

Our Ref:

Direct Line:

27 June 2008

Mr Tim Sheehy
Chief Executive
Chartered Secretaries Australia
Level 10
5 Hunter Street
SYDNEY NSW 2000

email: tim.sheehy@CSAust.com

Dear Mr Sheehy

Re: Rethinking the AGM – a Discussion Paper

The Law Society welcomes the opportunity of making submissions on the Discussion Paper published by Chartered Secretaries Australia ("CSA") and Blake Dawson entitled 'Rethinking the AGM' ("Discussion Paper").

The Discussion Paper has been considered by the Law Society's Business Law Committee ("Committee") and the views expressed are those of the Committee alone. The Committee commends the efforts of CSA and Blake Dawson in addressing the issue.

The Committee generally supports the intentions of CSA and Blake Dawson in considering the "effectiveness" of annual general meetings (AGMs) across corporate Australia. Particularly, the Committee acknowledges and supports examination of how shareholder engagement and participation at AGMs could be improved.

The Committee has decided not to comment on the individual issues raised in the questionnaire but refers CSA and Blake Dawson to the Committee's submissions made to CSA dated 28 April 2006 with respect to the Discussion Paper *Expressing the voice of shareholders: a move to direct voting*.

With respect to our comments regarding that paper, and to the extent there is a sufficient nexus to apply the same view to the current Discussion Paper, the Committee supports the intention to facilitate increased shareholder participation in corporate governance. The Committee acknowledges the importance of retaining effective mechanisms so that shareholders are able to examine the affairs of the company.

Shareholder participation is vital in ensuring accountability of a company's board of directors and management, and it is important that initiatives such as the discussion paper seek to encourage companies to better value shareholder participation. Perhaps this is through examining the procedural efficiency of AGMs.

Should you have any queries in regard to this submission, please contact Tony Parbery, Acting Executive Member, Business Law Committee, on (02) 9926 0284 or by email to adp@lawsocnsw.asn.au

Yours sincerely,

Hugh Macken
President