



Director Nomination and Induction Information

Nomination of Directors

The Constitution of the Yackandandah Community Development Company Limited (YCDCo) defines the process for a Board appointment of a new Director to the YCDCo Board. The key points set out in the Constitution at 2.1 - 2.3 are:

- There must be at least 5 Directors on the Board.
- The Board may decide the number of Directors above 5.
- A person must hold at least 1 share in the Company to act as a Director.
- The Board may appoint a person to be a Director at any time except an Annual General Meeting.
- Directors appointed directly by the Board automatically retire and stand for re-election at the next AGM after appointment.

Appointment of Directors

For the purposes of appointing new Directors, the Board will publicly invite interested parties to complete an Expression of Interest in becoming a Director by a date set by the Board. The Board will then review Expressions of Interest received and meet those individuals that are determined to have the skills, knowledge and experience that match the operational needs and aspirations of the Company.

Those individuals with attributes which best match the needs of the Board will be formally appointed to the Board subject to the conditions laid out in the Constitution.

Director's roles and expectations

Newly appointed Directors will be given responsibility for a functional area of the Board's responsibilities. Directors manage their area of responsibility with the support and approval of the Board. More than one Director may be responsible for a functional area.

Currently, the Board meets on the fourth Thursday of each month from 5pm with occasional sub-committee meetings at other times as required. Directors should be prepared for Board meetings by reading financial reports, preparing reports on their area of responsibility and reading previous meeting minutes. From time to time, Directors may be asked to participate in planning activities, undertake tasks outside their designated role or prepare reports for the Board.

YCDCo has in place a range of policies and procedures, which govern the behaviour of employees and Directors alike. Directors should make themselves familiar with Company policy documents available via the YCDCo website. Further, Directors are expected to:

- Act with honesty and integrity
- Act in good faith and with the best interests of YCDCo

- Respect confidentiality and use information appropriately
- Exercise due care, diligence and skill
- Be aware of and comply with legislation
- Demonstrate leadership and stewardship of shareholders interests
- Understand the financial, social and strategic implications of decisions
- Understand financial accounts and other reports that come before the Board
- Raise questions, disagree and contribute to decision making when necessary

Directors may initiate projects under the auspices of YCDCo with the approval of the Board. Such projects may co-opt community members to form planning or strategic working parties.

Board/Site Manager Relationship

The activities of the Board and the site necessarily overlap in some areas and are separate in others. The function of the Board is to support and enhance the activities of the site as well as to provide checks, balances and oversight. The areas where activities of the Board and site necessarily overlap are those where we have shared responsibilities for compliance and risk management. These areas tend to have social, financial, corporate, environmental, health and safety and personnel foci.

There is no expectation that the site manager will embody all the skills, experience and knowledge required to meet any or all challenges they may be confronted with. The Board of Directors, and their experience and professional networks, is a resource available to the Site Manager to be called upon as and when required. Maintaining corporate awareness and a willingness to communicate with the Board are important parts of the site manager's role.

The Site Manager is responsible for the day-to-day operations of the yFuel site, management of staff, stock, equipment and infrastructure. Liaison between the Site Manager and the Board is via a nominated Director with responsibility for site oversight.

Induction Process

It is felt that giving new Directors an area of responsibility is an effective way of integrating them onto the Board. New Directors are expected to question when they are uncertain and contribute their knowledge and expertise.

The Chairman of the Board oversees the induction of new Directors onto the Board. Getting to know the business and the activities of the Board necessarily takes time. Initially Directors gain familiarity with the Company and Board members through the Expression of Interest, Director selection and appointment processes. New Directors will be given access to archived documents and are encouraged to speak informally with fellow Directors.

There is a range of resources which new Directors may use to familiarise themselves with the organisation, Board functions and operating environment. These include:

- The YCDCo website – www.ycdco.com.au includes the Constitution, annual reports and policy documents.
- Australian Securities and Investment Commission - <http://www.asic.gov.au/asic/asic.nsf>

- Corporations Act 2001 -
http://www.austlii.edu.au/au/legis/cth/consol_act/ca2001172/
- Our Community Website -
http://www.ourcommunity.com.au/boards/boards_article.jsp?articleId=1305
- Chairman of the Board of YCDCo