

Shareholder Resolution: Auditor Rotation Policy

Introduction

This resolution is submitted by the undersigned shareholders of [Company Name] (the “Company”) to be presented at the upcoming Annual General Meeting.

Background

The integrity of the external audit process is vital to protecting shareholders’ interests and ensuring reliable financial reporting. Auditor independence is threatened if the same accounting firm serves for an extended period. Regular rotation of the Company’s external auditor helps maintain objectivity and transparency.

Resolution

RESOLVED, that the shareholders of [Company Name] recommend that the Board of Directors adopt a policy that:

- Requires mandatory rotation of the Company’s external audit firm at least every [X] years;
- Establishes a competitive tendering process for selection of a new auditor prior to the completion of each rotation period;
- Prohibits the re-engagement of a previous audit firm for a minimum of [Y] years following its rotation out;
- Publishes details of the audit firm rotation policy and any exceptions in the Company’s annual report.

Supporting Statement

We believe this policy will strengthen the independence of the external audit, improve audit quality, and enhance transparency for all shareholders. We urge shareholders to vote FOR this proposal.

Submitted by:

[Shareholder Name(s)]

Date: [Insert Date]