Officer is responsible for:

- i. *Preparing the Ballot Paper* and the list of each Candidate's 'Background Information Statement';
- ii. *Notifying Members* that a Poll is to be conducted, and distributing the Notice and other applicable documents;
- iii. *Counting the Votes*; and
- iv. *Declaring the results* of the election at the Annual General Meeting

b. Close of nominations

- i. If a candidate nominated by the Selection Committee receives less than 50% of the votes cast, the Selection Committee shall put forward an alternative name for confirmation by members within 21 days.

c. Conduct of Poll

i. Returning officer

The Selection Committee is to advise the Returning Officer of the names of the candidates. The number of candidates will equal the number of vacancies.

ii. Voting Papers

- The Returning Officer must advise all eligible voters entitled to vote that a Ballot has been called and ensure that all Members have access to the voting papers.
- Each voting paper must be in the form decided by the Board and must contain the names as advised by the Selection Committee.

iii. Notice of ballot

The Notice that a ballot is required must contain the following

- the last day for the receipt of completed Ballot Papers being at least seven days before the AGM; and
- the address where the Returning Officer will be during office hours on the last day for the receipt of Nominations and Ballot Papers.

iv. Method of voting

Voting may be by electronic or other means in accordance with the instructions of the Notice of Elections of Member Directors.

v. Ballot paper

- Voters must mark their approval or disapproval for each candidate. Voters may also mark that they abstain from voting.
- The order of the Candidates' names on the Ballot Paper will be alphabetically by surname

vi. Scrutiny of votes and declaration

At the time and place nominated, the Returning Officer must examine the votes and must sign and date a statement containing the agreement or disagreement for each Candidate.

vii. Number of votes required

Only candidates who receive more votes of approval than votes of disapproval shall be declared to be elected.

d. After the Poll

i. Results of the ballot

- The Candidates, with a majority of Members' agreements are elected as Member Directors.
- When signing the statement of Votes Cast, the Returning Officer must declare the names of the Candidates elected.

- **Informal Votes**
At the examination of votes a Ballot Paper must be rejected if:
 - it is manifestly irregular; or
 - it is so imperfectly completed that the intention of the voter cannot be determined.
- The Returning Officer's decision will be final.

ii. Disposal of Papers

Immediately after declaring the result of the election the Returning Officer must place all Ballot Papers and the list of voters in a secure folder (paper or electronic) and if paper, endorse on the packet details of the contents and the date of declaring the result. The Returning Officer must retain the packet and its contents for 1 month after the date of declaring the result and must then destroy it.

If any question arises concerning the votes cast at an election before the destruction of the Ballot Papers the contents of the packet maintained by the Returning Officer may be received in evidence in any Court with jurisdiction to determine the question as proof of the votes.

iii. Declaration of Names of Successful Candidates

The declaration of the names of successful candidates will be made by the Returning Officer at the AGM immediately following the ballot.

5. CASUAL VACANCY

If a Director dies or otherwise ceases to be a Director for any reason specified in Article 35, the Board may at its election either leave the position vacant or request the Selection Committee to endorse a replacement Director, who shall serve the balance of the previously remaining term of the former Director, and upon such endorsement by the Selection Committee the Board may so appoint the replacement Director.