



## MEMO

To: Board of Directors  
From: Company Secretary  
Subject: **ALTERNATE DIRECTOR – TERMINATION**

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Mr C, the short answer to your question is: although Mr R has resigned as a Director of the Company that, in itself, does not terminate his appointment as your Alternate Director.

As you know, generally speaking, any Director can appoint an Alternate to act in his stead, subject to the Company's Constitution and any applicable sections of the Corporations Act.

The permanent Director, therefore, enjoys the same ability to cease/terminate the appointment of his Alternate whenever he likes, unless the Alternate resigns of his own volition beforehand or some extraneous action/event otherwise causes his termination.

Rule 67.5 of our Constitution states:

- (a) The appointment of an Alternate Director may be revoked at any time by the appointor or by the other Directors.
- (b) An Alternate Director's appointment ends automatically when his or her appointor ceases to be a Director.

Therefore, it is very clear that you have the ability to terminate Mr R as your Alternate or, if you prefer, let "the other Directors" do it – which I suggest should be by way of formal Board resolution.

The usual way to terminate an Alternate's appointment is with a one page document titled 'Revocation of Appointment of Alternate Director' stating something like the following:

*I, \_\_\_\_\_ C\_\_\_\_\_ of \_\_\_\_\_ Avenue, Hamilton, Queensland  
HEREBY REVOKE the appointment of \_\_\_\_\_ R\_\_\_\_\_ as  
my Alternate Director of \_\_\_\_\_ Capital Limited.*

and dated/signed by you.

The termination must also be recorded with ASIC using Form 484 "Change to Company Details" within 28 days of the effective date.



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**DISCLAIMER**

*The comments in this memo reflect some commercial aspects and observations on the matter experienced or observed by the writer in practice as he understands them. The information is given as a guide only and does not represent a definitive or legal view of any of the issues raised, covered or referred to and the reader is urged to seek his own professional advice on all aspects of, or pertaining to, this and any related matter.*

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