

**.au Domain Administration Limited**  
**ACN 079 009 340**

**NOTICE OF ANNUAL GENERAL MEETING**

The Board of Directors of .au Domain Administration Limited (**auDA**) is pleased to invite you to attend its 2018 Annual General Meeting.

**Date:** Friday 23 November 2018  
**Time:** 10:00 am  
**Venue:** Mercure Melbourne Treasury Gardens  
13 Spring Street, Melbourne, Victoria

You may also access a live audio stream of the meeting at <http://auda.streaming.net.au>.

**BUSINESS**

1. **APPROVE MINUTES OF 2017 AGM**

To consider and, if thought fit, pass the following resolution.

"That the minutes of the annual general meeting held on Monday 27 November 2017 are confirmed."

2. **REPORT FROM THE CEO**

To provide a general update on the activities, operations and progress of auDA since the 2017 annual general meeting.

3. **GENERAL UPDATE**

To provide an update on the following items:

- (a) reforms and progress following the Department of the Communications and the Arts' *Review of the .au Domain Administration*, published on 18 April 2018 (the **DoCA Review**);
- (b) establishment of the Nomination Committee; and
- (c) any other matters.

4. **REPORTS**

To consider the financial report of auDA and the reports of the directors and auditor for the year ended 30 July 2018.

5. **AGGREGATE DIRECTOR REMUNERATION**

To consider and, if thought fit, pass the following resolution.

"That the maximum annual aggregate amount of remuneration that the directors are entitled to be paid out of the funds of auDA, under rule 10.1 of the auDA constitution is fixed at \$380,000, inclusive of superannuation."

6. **AMENDMENT TO THE CONSTITUTION**

To consider and, if thought fit, pass the following **special resolution**.

"That auDA modify its constitution by deleting rule 5.9 and substituting the following rule:

5.9 **Maximum term**

- (a) Subject to paragraph (b), all Directors are subject to a maximum term of the greater of:
  - (i) six years; and
  - (ii) two terms of appointment or election,whether acting as an Independent Director or an Elected Director.
- (b) All Directors who were Directors as at 27 September 2018 are subject to a maximum term of the greater of:
  - (i) nine years; and
  - (ii) three terms of appointment or election,whether acting as an Independent Director, Elected Director or a Director prior to the date referred to in clause 25.2(b)."

7. **GENERAL BUSINESS**

To consider any other business that may properly be brought before the meeting.

**Date** 2 November 2018

**By order of the Chairman, Chris Leptos AM**

## **NOTES**

These Notes form part of the Notice of annual general meeting.

### **Right to attend and vote**

The only persons eligible to attend and vote at the annual general meeting are the Governing Members.

### **Invitation to non-members**

Persons who are not Governing Members are invited to attend the annual general meeting and will be provided reasonable opportunity to ask questions, subject to the ultimate discretion of the Chair to conduct the meeting in an orderly and appropriate manner.

### **Appointment of proxies**

Each Governing Member entitled to vote at the annual general meeting may appoint a proxy to attend and vote at the annual general meeting.

A proxy need not be a member of auDA.

A Governing Member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

### **Lodgement of proxy documents**

For an appointment of a proxy for the meeting to be effective:

- the proxy's appointment; and
- if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (e.g. a power of attorney) or a certified copy of it,

must be received by auDA at its registered office at Level 17, 1 Collins Street Melbourne, at least 48 hours before the meeting.

## **EXPLANATORY NOTES, COMMENTARY AND RECOMMENDATIONS**

### **Maximum aggregate director remuneration**

The Board is responsible for determining the remuneration of each individual director. However, under clause 10.1 of auDA's constitution, the members may fix an aggregate limit on the total annual amount of remuneration payable to all directors.

Following a review of the appropriate level of director remuneration, the Board considers that it is appropriate to fix a figure of \$380,000 inclusive of superannuation as the maximum annual aggregate remuneration for directors. This figure is an estimate of total remuneration to be paid in accordance with the resolution of the Board on 26 March 2018, consisting of \$170,000 as the maximum amount of remuneration payable to Independent Directors and \$210,000 as a reasonable estimate of expected sitting fees of \$1,000 (inclusive of superannuation) for attending each meeting of directors and \$750 (inclusive of superannuation) for attending each meeting of a committee of directors to be paid to Directors elected as Demand Class and Supply Class Directors under the former constitution. In reaching this view, the Board has considered the skills, responsibilities and expectations of directors, and the level of remuneration required to reward, incentivise and encourage both current directors and prospective directors to join auDA's Board and to contribute the necessary time and effort to perform their role.

In due course, the Board will be reconstituted as required by recommendation 7(d) of the DoCA Review, following which there will be one Independent Chairperson, five Independent Directors and four Elected Directors. auDA may seek further approval of its members for an increase in total remuneration to accommodate the new Board structure closer to this date

Remuneration of individual directors and the Board as a whole is the subject of ongoing review, and the level of appropriate remuneration is impacted by many factors that are both inside and outside of auDA's control.

### **Amendment to the constitution**

The Board considers it appropriate to reduce the maximum term for directors from three terms of three years to two terms of three years to align with recommendation 7(b) of the DoCA Review.

However, in recognition of the importance of Board stability and the preservation of Board knowledge while the Company implements the reforms borne out of the DoCA Review and navigates a recent period of increased Board turnover, the Board also considers it appropriate to provide for a three-term maximum term limit for current Board members.