



MEMO

To: Board of Directors
From: Company Secretary
Subject: **BOARD REPORTING SYSTEM**

I will attempt to articulate what I see as a 'formalised' board reporting system. That is, covering the process flow through from calling a meeting to minutes and action.

Proposed system is:

- a) 10 days before a scheduled board meeting I will email circulate all directors, reminding them of the forthcoming meeting date and asking for agenda items and board papers for circulation to be submitted
- b) agenda will then be finalised in conjunction with the Chairman, and papers will be collated in the Holdings' office
- c) the 'board pack' will be sent out from the Holdings' office by email to all directors with hard copy sent by post/courier, usually 1 week prior to board date
- d) board meeting held
- e) first draft board minutes to be prepared and emailed to the Chairman for preliminary review within 7~10 days after board meeting
- f) clean draft board minutes to be circulated by email to all directors within about 2 weeks after board meeting date, together with the 'Matters Arising' action list
- g) directors to provide any comments/corrections to board minutes as soon as possible to assist finalisation in time to send out with next meeting board papers.

And for the sake of completeness I also cover off the following:

Emergency Board Meeting

Should the need arise to call a board meeting on short notice then the procedure in Article 9.4 of our constitution must be followed. That is, notice must be given to all directors and alternate directors not less than 48 hours before the proposed meeting time unless all directors otherwise agree. A quorum for board meetings is 3 directors (entitled to vote on the matter/s being considered).



Flying Minute

In certain circumstances, rather than call an 'emergency board meeting', if there is a need for a board decision/approval on a matter that cannot wait till next scheduled monthly meeting, a written Circulating Directors' Resolution ('flying minute') will be sent around directors (usually by the Company Secretary) by email with suitable explanatory information/papers to enable a quick decision.

Article 9.1 of our constitution requires that for a flying minute to be validly passed ALL directors entitled to vote on the matter must approve the Resolution.

The usual method of directors approving a flying minute is to print out the Resolution, sign and either scan/email or fax back to the Company Secretary or the Holdings' office. However, our constitution allows, in need, for a director to signify assent in any other way (eg, by email or telephone), in which case the Resolution must be signed in confirmation before or at the next board meeting attended. A flying minute is deemed passed at the time/date that the last director signifies assent.

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.