

THE REAL ESTATE INSTITUTE OF QUEENSLAND LIMITED
NOTICE OF ELECTION - BOARD OF DIRECTORS

In accordance with the Constitution, and By-laws, of The Real Estate Institute of Queensland Limited (**the Institute**), notice is hereby given of the intention to conduct an election of Member Directors and Regional Member Directors.

To be eligible as a candidate for election as a Member Director, or Regional Member Director, to the Institute's Board of Directors for a period of 3 years (subject to the rotation requirements set out in the Constitution) commencing at the conclusion of the 2017 Annual General Meeting, an individual must be a member of one of the following classes described in By-laws 5 to 8:

1. Life
2. Fellow
3. Practising
4. Associate

The eligibility criteria to be a Member Director is set out in Clause 5.2(c) of the Constitution, whilst additional requirements for a Regional Member Director are outlined in Clause 5.2(d).

Please refer to the **enclosed** explanatory note for more detailed information about the duties and responsibilities of Directors.

Further queries in respect of the above should be directed to the Company Secretary.

Nominations should be lodged by one of the following options on the enclosed form:

Posted to:

The Returning Officer
The Real Estate Institute of Queensland Limited
PO Box 3447
TINGALPA DC 4173

via Fax to:

The Returning Officer to (07) 3249 6239

Hand delivered to:

The Returning Officer
The Real Estate Institute of Queensland Limited
Level 1, 50 Southgate Avenue
CANNON HILL QLD 4170

Lodged electronically via Email to:

The Returning Officer at

rfacey@reiq.com.au

NOMINATIONS MUST BE IN THE HANDS OF THE RETURNING OFFICER BY

NOT LATER THAN 4.00 PM WEDNESDAY 27 SEPTEMBER 2017

**NOMINATIONS SUBMITTED TO THE RETURNING OFFICER AFTER THIS TIME AND DATE WILL NOT BE
ACCEPTED.**



Rod Facey

Company Secretary

31 August 2017

**INFORMATION FOR INTENDING CANDIDATES
FOR ELECTION AS MEMBER DIRECTORS**

To be eligible as a candidate for election as a Member Director to the Institute's Board of Directors for a 3 year term (subject to the rotation requirements of the Constitution) commencing at the conclusion of the 2017 Annual General Meeting (**AGM**), an individual must be a Life, Fellow, Practising or Associate member (as defined under the REIQ By-Laws).

Eligibility criteria for a Member Director is contained in Clause 5.2(c) of the Constitution, and Clause 5.2(d) for a Regional Member Director.

The Institute

The Institute is a company limited by guarantee, and accordingly, any candidate intending to nominate for a position on the Board of Directors should be aware that they are required to act in accordance with the *Corporations Act 2001*, and ideally will have undertaken, or be prepared to undertake, a course conducted by the Australian Institute of Company Directors.

The Board of Directors

The Constitution provides that the Institute's Board of Directors must have not more than 9 Directors comprising:

- (a) not more than 6 Member Directors, of which not less than 2 must be Regional Member Directors; and
- (b) not more than 3 Non-Member Directors.

Pursuant to Clause 5.6(b) of the Constitution, two current Member Directors must retire from office at the 2017 AGM. New Member Directors will be elected for a 3 year term (subject to the rotation requirements of the Constitution) commencing at the conclusion of the 2017 AGM. Non-Member Directors are appointed by the Board of Directors for a term not exceeding three years.

The current Member Directors who will retire at the conclusion of the 2017 AGM, are:

- (a) Mr Jonathan Blocksidge; and
- (b) Ms Deborah Duffy.

Mr. Blocksidge is eligible to stand for re-election on this occasion; however Ms. Duffy will not be standing for re-election as she has now held office for the maximum period allowed under Clause 5.9(a) of the Constitution.

Regional Member Director

Pursuant to Clause 5.1(b) of the Constitution, one of the vacant board positions must be filled by a Regional Member Director.

In accordance with the Constitution, a Regional Member Director is an individual who not only satisfies the requirements to be eligible to act as a Member Director as set out in Clause 5.2(c), but additionally, at the time for nomination and election, resides in a Zone which is located in a Regional Area, being an area which is not located wholly or predominantly within the local government boundaries of the Noosa Shire, Somerset Regional, Sunshine Coast Regional, Moreton Bay Regional, Lockyer Regional, Ipswich

City, Brisbane City, Redland City, Logan City, Gold Coast City, or Scenic Rim Regional areas, as published by the State of Queensland from time to time.

The Role of the Board

The role of the Board of Directors is to establish strategic objectives and goals for the operation of the Institute, and to oversee its management.

