Thursday, 30 April 2015

Proposed Intent of Constitutional Amendments

It is following consideration and analysis of the compliance requirements of FSC Australia, and to ensure conformance with our international obligations to FSC International, that the Board of Directors of Responsible Forest Management Australia Limited (FSC Australia) proposes two (2) Constitutional amendments to be put to the membership for its consideration and vote at the forthcoming AGM to be held on Thursday 28 May 2015.

Background and Explanation of Issues:

1. Special Resolution #1 proposes that the Constitution be amended as follows:

   In Section 10.2(c):

   Replace:

   “Representatives of FSC accredited certification bodies and representatives of government whether Federal or State are not eligible to be Directors.”

   With:

   “Certification bodies and government owned or controlled entities (as defined by FSC International), whether Federal or State, may not be represented on the Board of Directors.”

2. The rationale for this change is based on the necessity for alignment and conformance with FSC International’s requirements as set out in its Criteria for Admission of Government Owned or Controlled Entities (Adopted by the International Board of Directors, June 2014. Doc Reference: Revised BM 65.21a).

3. FSC Australia is required to operate pursuant to the Procedure for the Operation of the FSC Network FSC PRO 60-001 and is subject to an annual Cooperation Agreement whereby the use of the FSC trademark is licensed to RFMA Ltd (FSC Australia) to enable operation as a National Office.

4. FSC Australia’s existence as an organisation is predicated on compliance with the aforementioned Network Procedure and the annual Cooperation Agreement. Failure to pass this Special Resolution to align our Constitution with FSC International’s Criteria for Admission of Government
Owned of Controlled Entities would result in a non-conformance and a breach of FSC Australia’s international obligations with FSC International.

5. Special Resolution #2 proposes that the Constitution of be amended as follows:

In Section 3.7(a)(A):

_replace:_

“A statement of support for the Applicant describing how the Applicant is meeting the tenets of the Company. In the case of Organisations, this support shall take the form of a statement from its governing body.”

_with:_

“A statement of support from the Applicant describing how the Applicant is meeting the tenets of the Company. In the case of Organisations, this support shall take the form of a statement from its governing body.”

6. There is a typographical error that needs to be corrected in Section 3.7(a)(A) to avoid confusion and ambiguity.

7. To give full effect to the object and purpose of this section, and for the avoidance of doubt, the word ‘for’ should be changed to ‘from’, to make it clear that the Applicant (and not a third party) is providing the required statement of support.

Kind Regards,

Daniel Goldsworthy
Company Secretary