



**SPECIAL RESOLUTIONS
ANNUAL GENERAL MEETING – 19 OCTOBER 2011**

**COMMERCIAL ASSET FINANCE BROKERS ASSOCIATION OF AUSTRALIA LIMITED
(ACN 129 490 133) (CAFBA/ the Company)**

Background/Context:

The Constitution of CAFBA provides the following:

3.10 Variation of Member classes

Subject to this Constitution, the Directors may

- (a) establish any new class of Members and prescribe the qualifications, rights, restrictions and obligations of Members in that class; and
- (b) vary or abrogate the qualifications, rights, restrictions or obligations of Members in any new or existing class, with the consent in writing of three quarters of those Members, or with the sanction of a Special Resolution passed at a separate meeting of those Members, and the provisions of this Constitution relating to general meetings apply so far as they are capable of application and with the necessary changes to every such separate meeting.

At the Annual General Meeting held on 19 October 2011, the Directors of CAFBA recommended to members that the membership qualifications be changed. These changes affect both existing and all future Voting Members and their Associate Members and were necessary to ensure the CAFBA membership qualifications reflect accepted industry standards and demonstrated effective self-regulation.

Any failure to comply with the Company's membership qualifications is a breach of the Company's Constitution and shall be dealt with in accordance with Clauses 3.14 and/or 3.12(b) of the Company's Constitution.

Pursuant to Clause 3.10(b) of the Constitution of CAFBA the following special resolutions were proposed and notice was given to members.

The special resolutions were subsequently carried by vote of members at the Annual General Meeting of CAFBA held on 19 October 2011.

SPECIAL RESOLUTIONS – 19 OCTOBER 2011:

1. Professional Indemnity (PI) insurance –

That the Company amends the membership qualifications of Voting Members and Associate Members such that **effective from 1 July 2012** the membership qualifications of Voting Members shall include the requirement that Voting Members have Professional Indemnity (PI) insurance cover of not less than \$2million per claim and in the aggregate, with run off cover for a minimum of 12 months of not less than \$2million per claim and in the aggregate. The PI insurance cover must be with an APRA approved insurer or as otherwise approved by the Company. Associate Members are required to have Professional Indemnity insurance cover of not less than \$2million per claim and in the aggregate, with run off cover for a minimum of 12 months of not less than \$2million per claim and in the aggregate. The PI insurance cover must be with an APRA approved insurer or as otherwise approved by the Company. The PI insurance cover can be either by inclusion under the Professional Indemnity insurance policy of their Voting Member or separate cover.

A Certificate of Currency of Professional Indemnity insurance evidencing this cover must be provided to the Company together with any new membership application or the existing Member's annual membership subscription. No membership will be granted or renewed without evidence of such PI cover.

Members shall advise the Company within (7) days if their Professional Indemnity insurance cover has lapsed or is cancelled for any reason.

2. Educational Requirements –

That the Company amends the membership qualifications of Voting Members and Associate Members such that **effective from 1 July 2014** the membership qualifications of Voting Members and Associate Members shall include the requirement that Voting Members and Associate Members must have obtained and hold Certificate IV in Financial Services (Finance/Mortgage Broking) as a minimum educational qualification. A copy of the Member's Certificate IV in Financial Services (Finance/Mortgage Broking) or other relevant educational qualification evidencing such qualification(s) must be provided to the Company together with any new membership application and (in the case of existing Members) with the Member's annual subscription or under separate cover by 1 July 2014. No membership will be granted or renewed without evidence of such educational requirements.

3. Continuing Professional Development –

That the Company amends the membership qualifications of Voting Members and Associate Members such that **effective from 1 July 2012** Voting Members and Associate Members shall undertake Continuing Professional Development (CPD) as determined by the Board of Directors of the Company from time to time. The Board of Directors of the Company shall from time to time determine the CPD to be undertaken by Voting Members and Associate Members. The Board of Directors shall advise Voting Members and Associate Members of such CPD requirements by posting them on the Company's web site and by notice to Members by electronic means or other means in accordance with Clause 17 (a) of the Constitution.

The minimum CPD requirement for the year from 1 July 2012 to 30 June 2013 shall be 20 hours. Members shall provide evidence of completed CPD (by declaration or other documentary evidence or form as required by the Board of Directors of the Company) with their annual subscription. No membership will be granted or renewed without evidence of such completed CPD.

4. External Dispute Resolution (EDR) –

That the Company amends the membership qualifications of Voting Members such that effective from **1 July 2012** the membership qualifications of Voting Members shall include the requirement that Voting Members hold membership of an approved EDR Scheme. Associate Members must be included under the approved EDR Scheme of their Voting Member or hold separate EDR membership. No membership will be granted or renewed without evidence of such approved EDR Scheme membership.

5. Internal Dispute Resolution (IDR) Procedures –

That the Company amends the membership qualifications of Voting Members such that effective from **1 July 2012** the membership qualifications of Voting Members shall include the requirement that Voting Members have documented IDR procedures in place within their business to comply with Australian Standard ISO 10002. No membership will be granted or renewed without evidence of such documented IDR procedures in place to comply with Australian Standard ISO 10002.

6. **Police And Credit Checks** –

That the Company amends the membership qualifications of Voting Members and Associate Members effective from **19 October 2011** such that all Voting Members and Associate Members shall provide to the Company a National Criminal History Check and Credit History report at least every five years. The Member shall provide the Company with an updated National Criminal History Check and an updated Credit History report prior to the expiry of five years from the date shown on the relevant reports previously submitted to the Company by the Member. No membership will be granted or renewed without the Company having evidence of such current National Criminal History Check and Credit History report.

7. **Client Financial Hardship** –

That the Company amends its **Code of Conduct** effective from **19 October 2011** such that where the client of a Voting Member or an Associate Member is experiencing financial hardship and seeks assistance from the Member with approaching its financier(s) to negotiate a variation to its/their payment terms, the Member shall first obtain a written signed authority from the client to the financier(s) to act on the client's behalf and will then contact the client's financier(s) within seven (7) business days on behalf of the client, provide the relevant financier with a copy of the relevant written signed client authority and seek to facilitate a discussion as to that client's financial hardship between the Member's client and the relevant financier(s).

Dated: The 19th day of October 2011

Signed



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Name: Mark Rayson

Title: President