The principal functions and responsibilities of the Board include:

- establishing the strategic objectives and direction of the Institute;
- overseeing and monitoring organisational performance;
- establishing and determining the powers and functions of committees;
- enhancing and protecting the reputation of the Institute;
- meeting regulatory obligations;
- governing the Institute by establishing broad policies and objectives;
- selecting, appointing, supporting and reviewing the performance of the Chief Executive Officer; and
- approving budgets and ensuring the availability of adequate financial resources.

Chair of the Board

The Directors elect a Member Director to chair Board meetings for such period as the Directors resolve.

The Role of Individual Directors

The Institute's Directors, in common with all company directors, have full responsibility for the overall successful operations of the Institute, including:

- financial operations and solvency;
- all matters as prescribed by law; and
- the strategic direction of the Institute.

Directors have no individual authority nor do they participate in the day-to-day management of the Institute.

Independent Director for Governance (IDG)

The primary function of the IDG is to facilitate the governance processes, ensure that the Board accomplishes its role as expressed in the Constitution, and to be the major point of contact between the Board and Management. The IDG will ensure that all new Directors undertake an appropriate on-boarding program.

Board Committees

The Board may decide to create one or more committees at its discretion. These committees may be standing committees, which have a permanent role, or temporary committees, which are established to achieve a specific purpose. Currently, the Board's standing committees are as follows:

- Finance Audit & Risk Management Committee, which reviews the integrity of Institute's financial reporting, oversees the independence of the external auditors, monitors the financial policies and operations, including investment policies, and oversees the risk management system within the Institute; and

- Remuneration and Nominations Committee, which assists the Board to discharge its corporate governance responsibilities with regard to remuneration, recruitment, appraisal, rotation, appointments, oversight of the CEO and management, and employment policies.

Legal Liability of Directors

Directors have a fiduciary responsibility to the Institute and are accountable for the property entrusted to their care and control. One should consent to be a director only if prepared to devote the attention and effort to Institute affairs required to fulfil the responsibilities involved.

Directors are generally protected from liability for errors of judgment as long as their actions are responsible and in good faith, with the best interest of the Institute as the foremost objective.

Australia has statutes that specify the standard of care required by directors of corporations. These statutes usually require that directors discharge their duties “in good faith and with that degree of diligence, care and skill which a reasonably prudent person would exercise under similar conditions in like positions.”

Time commitments

The Board determines the date, time, place and frequency of meetings. Past practice has been to meet 8 times per year, usually on the last Friday of the month at REIQ’s Brisbane premises. The Board to be formed at the conclusion of the 2017 AGM is at liberty to vary these practices.

Special board meetings may also be convened on the request of:

- the Chair of the Board;
- the Chief Executive Officer; or
- any 2 Directors.

Meetings last approximately 4 hours but may be extended due to the volume or complexity of business to be conducted. Additional time commitments will apply to Directors who sit on Board Committees.

In addition to attendance at Board meetings, Directors are expected to participate in a range of events hosted by the Institute including, conferences, training events, forums and other significant functions. Directors are also expected to act as advocates of the Institute by promoting its activities and interests. In some circumstances, Directors may also be required to act as representatives of the Institute at events and when dealing with the public.

Given the level of commitment required of a Director, intending candidates should nominate only if they are prepared to devote the necessary time and dedication to the position.

Director Protection

The Institute holds current Professional Indemnity Insurance, and Directors and Officers Liability insurance policies.

Director Remuneration and Expenses

The members in general meeting set remuneration for Directors.

Directors are currently entitled to be paid remuneration of \$25,083 per annum. An additional amount may be paid to the Chair.

The Institute pays for, or reimburses, all travel, accommodation and out-of-pocket expenses incurred by Directors travelling on authorised Institute business.

Director Induction

All new Directors are given an induction into their role as soon as possible after the Annual General Meeting. Information conveyed to new Directors includes:

- Details of Directors' responsibilities to the Institute.
- Details of all relevant legal requirements including:
 - Corporations Law.
 - Tax Office requirements.
 - Other major statutory bodies.
- A copy of the Institute's Board Charter.
- Guidelines on Board processes.
- Details of past, recent and likely future developments relating to the Board including anticipated regulatory changes.
- Background information on and contact information for key people in the organisation.
- An analysis of the current position of the Institute including:
 - core competencies of the Institute
 - details of past financial performance
 - current financial position
 - any other important operating information
 - a synopsis of current strategic directions

Following the Annual General Meeting, each Director will receive a formal letter of appointment.

Each Director must be prepared to undertake an Australian Institute of Company Directors (AICD) short course as soon as possible after his or her appointment, unless the Director has previously undertaken such a course. The Institute will meet the cost of AICD membership.